

New Year Update

January 20, 2005

Colleagues,

As we move into the winter semester of 2005, and the challenging and fulfilling work we are engaged in on behalf of our students and greater community, I'd like to take a moment to share some information about the state budget picture and a few other items as well.

The projected state of Michigan general fund shortfall for the current fiscal year 2004/05 is expected to be approximately \$335 million, down from the earlier anticipated \$440 million reported last month. This amount is expected to more than double in the upcoming fiscal year 2005/06.

As you know, higher ed has been hit hard in recent years. State spending on higher education has fallen by \$221 million in the past four years, a drop of more than 11 percent. At Oakland, we have all felt the difficult cuts in one form or another. All the while, we have done our utmost to preserve the quality and value of an OU degree. I thank you for your perseverance and continued commitment to our mission and vision.

One positive outcome of the state's budget challenges is a recent report issued by Lt. Governor John Cherry's Commission on Higher Education and Economic Development. In it, 19 recommendations are given for ways to double the number of Michigan college graduates. Those of us who served on the commission are hopeful that this report becomes an incentive for the state to set higher education as a top priority for the future of Michigan's economy.

The Governor is expected to announce her budget plans on February 10, which will give a clearer picture of what we can anticipate for higher education. Based on the significant cuts we have already endured and the recommendations of the Cherry Commission report, I am optimistic that the final outcome will be less painful.

Shifting to internal topics, our numbers for winter 2005 enrollment are encouraging. We will have an official count the end of this month, but I can share that enrollment as of the first day of classes for winter was 15,174, 3 percent higher than at that point last year.

In other good news, there has been recent change in the way Campus Mail Services is funded. Based on a new model developed by a cross-campus Mail Services Review Committee, central budget relief has been given to the many areas of campus that rely on mail services for ongoing business support. Among other benefits, all departments now receive lower fees for mailing services, lower prices for print and mail jobs and elimination of the surcharge on regular outgoing business mail. My thanks to the committee members who worked hard to develop this new model that offers benefit to the community.

On the personnel front, welcome to Terry Stollsteimer, associate vice president for Facilities Management. Terry recently joined the university, coming to us from Henry Ford Community College where he was the director of buildings and grounds. An architect by training, Terry has more than 30 years experience in architectural, facilities and institutional operations. We look forward to the contributions and leadership Terry will bring to the work of the facilities management team.

Finally, I'd like to direct your attention to an informative look back at [2004 -- the Year in Review](#). It is a testament to the contributions you made in support of our mission and vision in a short twelve-month period. Congratulations on a wonderful year.