

State Appropriations

June 1, 2011

Dear colleagues,

As you know, the Michigan legislature finalized the state budget late last week.

The original proposal introduced by Governor Rick Snyder survived the legislative process largely intact. Unfortunately, the budget contains a significant cut in appropriations for Michigan's universities.

Some months ago, I asked the entire campus community to share thoughts on how we might create efficiencies that would enable us to withstand an anticipated deep cut from the state. As a result of this campus-wide exercise, we received many good ideas regarding revenue generation, metrics and accountability, operational restructuring, work schedules, shared services, lean processes, compensation, benefits, facilities management and outsourcing. These ideas have been a valuable resource as we develop our budget for FY12.

The state budget calls for a 15 percent cut in appropriations for Oakland University (and all other public universities in the state), provided we keep any tuition increase for Fall 2011 under 7.1 percent. This amounts to the largest appropriations cut we've received in decades.

On June 8, we will present a proposed budget to the Board of Trustees. At that time, the administration will recommend a tuition increase that will fall below the 7.1 percent tuition restraint measure imposed by the state budget. While this will avoid a potential 22 percent cut in state revenue, we will nonetheless need to continue working together to minimize the affect budget adjustments have on the quality of the programs we offer.

As always, I want to thank you for your hard work, flexibility and patience as we move forward. I'm confident that your ongoing commitment to Oakland University and the students we serve will allow us to overcome these obstacles and continue to enhance the outstanding reputation that all of us have helped to build.

Sincerely,

Gary