

**Agendum
Oakland University
Board of Trustees Formal Session
June 27, 2025**

**GENERAL FUND BUDGET AND TUITION RATES
FOR FY2026**

A Recommendation

1. Division and Department: Finance and Administration, Budget and Financial Planning Office

2. Introduction: Board of Trustees (Board) approval is requested for the FY2026 General Fund Budget and Tuition Rates. Highlights and assumptions for this proposal are described below.

Attachment A is the Oakland University (University) FY2026 Proposed General Fund Budget which provides summarized budget information (including the School of Medicine) and a comparison to the FY2025 General Fund Budget.

Attachment B is the proposed Schedule of Tuition Rates Effective Fall Semester 2025.

State Appropriations:

The State of Michigan FY2026 budget has not yet been finalized. The Governor, Senate and House of Representatives have each proposed an FY2026 State of Michigan higher education budget, however, the timing of final passage of the budget is uncertain. The Governor and Senate have proposed 4% and 3% across the board increases, respectively. The current House proposal includes a 3.1% overall reduction in state appropriations to Michigan's public universities; however, Oakland University is slated to receive a 27.3% increase under this proposal. Given the uncertainty surrounding the final outcome of the legislative budget process, the University has taken a conservative approach in its FY2026 budget planning. Accordingly, the proposed state appropriation has been set at a 1.5% increase – aligned with Oakland's 10-year average annual increase. This equates to \$74,427,514 for FY2026.

Tuition:

In order to carry out its Strategic Vision and make improvements in areas that have been identified as critical measures of success, the University requires additional resources. Tuition is the primary source of General Fund revenues, accounting for 77.8% of the proposed General Fund budget, 77.1% not including the School of Medicine. The proposed FY2026, average tuition rate for a full-time resident freshman is \$16,575, an increase of 4.5%, or \$23.75 per credit hour. This complies with a 4.5% tuition restraint included in the Governor, Senate and House budget proposals. The proposed FY2026 full-time resident graduate tuition rate is \$22,836, a 3.99% increase. The proposed FY2026 full-time resident doctoral tuition rate is \$15,224, a 3.99% increase. (See Attachment B).

General Fund Budget and Tuition Rates for FY2026
Oakland University
Board of Trustees Formal Session
June 27, 2025
Page 2

The differential tuition rates for four of Oakland's Professional Schools (School of Business Administration, School of Engineering and Computer Science, School of Health Sciences, and School of Nursing) are proposed to increase an average of 4.5%

The University remains strongly committed to managing the net cost of attendance for students pursuing an Oakland degree. As part of the proposed FY2026 budget, the University has allocated an estimated \$40.6 million in institutional financial aid. When combined with federal and state awards, this investment results in an average undergraduate tuition discount of approximately 29.6% of gross tuition – reflecting Oakland's continued focus on affordability and access.

Highlights of the Proposed General Fund Budget:

Revenue Budget Changes Primarily Include:

1. Projected state appropriation funding increase of \$1,099,914, 1.5% higher than FY2025
2. FYES enrollment of 13,533 (excluding the School of Medicine), up .8% as compared to the prior year budget (or up .9% as measured by student credit hours).
3. Average tuition of \$16,575 for a full-time resident freshman, an increase of \$23.75 per credit hour, 4.5%
4. Average Graduate in-state tuition of \$22,836 for full-time resident students, an increase of 3.99%
5. Average Doctoral in-state tuition of \$15,224 for full-time resident students, an increase of 3.99%
6. Annual School of Medicine rate of \$61,484, an increase of 2.0%

Expense Budget Changes Primarily Include:

1. Operating funds required for Board approved course offerings, utilities, insurance, debt service, IT upgrades, and other contractual obligations.
2. Continued focus on student financial aid funding including the student full aid guarantee, economic hardship fund, and need-based and competitive merit-based scholarship awards.
3. Operating funding required for approved academic programing with related faculty appointments. This includes: B.S. in Data Science; M.S. Smart Manufacturing; B.S. Mechatronics and Robotics Engineering; M.S. Interdisciplinary Health Systems; B.S. Applied Data Science; BS Ecology, Evolution and Env. Biology; and an M.S. Bioengineering, to name a few.
4. Addressing Core Operating needs
5. Investments in tools to support the OU Pledge – a commitment to provide our undergraduates with experience-based learning that enhances their academic knowledge.
6. Supporting Oakland's path to achieve R1

General Fund Budget and Tuition Rates for FY2026
Oakland University
Board of Trustees Formal Session
June 27, 2025
Page 3

7. Expanding the campus safety environment and maintaining compliance

3. **Previous Board Action:** On June 28, 2024 the Board approved the FY2025 General Fund Budget and Tuition Rates.

4. **Budget Implications:** Approval of the FY2026 Proposed General Fund Budget and the Schedule of Tuition Rates Effective Fall Semester 2025 provides the needed authorization for assessing students and expending University resources for instructional, programmatic and operating needs.

5. **Educational Implications:** The proposed General Fund budget provides for academic programming.

6. **Personnel Implications:** The proposed General Fund budget provides for personnel.

7. **University Reviews/Approvals:** The budget development strategies and assumptions were discussed with the Senate Budget Review Committee, and Senate Planning Committee. The FY2026 Proposed General Fund Budget and the Schedule of Tuition Rates Effective Fall Semester 2025 were developed by the Budget and Financial Planning Office, with input from the Strategy Council, and was reviewed by the Sr. Vice President for Finance and Administration and Treasurer to the Board of Trustees and the President.

8. Recommendation:

WHEREAS, the FY2026 Proposed General Fund Budget and Schedule of Tuition Rates Effective Fall Semester 2025 require Board of Trustees approval; now, therefore, be it

RESOLVED, that the Board of Trustees approves the FY2026 General Fund Budget at an expenditure level of \$318,060,735 (see Attachment A) and approved encumbrances and carry-forwards from the June 30, 2025 fund balance; and, be it further

RESOLVED, that the Board of Trustees approves the Schedule of Tuition Rates Effective Fall Semester 2025 (see Attachment B for details); and, be it further

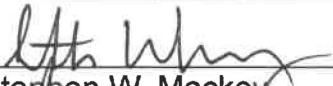
RESOLVED, that the Board of Trustees approves the spending of revenues generated in excess of budget to adequately cover the instructional, programmatic, and operating expenditures necessary to support the strategic plan.

General Fund Budget and Tuition Rates for FY2026
Oakland University
Board of Trustees Formal Session
June 27, 2025
Page 4

9. Attachments:

- A. FY2026 Proposed General Fund Budget
- B. Schedule of Tuition Rates Effective Fall Semester 2025

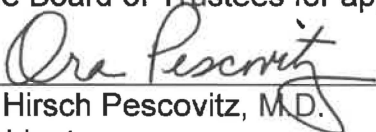
Submitted to the President
on 6/18/2025, 2025 by



Stephen W. Mackey

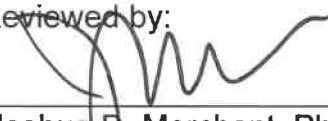
Sr. Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 6/18, 2025
to the Board of Trustees for approval by



Ora Hirsch Pescovitz, M.D.
President

Reviewed by:



Joshua D. Merchant, Ph.D
Chief of Staff and
Secretary to the Board of Trustees



Schedule of Tuition Rates Effective Fall Semester 2025

Tuition Current Year:

FY25

Tuition Proposed Year:

FY26

	Current Rates	Proposed Rates
Resident UG Lower	528.75	552.50
Resident UG Upper	615.75	643.50
Resident Grad	915.00	951.50
Resident Doctoral	915.00	951.50
Non Resident UG Lower	795.75	795.75
Non Resident UG Upper	853.25	853.25
Non Resident Grad	1,027.00	1,078.25
Non Resident Doctoral	1,027.00	1,078.25
SBA 001-299 courses	553.50	578.50
SBA 300+ courses	651.00	680.25
SECS 001-299 courses	565.00	590.50
SECS 300+ courses	665.00	695.00
SHS 001-299 courses	546.00	570.50
SHS 300+ courses	638.25	667.00
SON 001-299 courses	559.25	584.50
SON 300+ courses	656.25	685.75
Competency	55.00	55.00
SOM	60,278.00	61,484.00

Summary Comparison of Tuition Rates

	Current Rate	Proposed Rate	Credit Hour Assumption	Tuition Amount - Current	Tuition Amount - Proposed	% Change
Lower Division Tuition	528.75	552.50	30	15,862.50	16,575.00	-
Upper Division Tuition	615.75	643.50	30	18,472.50	19,305.00	-
CAS Residential Average	-	-	-	17,167.50	17,940.00	4.50%
Graduate Tuition	915.00	951.50	24	21,960.00	22,836.00	3.99%
Doctoral Tuition	915.00	951.50	16	14,640.00	15,224.00	3.99%

Lower / Upper Division Undergraduates Defined:

Lower Division - All non-matriculating (non-degree seeking) students, all O.U. freshman and sophomores with less than 56 credits.

Upper Division - Guest students from other colleges, all O.U. undergraduate students who have earned undergraduate degrees and who have been admitted to a second O.U. undergraduate degree program, all O.U. undergraduates with 56 or more credits, and all students with post bachelor admission status.

The School of Medicine tuition rate is annual.

Attachment A



Proposed General Fund Budget

Current Budget Year

FY25

Proposed Budget Year

FY26

	Current Year Budget	Proposed Budget	Amount Change	% Change
State Appropriation - Base	73,327,600	74,427,514	1,099,914	1.50%
State Appropriation - One Time	-	-	-	-
Student Tuition	274,131,784	287,044,925	12,913,141	4.71%
Financial Aid Offset	(52,589,787)	(50,881,704)	1,708,083	(3.25%)
Indirect Cost Recovery	2,800,000	1,540,000	(1,260,000)	(45.00%)
Miscellaneous Income	7,107,000	5,930,000	(1,177,000)	(16.56%)
Encumbrances	-	-	-	-
Total Funding Sources	304,776,597	318,060,735	13,284,138	4.36%
Less: Budgeted Expenditures	(304,776,589)	(318,060,735)	(13,284,146)	4.36%
Revenues Over (Under) Expenditures	8	-	(8)	(96.33%)

Total FYES

	Current Year FYES	Proposed Year FYES	Amount Change	% Change
SOM FYES	511	516	5	0.98%
Non-SOM FYES	13,424	13,533	109	0.81%
Total FYES	13,935	14,049	114	0.82%

Notes:

1) The university has adopted financial statement presentation changes as recommended by GASB 34 and 35 and NACUBO principles for financial statement presentation. As a result, institutional financial aid is shown as an offset to revenues.