

OAKLAND UNIVERSITY TRUSTEE ACADEMIC SUCCESS FUND
A Recommendation

1. **Division and Department:** Student Affairs and Enrollment Management; Center for Multicultural Initiatives

2. **Introduction:** On June 8, 1995, the Board of Trustees directed the President to establish the Oakland University Trustee Academic Success Fund (OUTAS), and restricted the purpose and use of the OUTAS funds to achieve the goal of recruitment and retention of a diverse student body.

Because the Board restricted the purpose and use of the OUTAS funds, the University holds and administers the OUTAS funds as a quasi-endowment and invests the OUTAS funds together with the University's endowment fund. Unlike all other University quasi-endowments and endowments that are administered by the University by using the earnings from the various funds to make awards consistent with their respective restricted purposes, the Board reserved to itself the administrative role of reviewing and approving the administration's recommendations regarding annual expenditures from the OUTAS funds. The administration has always used the OUTAS funds consistent with the Board's restricted purpose and the Board has always approved the administration's recommendations.

Currently, OUTAS earnings account for approximately \$180,000 of an annual University scholarship budget of over \$20 million dollars (a significant portion of the annual OUTAS awards are used to fund scholarships). The Office of Financial Aid, in collaboration with the offices of Finance and Administration and University Relations, centrally manages and tracks all our scholarship awards, including OUTAS.

The University is recommending a change in policy to give the President authority to administer and spend annual OUTAS earnings according to the Board's restricted purpose without seeking annual Board review and approval.

3. **Previous Board Action:** The Board of Trustees directed the establishment of the OUTAS Fund on June 8, 1995 utilizing proceeds from the sale of land to the City of Auburn Hills.

4. **Budget Implications:** To date, the Board has approved a total of \$ 3,525,343 for scholarships and programs funded by OUTAS.

5. **Educational Implications:** The OUTAS has supported 450 student scholarships and over 60 campus-wide multicultural programs.

6. **Personnel Implications:** None

7. **University Reviews/Approvals:** This proposed change in policy was recommended by the Vice President for Student Affairs and supported by the President and Board Leadership.

8. **Recommendation:**

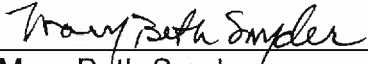
RESOLVED, that the Board of Trustees rescinds that portion of its June 8, 1995 resolution that requires the Board of Trustees to review and approve proposed expenditures from the OUTAS fund annually; and, be it further

RESOLVED, that the Board of Trustees hereby delegates full administrative and spending authority for OUTAS funds to the President; and, be it further

RESOLVED, that the Board of Trustees hereby reaffirms and restates that, consistently with federal Department of Education guidelines and other applicable law, the OUTAS funds shall be used to achieve the goal of recruitment and retention of a diverse student body.

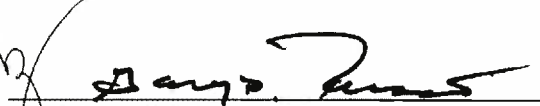
9. **Attachments:** None.

Submitted to the President
on January 19, 2010 by



Mary Beth Snyder
Vice President for Student Affairs
and Enrollment Management

Recommended on 1119, 2010
to the Board for approval by



Gary D. Russi
President