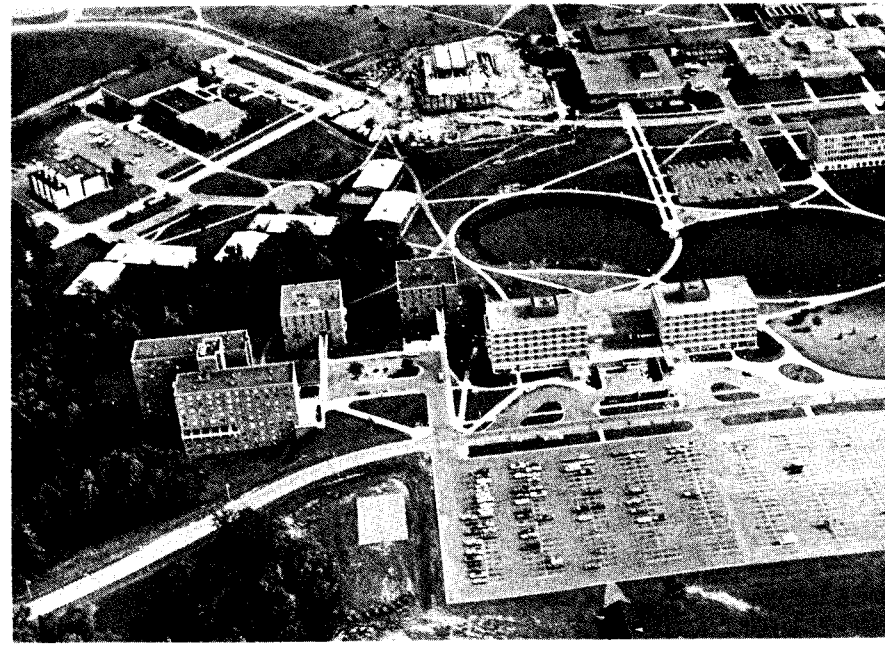


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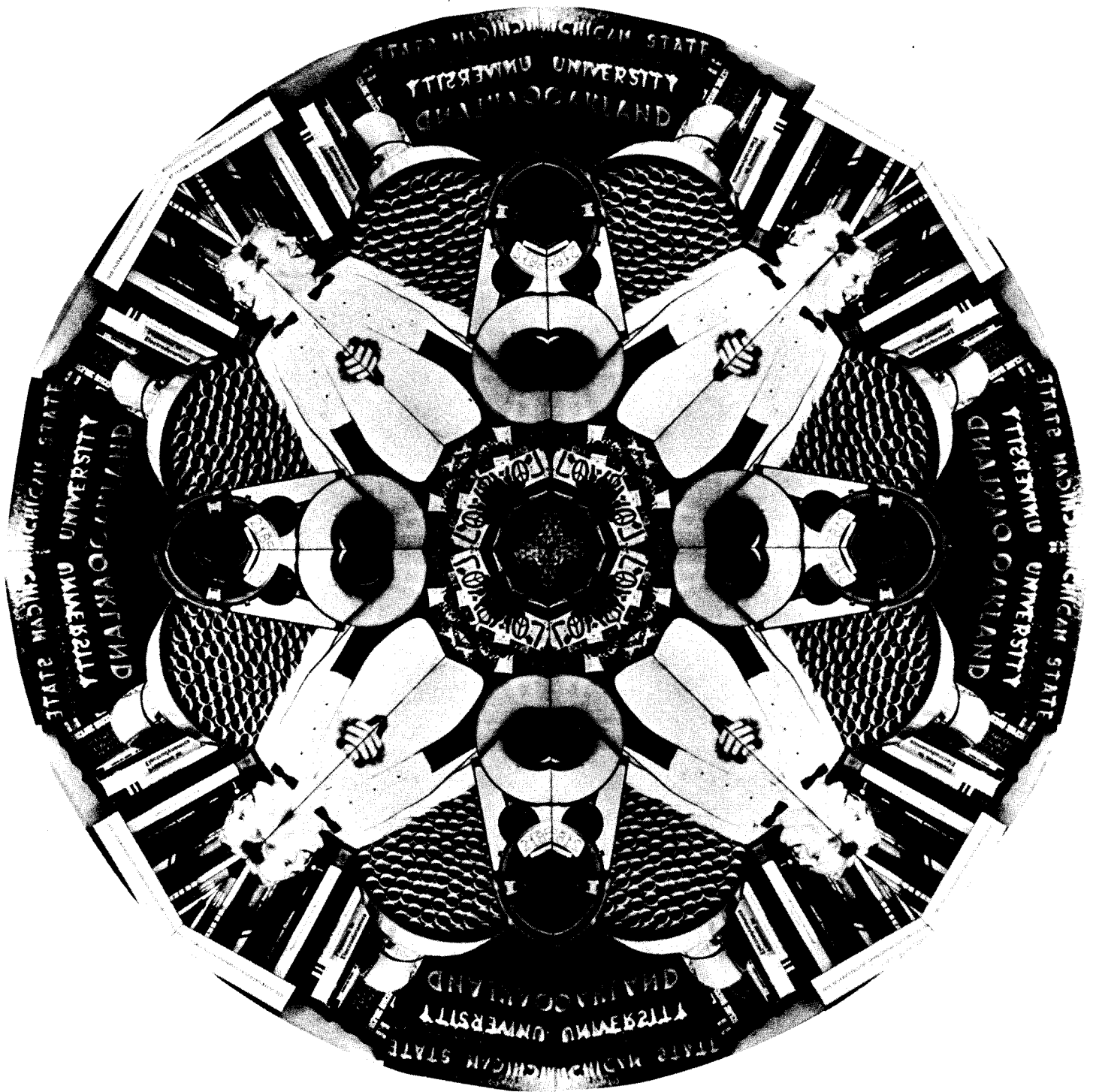
Table of Contents

Oakland University, A Coming of Age	2
Financial Highlights	7
Statements of Financial Condition	8
Notes to Financial Statements	17
Operating Revenues and Expenditures	18
General Fund Revenue Per Fiscal Year Equated Student	18
Academic Highlights	19
Administrative Highlights	19
Faculty Promotions and Continuing Contract Awards	19

Oakland University
1959-1979

NON-CIRCULATING

Changing to Meet the Challenge
Of Each New Decade



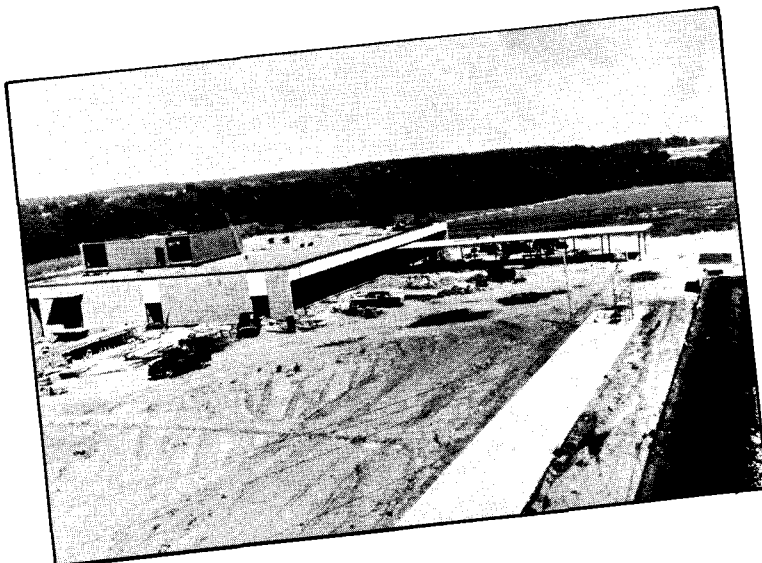
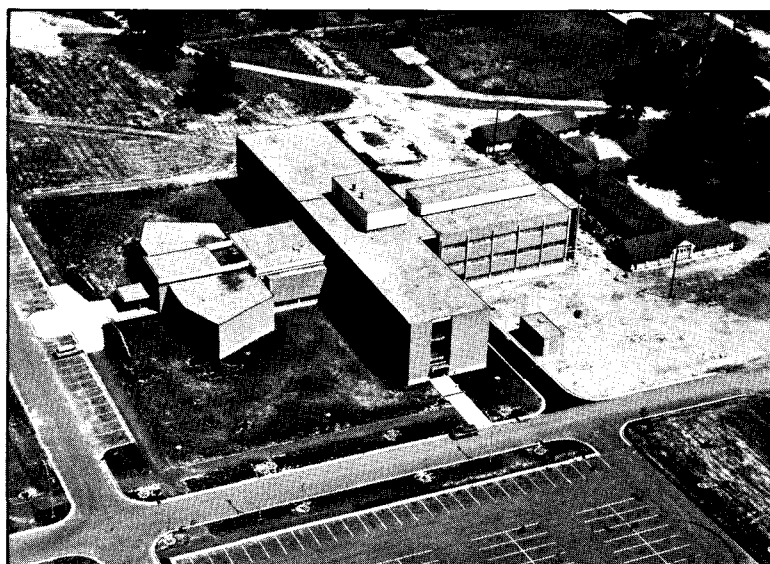
Oakland University A Coming of Age

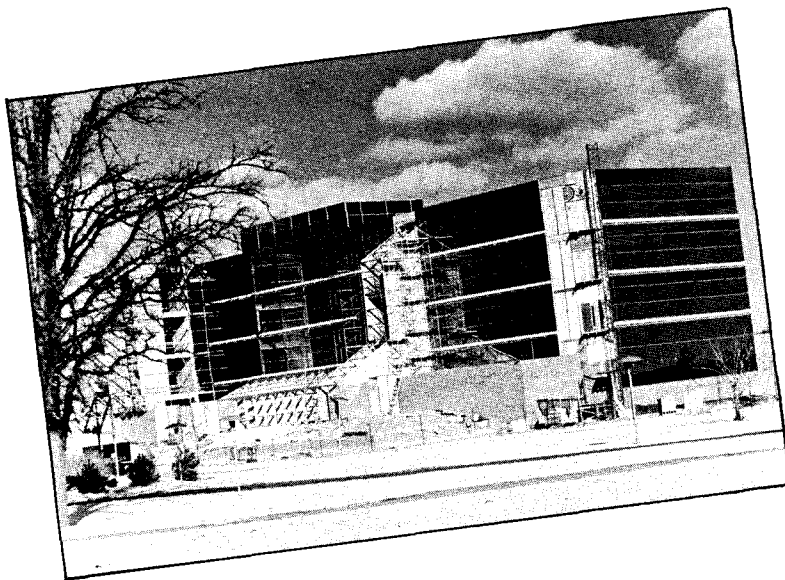
There are many milestones that permit a university to reflect on itself. The end of a decade often serves that purpose. The celebration of a major anniversary (such as 20 years of service) does the same. The changing of administrations is a time for reflection and evaluation. And, an institutional evaluation such as an accreditation visit provides a similar opportunity.

For Oakland University, all of these events have occurred during 1979. The annual report provides an appropriate opportunity to use these events to reflect on the development of Oakland University since its inception 20 years ago.

The university fiscal year began with the emphasis on the upcoming accreditation review by the North Central Association of Colleges and Schools. The decennial review was conducted during the fall, and accreditation was continued for another decade. The year ended with the announcement by university President Donald D. O'Dowd that he would be leaving the university after a decade as the chief executive officer to assume the position of executive vice-chancellor of the State University of New York. At approximately the same time, Kenneth H. Coffman, vice-president for campus and student affairs and a long-time university staff member, was named president of Spring Arbor College.

These events—combined with the end of the 1970s and the celebration of 20 years of service—provide the university with a rare opportunity to pause and note the remarkable developments over the past two decades.





The early Oakland story is a familiar one to those who are affiliated with the university. In early 1957, Alfred G. and Matilda R. Wilson donated their 1,400-acre Meadow Brook Estate, along with \$2 million, to the State of Michigan and Michigan State University to form a new institution in Oakland County. With considerable publicity, national leaders in education were brought together in the Meadow Brook Seminars to examine the structure of the new university.

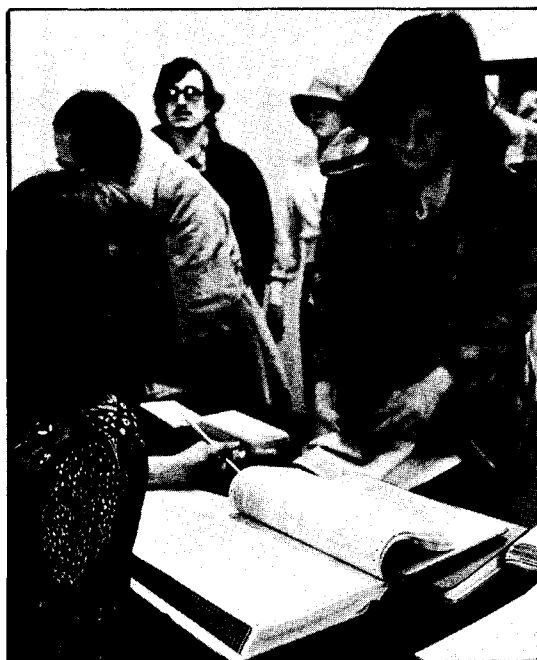
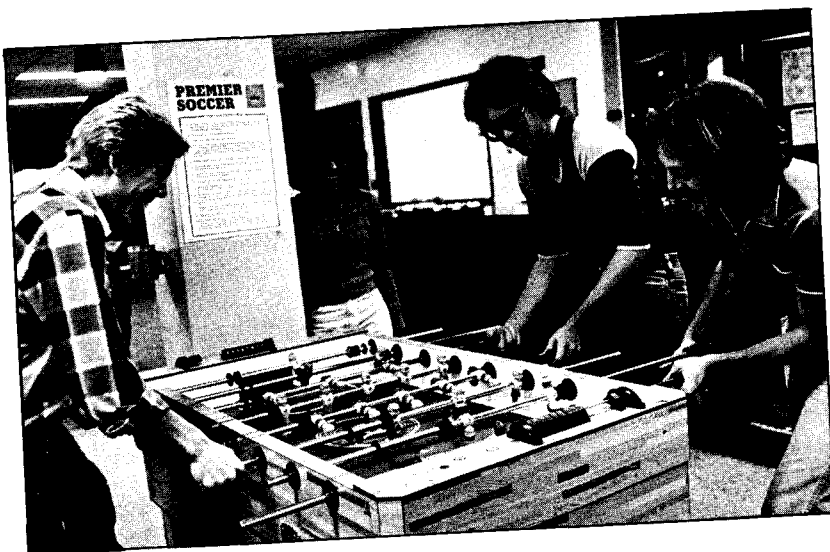
Michigan State University-Oakland, as the institution was called in its early years, opened its doors in the fall of 1959. Some 570 students and 24 faculty provided the base for the university. The program in 1959 was entirely undergraduate, and many of the activities, both curricular and public service, that are now considered an integral part of the university were nonexistent.

The ensuing two decades have seen major growth and development in the university. The 1,400-acre estate in what had been a rural section of Oakland County has been transformed into a major campus in the heart of a rapidly developing suburban county. The physical growth of the campus has been obvious. Many of the estate buildings have been converted to university use, with Meadow Brook Hall the centerpiece of such conversion. The academic and administrative buildings have emerged from the original two (North and South Foundation Halls) into a complex of eight buildings. Housing for students has been made possible with the development of seven residence halls. And campus life has been enriched with the construction of the Meadow Brook Music Festival pavilion, a student center, a health center, a sports building, athletic playfields, and a golf course.

Growth in the university population has also been impressive during the two decades. While the 1960s were the golden age of growth in higher education, Oakland University continued its strong development during the 1970s as well. From the initial student body of 570 in 1959, the university now enrolls more than 11,000 students and has some 17,500 alumni.

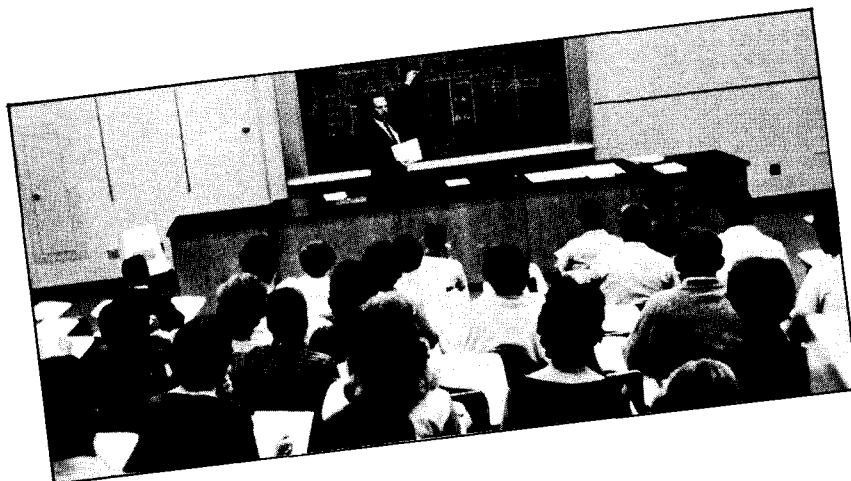
Faculty development has paralleled the growth in student population. From the initial teaching staff of 24, the university has built a faculty with enviable quality. Oakland faculty—now numbering more than 400—have won many prestigious national academic awards, and have made a major commitment to research activity. (OU ranked fourth in the state in research activity during 1978-79, receiving nearly \$4 million in research and project grants from government agencies and private business.) Along with this research activity, Oakland University has maintained its commitment to excellence in the classroom, and virtually all OU courses are taught by faculty members rather than teaching assistants.





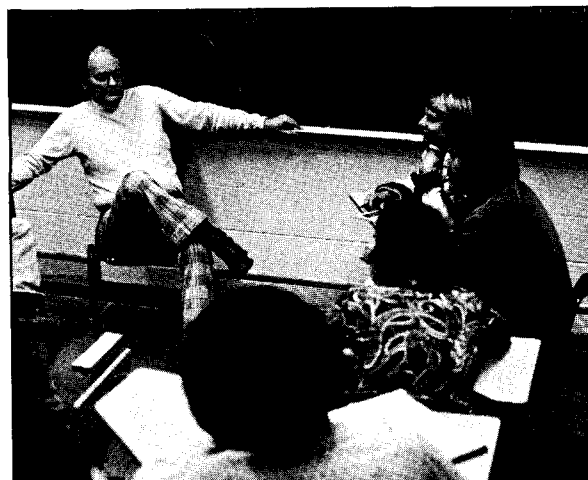
The strength of the academic program is highlighted by the continuing expansion of the curriculum at Oakland. While initially the university provided for an undergraduate curriculum housed in essentially a liberal arts college, academics today are complex and specialized. In addition to the College of Arts and Sciences, the university structure includes a Graduate School, the School of Economics and Management, School of Engineering, School of Human and Educational Services, School of Nursing, School of Performing Arts, Center for Community and Human Development, Center for General and Career Studies, and Center for Health Sciences. The undergraduate curriculum has given way to a varied and complete set of degree offerings while graduate degrees are now offered in 28 different fields.

Public service activity at Oakland University has become a hallmark of the institution since the Meadow Brook Music Festival opened in 1964. With the following addition of the Meadow Brook Theatre, the opening of the Meadow Brook Hall as a conference center, and the development of the Meadow Brook Art Gallery, OU has achieved national distinction by focusing its public service activity in the cultural arena. Nearly 400,000 persons visit the campus each year to participate in the various Meadow Brook activities.



But perhaps the best way to reflect upon the 20 years of service is to close with an objective summary of the report from the North Central Association. The statement reflects peer evaluation of Oakland University from those intimately involved with higher education.

"Since its inception two decades ago, Oakland University has made great progress. It has recruited an excellent faculty and an able top administrative staff. While in some areas its growth has outrun its building program, it has developed an attractive campus with a modern, well-designed physical plant. On the basis of our limited contacts, it seems fair to conclude that Oakland students are well trained and well satisfied with the education they are receiving. The university's concern for quality is reflected in a number of strong departments, the new Arts and Sciences Honors College and the careful review process for approval of new graduate programs. Its ambitious and impressive continuing education and outreach activities serve its surrounding community well. By most measures, Oakland University is a well established and rapidly maturing academic institution that is a credit to the State of Michigan."



FINANCIAL HIGHLIGHTS

	1978/79	1977/78	% INCREASE (DECREASE)
Total operating revenues	\$39,311,000	\$35,590,000	10.4
General Fund revenues	25,931,000	23,286,000	11.4
State appropriation	17,498,000	15,301,000	14.4
Student fees	7,473,000	7,152,000	4.5
Gifts and grants for operations:			
Federal	2,054,000	2,767,000	(25.8)
Others	1,729,000	1,317,000	31.3
	3,783,000	4,084,000	(7.4)
Total operating expenditures and transfers	39,178,000	34,835,000	12.5
General Fund expenditures and transfers	25,877,000	23,103,000	12.0
Expenditures for organized research	1,293,000	1,101,000	17.4
Total payroll	25,208,000	22,744,000	10.8
Market value of endowment funds	1,350,000	1,387,000	(2.7)
Book value of total assets	88,947,000	77,424,000	14.9
Physical properties	66,850,000	62,699,000	6.6
Long-term indebtedness	14,612,000	13,489,000	8.3
Debt service payments	1,260,000	1,137,000	10.8
Student aid:			
Grants	1,259,000	1,196,000	5.3
Loans	582,000	622,000	(6.4)
Enrollment, fiscal year equated students	8,873	8,825	.5
Total head count—fall semester	11,220	11,051	1.5
Students in residence halls	1,425	1,332	6.9
Meadow Brook Music Festival—attendance	185,273	172,636	7.3
Meadow Brook Theatre—attendance	137,488	142,935	(3.8)

FINANCIAL STATEMENTS

Report from the Auditors

We have examined the statements of financial condition of the several funds of Oakland University as of June 30, 1979, and the related statements of changes in fund balances and current funds revenues, expenditures and transfers for the year ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously made a similar examination of the financial statements for the preceding year.

In our opinion, the financial statements referred to above present fairly the financial position of the several funds of Oakland University at June 30, 1979, and the changes in their fund balances and the current funds revenues, expenditures and transfers for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Detroit, Michigan
September 7, 1979

GENERAL FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 35,803.72	\$ 41,251.87
Short-term investments	2,037,000.00	1,642,000.00
Accounts receivable, less allowance of \$39,509.76 (1978—\$42,676.59)	59,958.46	31,319.77
Inventories	175,055.07	175,673.00
Prepaid expenses	164,610.47	182,697.32
TOTAL ASSETS	2,472,427.72	2,072,941.96
LIABILITIES		
Accounts payable	423,282.86	179,400.17
Accrued payrolls	899,578.63	805,368.91
Unearned student fees	566,363.56	555,117.25
Student tuition deposits	65,310.00	69,493.00
TOTAL LIABILITIES	1,954,535.05	1,609,379.33
FUND BALANCE	\$ 517,892.67	\$ 463,562.63
FUND BALANCE		
Obligated by contractual commitments	\$ 78,668.00	\$ 112,824.00
Committed to following year's operations	439,224.67	350,738.63
TOTAL FUND BALANCE	\$ 517,892.67	\$ 463,562.63

Statements of Changes in Fund Balance

	Year Ended June 30	
	1979	1978
Balance at beginning of year	\$ 463,562.63	\$ 280,924.62
Revenues over expenditures and transfers	54,330.04	182,638.01
BALANCE AT END OF YEAR	\$ 517,892.67	\$ 463,562.63

DESIGNATED FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 6,984.75	\$ 911.56
Short-term investments	990,000.00	1,025,000.00
Accounts receivable	42,091.02	40,938.77
Prepaid expenses	19,683.66	23,673.17
TOTAL ASSETS	1,058,759.43	1,090,523.50
LIABILITIES		
Accounts payable	105,736.11	69,750.66
Accrued payrolls	2,834.35	1,138.80
Unearned conference fees	11,622.53	12,833.04
TOTAL LIABILITIES	120,192.99	83,722.50
FUND BALANCE	\$ 938,566.44	\$ 1,006,801.00

Statements of Changes in Fund Balance

	Year Ended June 30	
	1979	1978
Balance at beginning of year	\$1,006,801.00	\$ 698,108.84
Revenues over (under) expenditures and transfers	(68,234.56)	308,692.16
BALANCE AT END OF YEAR	\$ 938,566.44	\$ 1,006,801.00

AUXILIARY ACTIVITIES FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 925.79	\$ 891.57
Short-term investments	782,000.00	451,000.00
Accounts receivable	241,570.31	193,117.26
Due from Plant Fund	5,000.00	
Inventories	516,651.90	474,247.30
Prepaid expenses	328,665.73	267,079.26
TOTAL ASSETS	1,874,813.73	1,386,335.39
LIABILITIES		
Accounts payable	580,094.92	219,685.78
Accrued payrolls	10,632.38	11,390.21
Unearned revenue	736,884.45	755,046.62
Student room deposits	725.00	825.00
TOTAL LIABILITIES	1,328,336.75	986,947.61
FUND BALANCE	\$ 546,476.98	\$ 399,387.78

Statements of Changes in Fund Balance

	Year Ended June 30	
	1979	1978
Balance at beginning of year	\$ 399,387.78	\$ 135,422.26
Revenues over expenditures and transfers	147,089.20	263,965.52
BALANCE AT END OF YEAR	\$ 546,476.98	\$ 399,387.78

EXPENDABLE RESTRICTED FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 27,083.84	\$ 9,511.79
Cash held by trustee	68,400.32	7,675.59
Short-term investments	600,000.00	463,000.00
Marketable securities (market value: (1979—\$191,918.75; 1978—\$222,375.75)	192,336.36	217,789.41
Accounts receivable:		
United States Government agencies	174,146.12	161,549.94
Other	332,217.50	198,680.69
	<u>506,363.62</u>	<u>360,230.63</u>
TOTAL ASSETS	1,394,184.14	1,058,207.42
LIABILITIES		
Accounts payable	49,000.85	85,471.33
Accrued payrolls	12,655.87	9,078.92
TOTAL LIABILITIES	61,656.72	94,550.25
FUND BALANCE	\$ 1,332,527.42	\$ 963,657.17

Statements of Changes in Fund Balance

	Year Ended June 30	
	1979	1978
Balance at beginning of year	\$ 963,657.17	\$ 1,131,661.14
Increase (decrease) in restricted revenues held for future expenditures	368,870.25	(168,003.97)
BALANCE AT END OF YEAR	\$ 1,332,527.42	\$ 963,657.17

See notes to financial statements

Statement of Current Funds Revenues, Expenditures and Transfers

	General Fund	Designated Fund
REVENUES		
Student fees	\$ 7,473,001.25	
State appropriations	17,498,475.00	
Federal contracts and grants	15,841.33	
Gifts and other grants		\$ 74,877.19
Income from investments:		
Endowment Fund		
Other	178,305.44	298,339.66
Departmental activities	130,182.97	1,175,868.79
Auxiliary activities		
Application fees	118,039.50	
Recovery of indirect cost of sponsored programs	517,180.10	
Decrease (increase) in restricted revenue held for future expenditures		
TOTAL REVENUES	25,931,025.59	1,549,085.64
EXPENDITURES AND TRANSFERS		
Instruction	12,866,244.40	469,123.21
Research	151,212.65	68,854.90
Public service	265,881.17	327,787.85
Academic support	2,657,926.47	79,614.28
Student services	1,988,767.30	129,937.93
Institutional support	3,441,653.98	205,476.76
Scholarships and fellowships	807,794.44	
Operation and maintenance of plant, after deduction of \$488,374.00 (1978—\$441,044.00) for utility charges to Auxiliary Activities Fund	2,894,984.85	3,229.78
Auxiliary activities:		
Operations, less rent from General Fund of \$298,239.31 (1978—\$317,524.28)		
Internal service operations, less rebilling of \$1,731,113.32 (1978—\$1,492,574.16)		
TOTAL EXPENDITURES	25,074,465.26	1,284,024.71
Mandatory transfers for:		
Debt service	446,366.14	
Scholarships and fellowships—loan matching grants	2,319.00	
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	25,523,150.40	1,284,024.71
Other transfers for:		
Instruction	50,535.05	(63,035.05)
Research	88,500.00	(70,000.00)
Public service		(11,800.00)
Academic support		(6,000.00)
Student services	62,974.00	(1,843.27)
Institutional support		145,000.00
Plant improvement and extension	151,536.10	340,973.81
Scholarships and fellowships		
Meadow Brook Hall maintenance and repair reserve		
TOTAL EXPENDITURES AND TRANSFERS	25,876,695.55	1,617,320.20
REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS	\$54,330.04	\$ (68,234.56)

Year Ended June 30, 1979				
Auxiliary Activities		Expendable Restricted		Year Ended June 30, 1978
Fund	Subtotal	Fund	Combined	Combined
	\$ 7,473,001.25		\$7,473,001.25	\$ 7,151,538.92
	17,498,475.00		17,498,475.00	15,301,400.00
	15,841.33	\$2,407,455.16	2,423,296.49	2,598,816.70
	74,877.19	1,653,744.66	1,728,621.85	1,317,230.24
		166,631.30	166,631.30	99,743.82
	476,645.10	63,729.66	540,374.76	276,736.50
	1,306,051.76	2,563.79	1,308,615.55	1,138,203.09
\$8,422,724.36	8,422,724.36		8,422,724.36	7,423,998.34
	118,039.50		118,039.50	114,447.10
	517,180.10	(517,180.10)	-0-	-0-
		(368,870.25)	(368,870.25)	168,003.97
8,422,724.36	35,902,835.59	3,408,074.22	39,310,909.81	35,590,118.68
	13,335,367.61	667,050.02	14,002,417.63	12,571,459.20
	220,067.55	1,054,128.31	1,274,195.86	1,100,687.56
	593,669.02	561,557.90	1,155,226.92	1,321,800.39
	2,737,540.75	51,943.32	2,789,484.07	2,496,643.45
	2,118,705.23	337,409.70	2,456,114.93	2,263,905.36
	3,647,130.74	113,896.98	3,761,027.72	3,287,853.78
	807,794.44	445,228.23	1,253,022.67	1,153,526.41
	2,898,214.63	17,140.88	2,915,355.51	2,768,197.16
7,994,572.78	7,994,572.78		7,994,572.78	6,873,965.06
31,715.40	31,715.40		31,715.40	(137,085.19)
8,026,288.18	34,384,778.15	3,248,355.34	37,633,133.49	33,700,953.18
668,522.16	1,114,888.30		1,114,888.30	1,111,106.73
	2,319.00		2,319.00	42,493.80
8,694,810.34	35,501,985.45	3,248,355.34	38,750,340.79	34,854,553.71
	(12,500.00)		(12,500.00)	
	18,500.00		18,500.00	
(263,784.92)	(275,584.92)	275,584.92		
	(6,000.00)		(6,000.00)	
(82,008.69)	(20,877.96)	20,877.96		
(131,312.25)	13,687.75	(140,744.00)	(127,056.25)	(286,351.56)
48,798.62	541,308.53		541,308.53	234,812.78
		4,000.00	4,000.00	(600.00)
9,132.06	9,132.06		9,132.06	32,408.06
8,275,635.16	35,769,650.91	3,408,074.22	39,177,725.13	34,834,822.99
\$ 147,089.20	\$ 133,184.68	\$ -0-	\$ 133,184.68	\$ 755,295.69

STUDENT LOAN FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 451.86	\$ 839.40
Short-term investments	80,000.00	38,000.00
Accounts receivable	6,862.45	13,492.00
Student loans receivable:		
University student loans, less allowance of \$1,000.00	28,948.74	16,520.26
Federal student loans, less allowance of \$560,000.00	2,715,030.17	3,078,895.70
Deposit with state loan guaranty agency	1,000.00	1,000.00
TOTAL ASSETS (EQUAL TO FUND BALANCE)	\$2,832,293.22	\$3,148,747.36
FUND BALANCE		
University student loan funds	\$ 48,006.74	\$ 51,077.75
Federal student loan funds:		
Federal portion	2,501,140.63	2,752,772.81
University portion	283,145.85	344,896.80
	<u>2,784,286.48</u>	<u>3,097,669.61</u>
TOTALS	\$2,832,293.22	\$3,148,747.36

Statements of Changes in Fund Balance

	Year Ended June 30, 1979			Year Ended June 30, 1978
	Federal Student Loan Funds	University Student Loan Funds	Total	Total
Balance at beginning of year	\$3,097,669.61	\$51,077.75	\$3,148,747.36	\$3,056,018.10
Additions:				
Federal government contributions	161,739.00		161,739.00	168,568.48
Gifts and other grants		134.00	134.00	2,116.58
General Fund support	2,319.00		2,319.00	42,493.80
Federal reimbursement for cancellations	6,935.00		6,935.00	8,784.00
Interest on student loans	54,074.33		54,074.33	51,731.43
Investment income	8,249.00		8,249.00	3,440.17
Collections on bad debts		2,301.79	2,301.79	2,723.77
	<u>3,330,985.94</u>	<u>53,513.54</u>	<u>3,384,499.48</u>	<u>3,335,876.33</u>
Deductions:				
Provision for possible collection losses which may result on loans				101,000.00
Cancellations for teaching or military service, death and bankruptcy	24,892.88		24,892.88	44,982.03
Administrative expenses	42,207.16		42,207.16	37,543.83
Uncollectible notes charged off		2,712.80	2,712.80	2,003.11
Transfer to Expendable Restricted Fund				1,600.00
Assignment of loans to Federal agency	479,599.42		479,599.42	
Other		2,794.00	2,794.00	
BALANCE AT END OF YEAR	\$2,784,286.48	\$48,006.74	\$2,832,293.22	\$3,148,747.36

ENDOWMENT FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 288.80	\$ 653.80
Short-term investments	172,000.00	153,000.00
Marketable securities (market value: 1979—\$1,349,924.59; 1978—\$1,392,322.64)	1,380,618.15	1,364,620.23
TOTAL ASSETS (EQUAL TO FUND BALANCE)	<u>\$1,552,906.95</u>	<u>\$1,518,274.03</u>
FUND BALANCE		
Endowment funds	\$1,340,712.55	\$1,331,079.63
Funds functioning as endowment	212,194.40	187,194.40
FUND BALANCE	<u>\$1,552,906.95</u>	<u>\$1,518,274.03</u>

Statements of Changes in Fund Balance

	Year Ended June 30	
	1979	1978
Balance at beginning of year	\$1,518,274.03	\$1,442,009.03
Additions (deduction):		
Gifts	5,632.92	26,265.00
Transfer from Plant Fund	25,000.00	50,000.00
Transfer from Expendable Restricted Fund	4,000.00	
Interest and dividend income	181,988.29	100,596.93
Distribution of earnings to beneficiary funds	(181,988.29)	(100,596.93)
BALANCE AT END OF YEAR	<u>\$1,552,906.95</u>	<u>\$1,518,274.03</u>

PLANT FUND

Statement of Financial Condition

	Unexpended Appropriations for Plant Additions	Reserve for Debt Service
ASSETS		
Cash	\$ 197.97	
Cash and investments with trustees		\$1,036,479.91
Short-term investments		
State appropriations receivable	6,810,000.00	
Grants receivable	95,000.00	
Note and pledge receivable	65,000.00	
Physical properties:		
Land		
Land improvements		
Buildings		
Equipment		
Library books		
Construction in progress—Note B		
TOTAL ASSETS	6,970,197.97	1,036,479.91
LIABILITIES		
Accounts payable	29,620.31	
Equipment purchase contract		
Note and bonds payable—Note C		700,000.00
Note payable held in escrow for future gift to the university		
Due to Auxiliary Activities Fund	5,000.00	
TOTAL LIABILITIES	34,620.31	700,000.00
FUND BALANCE	\$6,935,577.66	\$ 366,479.91
FUND BALANCE		
Invested in physical properties		
Unfunded completed construction		
Restricted	\$6,935,577.66	\$ 336,479.91
Designated		
TOTAL FUND BALANCE	\$6,935,577.66	\$ 336,479.91

Statement of Changes in Notes and Bonds Payable and Fund Balance

	Unexpended Appropriations for Plant Additions	Reserve for Debt Service
NOTES AND BONDS PAYABLE		
Balance outstanding at beginning of year	\$ -0-	\$ 700,000.00
Equipment purchase contract		
Notes and bonds principal retired		
BALANCE OUTSTANDING AT END OF YEAR	\$ -0-	\$ 700,000.00
FUND BALANCE		
Balance at beginning of year	\$ 596,335.62	\$ 328,585.92
Additions (deductions):		
State appropriations and grants	7,730,000.00	
Gifts	31,250.00	
Income from investments	1,575.00	67,507.13
From (to) other funds:		
General Fund	32,801.10	565,101.54
Designated Fund	213,917.56	
Auxiliary Activities Fund	48,798.62	668,522.16
Expendable Restricted Fund		
Endowment Fund		
Agency Fund		
Expenditures from operating funds for equipment		
Plant assets retired		
Adjustment to investment in equipment		
Expenditures for capital additions	(1,719,100.24)	
Sale of land		
Interest and trust agent fees		(744,436.71)
Notes and bonds retired		(516,037.45)
Intrafund transfers		(32,762.28)
BALANCE AT END OF YEAR	\$6,935,577.66	\$ 336,479.91

See notes to financial statements

June 30, 1979			June 30, 1978	
Reserve for Maintenance and Replacement	Invested in Physical Properties	Total	Total	
\$ 15,497.22		\$ 15,695.19	\$	45,613.96
50,737.05		1,087,216.96		1,061,498.88
44,000.00		44,000.00		
		6,810,000.00		607,000.00
		95,000.00		73,700.00
		65,000.00		55,000.00
	\$ 4,509,488.82	4,509,488.82		4,509,488.82
	2,675,356.23	2,675,356.23		2,494,038.60
	45,391,798.97	45,391,798.97		45,042,339.87
	8,496,251.61	8,496,251.61		6,385,022.76
	3,987,836.39	3,987,836.39		3,659,752.36
	1,789,823.50	1,789,823.50		608,705.99
110,234.27	66,850,555.52	74,967,467.67		64,542,161.24
		29,620.31		39,908.37
	1,541,442.85	1,541,442.85		
	12,325,209.21	13,025,209.21		13,443,689.51
	45,000.00	45,000.00		45,000.00
		5,000.00		100,000.00
	13,911,652.06	14,646,272.37		13,628,597.88
<u>\$110,234.27</u>	<u>\$52,938,903.46</u>	<u>\$60,321,195.30</u>	<u>\$50,913,563.36</u>	
	\$52,938,903.46	\$52,938,903.46	\$49,910,658.89	
			(148,917.56)	
\$ 65,675.24		7,337,732.81	1,106,752.06	
44,559.03		44,559.03	45,069.97	
<u>\$110,234.27</u>	<u>\$52,938,903.46</u>	<u>\$60,321,195.30</u>	<u>\$50,913,563.36</u>	

June 30, 1979			Year Ended June 30, 1978	
Reserve for Maintenance and Replacement	Invested in Physical Properties	Total	Total	
\$ -0-	\$12,788,689.51	\$13,488,689.51	\$13,881,126.41	
	1,639,000.00	1,639,000.00		
	(516,037.45)	(516,037.45)	(392,436.90)	
<u>\$ -0-</u>	<u>\$13,911,652.06</u>	<u>\$14,611,652.06</u>	<u>\$13,488,689.51</u>	
\$ 77,982.93	\$49,910,658.89	\$50,913,563.36	\$48,906,725.66	
		7,730,000.00	263,700.00	
		31,250.00	20,779.49	
15,357.00		84,439.13	69,563.26	
		597,902.24	461,641.26	
		213,917.56	(186,351.56)	
9,132.06		726,452.84	766,686.31	
			50,000.00	
(25,000.00)		(25,000.00)	(50,000.00)	
			6,998.00	
	1,087,803.17	1,087,803.17	1,256,314.63	
	(273,027.98)	(273,027.98)	(140,631.64)	
	(21,668.31)	(21,668.31)	(40,599.31)	
	1,719,100.24	-0-	-0-	
		(744,436.71)	273,226.56	
	516,037.45	-0-	(744,489.30)	
32,762.28		-0-	-0-	
<u>\$110,234.27</u>	<u>\$52,938,903.46</u>	<u>\$60,321,195.30</u>	<u>\$50,913,563.36</u>	

RETIREMENT AND INSURANCE FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 235.01	\$ 62,771.77
Short-term investments	1,179,000.00	1,245,000.00
Accounts receivable	48,580.42	
Deposits	32,328.90	27,390.29
TOTAL ASSETS	<u>1,260,144.33</u>	<u>1,335,162.06</u>
LIABILITIES		
Accounts payable	117.60	
Future unemployment compensation claims	7,435.01	65,798.06
TOTAL LIABILITIES	<u>7,552.61</u>	<u>65,798.06</u>
FUND BALANCE	<u>\$1,252,591.72</u>	<u>\$1,269,364.00</u>

Statements of Changes in Fund Balance

	Year Ended June 30	
	1979	1978
Balance at beginning of year	\$1,269,364.00	\$1,144,103.56
Investment income	111,678.85	72,249.51
Purchase of annuity (deduction)	(167,000.00)	
Benefits paid (deduction)	(7,017.62)	
Employer's contribution	22,631.50	27,365.50
Other	22,934.99	25,645.43
BALANCE AT END OF YEAR	<u>\$1,252,591.72</u>	<u>\$1,269,364.00</u>

AGENCY FUND

Statements of Financial Condition

	June 30	
	1979	1978
ASSETS		
Cash	\$ 204,586.54	\$ 1,683.33
Short-term investments	1,205,000.00	1,111,000.00
Accounts receivable	124,867.29	59,173.37
Due from Plant Fund		100,000.00
TOTAL ASSETS	<u>\$1,534,453.83</u>	<u>\$1,271,856.70</u>
LIABILITIES		
Accounts payable	\$ 53,530.16	\$ 18,965.88
Payroll taxes and other payroll deductions	1,419,081.35	1,157,182.61
Accrued payrolls	938.47	13,359.37
Due to depositors	60,903.85	82,348.84
TOTAL LIABILITIES	<u>\$1,534,453.83</u>	<u>\$1,271,856.70</u>

Notes to Financial Statements

NOTE A—SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared generally in accordance with the accounting principles outlined in the American Institute of Certified Public Accountants' audit guide, *Audits of Colleges and Universities*, and the *Manual for Uniform Financial Reporting—State of Michigan Colleges and Universities*, as revised.

Fund Classification: The accounts of the university are summarized for financial reporting purposes into the following nine funds.

The current funds consist of the General, Designated (use restricted by university policy), Auxiliary Activities and Expendable Restricted (use restricted by donor or supporting agency). These funds are used to account for transactions related to the instructional and academic programs (including restricted purpose contracts and grants, research, extension and departmental programs) and the auxiliary activities which provide services to the student body, faculty and staff and public. The statement of current funds revenues, expenditures and transfers is a statement of financial activities of the current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

The noncurrent funds and their functions are described as follows: (1) the Student Loan Fund is used to account for transactions related to loans to students; (2) the Endowment Fund is used to account for gifts which allow only the income thereon to be expended and includes similar funds under board controls; (3) the Plant Fund contains the transactions relating to investment in institutional physical properties (except those held for investment purposes), indebtedness incurred in the financing thereof and reserves for maintenance, replacement and insurance; (4) the Retirement and Insurance Fund contains transactions related to pension and insurance plans controlled by the institution; and (5) the Agency Fund is used to account for amounts withheld from payrolls, employer portions of payroll taxes and various payroll benefits, amounts held in custody for students, university-related organizations or others and amounts received from the federal government under the Basic Educational Opportunity Grants Program (expenditures \$745,775.00 in 1979).

Accrual Accounting: The financial statements have been prepared generally on the accrual basis with the following exceptions, which are common practices in colleges and universities: (1) vacation pay is recorded when paid; (2) investment income and interest on student loans are recorded when received; (3) interest expense on debt is recorded when paid and (4) gifts and pledges are generally recorded when received.

Investments: Investments are stated at cost or fair market value at date of gift.

Institutional Physical Properties: Institutional physical properties are stated at cost or fair market value at the date of gift. Amounts expended directly from current funds for equipment or other capital additions are included in expenditures or transfers of such funds and are capitalized in the Plant Fund. Depreciation is not provided on physical properties; however, certain repair and maintenance reserves have been established to provide for significant repair and maintenance costs to residence facilities.

Inventories: Inventories are stated at the lower of average cost (bookstores determined by the retail method) or market. The General Fund inventories consist of maintenance and classroom supplies of user departments.

Revenue Recognition: All revenues and related expenditures incurred in connection with the current summer school are deferred at June 30. Expendable Restricted Fund revenue is recognized only to the extent expended.

NOTE B—CONSTRUCTION IN PROGRESS

Construction in progress at June 30, 1979 includes approximately \$1,790,000.00 for architectural and consulting fees and construction costs on the classroom office building, to be funded by the State Building Authority and leased to the university under a long-term lease arrangement. The estimated cost of the building is \$8,500,000.00.

The additional cost to complete the remaining projects is estimated to be \$100,000.00 and is to be funded from unexpended funds or gifts.

NOTE C—NOTE AND BONDS PAYABLE

The principal and interest on the note and bonds of the Plant Fund are payable only from the net income of specific auxiliary activities or from designated student fees. The obligations are generally callable, bear interest at rates varying from 3.0% to 8.5% and mature at various dates through 2017. Principal amounts payable within one year approximate \$364,300.00.

NOTE D—RETIREMENT PLANS

The university has contributory retirement plans for all qualified employees. The plans are administered by Teachers' Insurance and Annuity Association of America-College Retirement Equities Fund (TIAA-CREF) and consist of employee-owned annuity contracts funded on a current basis. Contributions by the university for the year aggregated \$1,560,939.89.

The university also maintains a noncontributory retirement plan for employees who have elected not to participate in the contributory plan or who had a past-service benefit in the noncontributory plan on the date the contributory plan was elected.

NOTE E—CONTINGENCIES

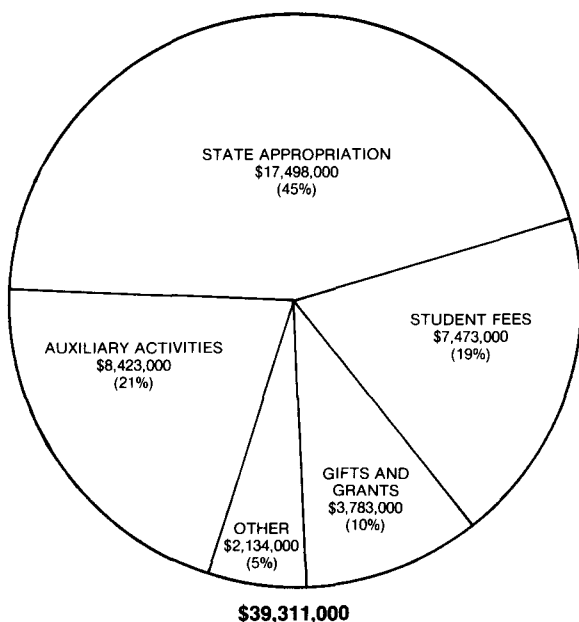
In the normal course of its activities, the university is a party in various legal actions. Although some actions have been brought for large amounts, the university has not experienced significant losses or costs. The university and its legal counsels are of the opinion that the outcome thereof will not have a material effect on the financial statements.

NOTE F—OAKLAND UNIVERSITY FOUNDATION

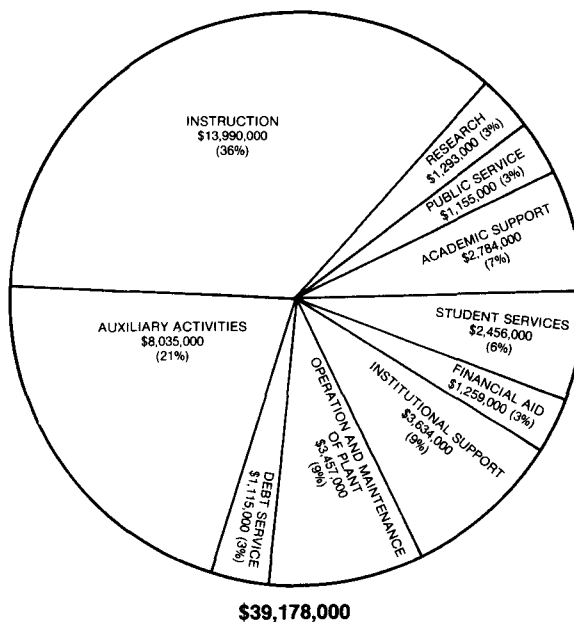
Oakland University Foundation is an independent corporation formed for the purpose of receiving funds for the sole benefit of the university. At June 30, 1979, the net assets of the foundation were \$251,918.30 and are included in the financial statements of the Expendable Restricted Fund.

Operating Revenues and Expenditures Year Ended June 30, 1979

SOURCE OF FUNDS

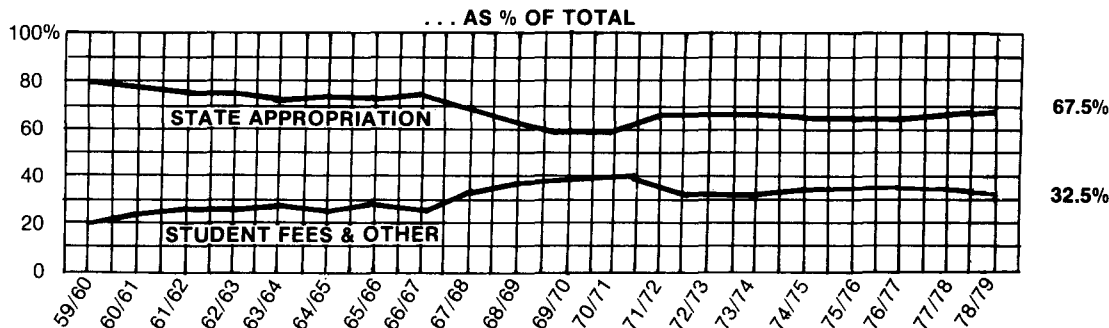


USE OF FUNDS



General Fund Revenue Per Fiscal Year Equated Student

FISCAL YEAR	FISCAL YEAR EQUATED STUDENTS	SOURCE		TOTAL
		STATE APPROPRIATION	STUDENT FEES AND OTHER	
1960	471	\$1,167	\$274	\$1,441
1961	765	1,149	328	1,477
1962	1087	901	305	1,206
1963	1290	1,177	379	1,556
1964	1480	1,055	384	1,439
1965	1859	1,187	419	1,606
1966	2551	1,028	409	1,437
1967	3283	1,295	446	1,741
1968	4086	1,073	500	1,573
1969	4852	1,040	635	1,675
1970	5905	1,058	723	1,781
1971	6643	1,063	722	1,785
1972	6981	1,308	577	1,885
1973	7403	1,404	633	2,037
1974	8241	1,474	670	2,144
1975	8537	1,466	733	2,199
1976	8612	1,538	774	2,312
1977	8493	1,625	885	2,510
1978	8825	1,734	905	2,639
1979	8873	1,972	950	2,922



Academic Highlights

- The university received over \$3,800,000 in external funding for academic projects and research... a 50% increase over the previous year.
- New approved curricular additions include undergraduate majors in biochemistry and industrial health and safety; undergraduate minors in dance, theatre arts, psychology; undergraduate concentration in gerontology; and master's degree programs in applied mathematics and applied statistics.
- In the College of Arts and Sciences Isaac Eliezer was appointed Associate Dean for Mathematical and Natural Sciences and Sheldon Appleton became the Associate Dean and Director of Advising.
- Laszlo J. Hetenyi became the Acting Dean of the School of Performing Arts.
- The Center for Community and Human Development became an independent administrative unit with Jacqueline Scherer appointed as its faculty director.
- Within the College of Arts and Sciences, the reappointments of professors Raynold Allvin, Richard Burke, Joseph Dement and William Schwab as chairpersons of the Departments of Music, Philosophy, English, and Linguistics, respectively, were confirmed. Professor Carlo Coppola was also reviewed and reappointed chairperson of the Area Studies Programs. In addition, professors Peter Bertocci and Thomas Casstevens have been appointed to initial terms as chairpersons of the Departments of Sociology and Anthropology and Political Science, respectively. Professor Leo Gerulaitis has agreed to serve as co-chairperson of New Charter College. Professor Peter Evarts, chairperson of the Department of Learning Skills, has agreed to a one-year extension of his appointment.

For 1979-80, an acting chairperson, Professor Joseph Klaitis has been appointed for the Department of History. In the

School of Economics and Management, Professor Alice Gorlin has been appointed as chairperson of the Department of Economics.

- The engineering curriculum was split into separate specializations (computer and information science, electrical, mechanical, systems, computer, and general engineering) with accreditation extended to each area by the Engineers Council for Professional Development.
- The School of Education became the School of Human and Educational Services.
- The State Board of Nursing awarded full approval to the university's baccalaureate nursing program.
- The Center for Health Sciences completed its Health and Medical Programs Feasibility Study for the university and submitted its findings to the state legislature.

Administrative Highlights

- Installation of a Honeywell MULTICS DPS-1 computer was completed.
- The ground breaking ceremony for the new classroom and office building was held on November 2, 1978. Known as O'Dowd Hall, the building is scheduled for completion in late 1980.
- Restoration and remodeling of the Dodge Clubhouse at Katke-Cousins Golf Course was completed.
- The 1978/79 men's swimming team finished second in the NCAA Division II championships.
- Residence halls were filled to capacity.
- Private fund-raising activities made significant progress:
President's Club membership increased to 222 persons. University Associates now total 50, and Century Club membership has increased to 713.
The Annual Alumni Fund Drive attracted a record number of contributions totaling \$50,000.
- The number of academic student organizations increased to 17.
- Meadow Brook Theatre performances continued to draw large crowds with box office ticket sales averaging 94% of the house capacity.
- A pilot word processing system was introduced within the university.
- The Student Enterprise Theatre hosted the opening session of the American College Theatre Festival regional competition.

Faculty Promotions and Continuing Contract Awards

Faculty members promoted to assistant professor were:

Nursing

Shirley R. Laffrey
Pamela G. Reed

Faculty members promoted to associate professor were:

Arts and Sciences

Thomas W. Church (Political Science)
James E. Dawson (Music)
R. Douglas Hunter (Biological Sciences)
Harold Zepelin (Psychology)

Economics and Management

Alice C. Gorlin (Economics)

Douglas D. Gregory (Economics and Management)

Engineering

Yau Yan Hung

Human and Educational Services

Jean L. Easterly (Teacher Education)

Faculty members promoted to professor were:

Arts and Sciences

Frederick W. Obear (Chemistry)
Arun K. Roy (Biological Sciences)

Human and Educational Services

W. Dorsey Hammond (Teacher Education)

Administrative-professional personnel awarded continuing contracts during 1978-79 were:

Doreen Bieryla, Residence Halls
Johnetta Brazzell, Urban Affairs
George Catton, Physical Plant
Elizabeth Conner, Graduate Office
Sylvia Fink, Continuum Center
Clair Magoon, Employee Relations
Paul McDowell, Meadow Brook Hall
Adeline Nowacki, Business Affairs
Elaine Petz, Alumni Relations
Margaret Taylor, Employee Relations

Oakland University is a state supported institution of higher education located in Rochester, Michigan. The university offers a wide range of more than 70 undergraduate programs and 28 post-graduate programs. The university is governed by an eight member Board of Trustees appointed by the governor.

BOARD OF TRUSTEES

Ruth H. Adams	Term expires August 11, 1982
David Handleman	Term expires August 11, 1980
Richard H. Headlee (Vice-Chairperson)	Term expires August 11, 1984
Marvin L. Katke	Term expires August 11, 1986
David B. Lewis (Chairperson)	Term expires August 11, 1980
Alex C. Mair	Term expires August 11, 1986
Ken Morris	Term expires August 11, 1982
Arthur W. Saltzman	Term expires August 11, 1984

George T. Matthews, Interim President
 John H. De Carlo, Secretary
 Robert W. Swanson, Treasurer

CENTRAL ADMINISTRATION

George T. Matthews, Interim President
 George A. Catton, Director of Physical Plant Services
 William W. Connellan, Director of Public Relations and Information Services
 John H. De Carlo, Secretary to the Board of Trustees and Vice-President and General Counsel
 Robert A. Dearth, Director of Special Projects
 Lowell R. Eklund, Dean of Continuing Education
 M. Patricia Houtz, Acting Director for Student Affairs
 Frederick W. Obear, Vice-President for Academic Affairs and Provost
 Wilma H. Ray-Bledsoe, Assistant to the President and Director of Urban Affairs
 Robert W. Swanson, Vice-President for Business Affairs

ACADEMIC ADMINISTRATION

Robert H. Bunger, Assistant Vice-President
 George Coon, Acting Dean of the School of Human and Educational Services
 Billie C. DeMont, Associate Provost for the Center for General and Career Studies
 Geraldene Felton, Dean of the School of Nursing
 George L. Gardiner, Dean of the Library
 Mohammed S. Ghausi, Dean of the School of Engineering
 Laszlo J. Hetenyi, Acting Dean of the School of Performing Arts
 Ronald M. Horwitz, Dean of the School of Economics and Management
 G. Philip Johnson, Dean of the Graduate School
 Keith R. Kleckner, Associate Provost for Admissions, Financial Aid, Registrar, Research and Instructional Services
 Moon J. Pak, Associate Provost for the Center for Health Sciences
 Jacqueline Scherer, Faculty Director for the Center for Community and Human Development
 Reuben Torch, Dean of the College of Arts and Sciences