

OAKLAND COMMUNITY COLLEGE'S

PAFR

POPULAR ANNUAL FINANCIAL REPORT

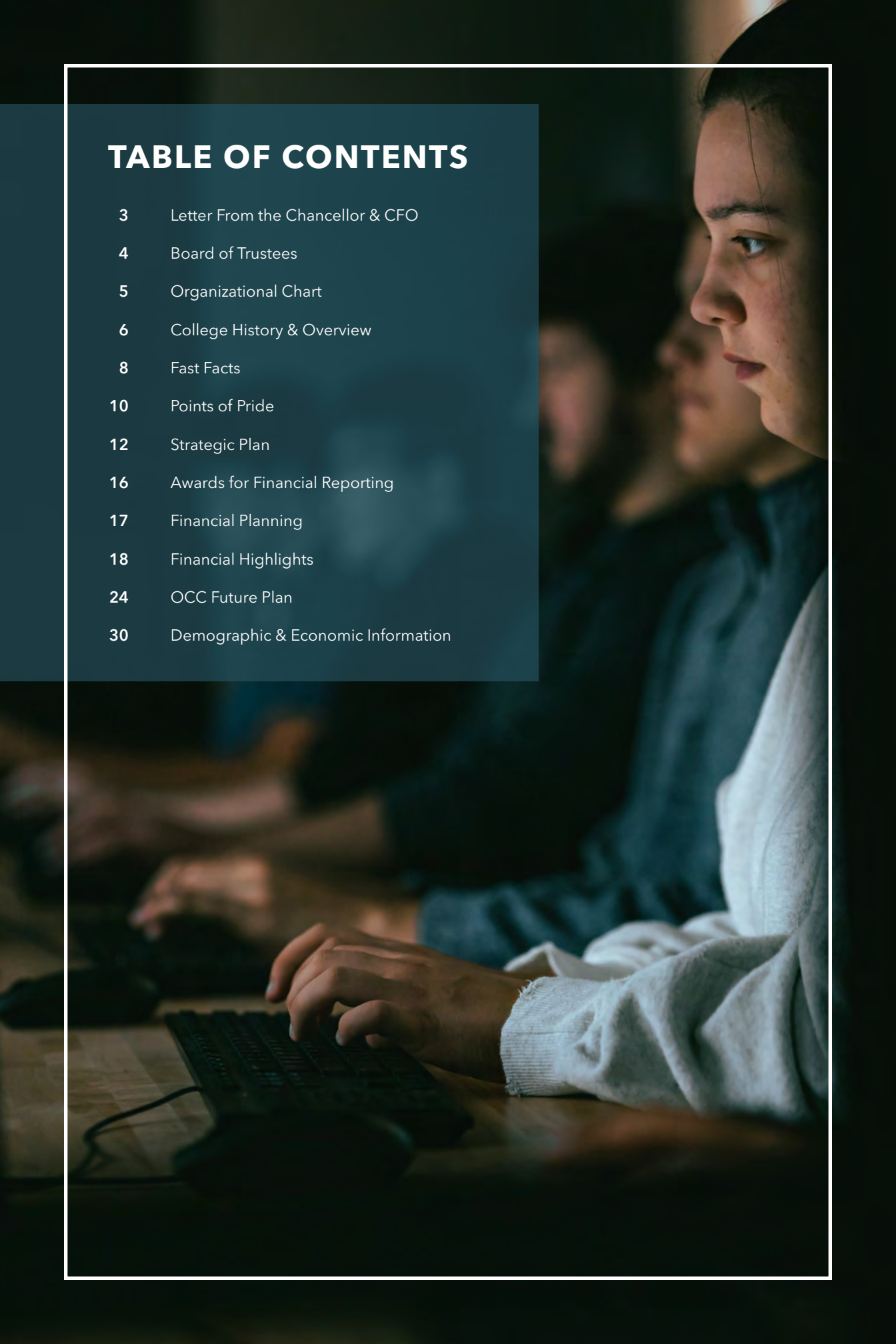
Fiscal Year ended June 30, 2024

Auburn Hills, Michigan



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LETTER FROM THE CHANCELLOR & CFO

Dear Citizens and Taxpayers of Oakland County:

Oakland Community College and the financial services department are pleased to present the fiscal year 2024 Popular Annual Financial Report (PAFR) in order to continue providing citizens and interested parties with a brief summary of the College's financial statements and other relevant financial information. This information is taken from the Annual Comprehensive Financial Report (ACFR) for fiscal year ended June 30, 2024. The ACFR is a more detailed and complete financial presentation prepared in accordance with Generally Accepted Accounting Principles (GAAP) and is audited by the College's independent external auditors, Plante Moran. The PAFR is an unaudited report and includes information on the College financial health and operations. In addition, the College's strategic plan, major capital projects, fast college facts, statistical and historical information about the College are all presented in a more easy-to-read, user-friendly format. This report does not replace the ACFR, but includes important details relevant to the College's financial condition.

OCC continues its strong commitment to best-in-class financial management and fiscal stewardship as recognized by the Government Finance Officers Association (GFOA), an organization dedicated to enhancing and promoting the professional

management of governmental financial resources. Oakland Community College is the recipient of the GFOA's 'Triple Crown' for its Certificate of Achievement for Excellence in Financial Reporting, Award for Outstanding Achievement in Popular Annual Financial Reports and the Distinguished Budget Presentation Award.

It is important that the College remains nimble in the face of changing conditions and challenges to ensure our commitment to student success and community advancement. A number of forces are currently shaping the future of higher education including job market factors, enrollment fluctuations and student preferences. We continue to develop strategies, including a five-year financial plan that responds to these emerging trends and aligns with the College's Mission, Values and Vision.

We hope the information presented in this PAFR further strengthens public confidence in Oakland Community College and helps to educate people about how their tax dollars are used to support the success of our students and communities. Electronic copies of the ACFR and PAFR are available at oaklandcc.edu/about/transparency-at-occ.

We invite you to share any questions, concerns or comments by contacting OCC at cmkostiu@oaklandcc.edu.

Sincerely,



Peter Provenzano Jr.

PETER M. PROVENZANO, JR.
CPA, CGMA
Chancellor



Christina Kostiu

CHRISTINA KOSTIUK
CPA
Vice Chancellor for
Administrative Services

BOARD OF TRUSTEES

Oakland Community College is governed by a seven-member Board of Trustees, responsible for all policy matters requiring attention or action. In collaboration with the College Chancellor, the Trustees work to achieve the goals outlined in the College Mission Statement. The board members are elected on a non-partisan, at-large

basis by voters within the College district, which generally aligns with the boundaries of Oakland County. Serving as volunteers, the Trustees are not compensated for their services and each serves a six-year term. The Board of Trustees delegates administrative responsibilities to the Chancellor and the administrative staff.



PAMELA S. JACKSON
Chairperson
Elected: 2016



KATHLEEN A. BERTOLINI
Vice Chairperson
Elected: 2016



SUSAN GIBSON
Secretary
Elected: 2020



SHIRLEY J. BRYANT
Treasurer
Elected: 2008



EDWARD D. CALLAGHAN
Trustee
Elected: 2022



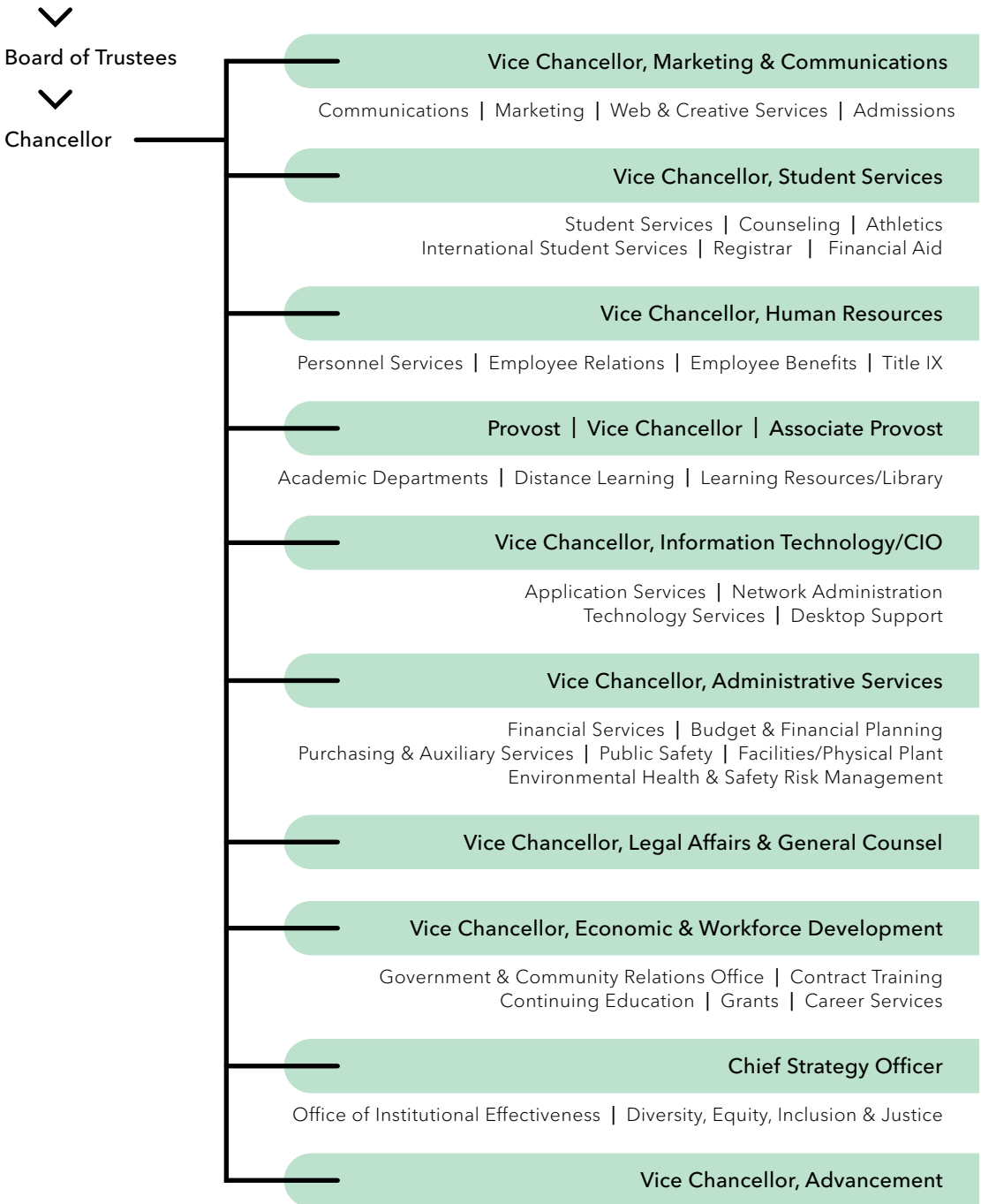
PAMALA M. DAVIS
Trustee
Elected: 1994



CHRISTINE M. O'SULLIVAN
Trustee
Elected: 2012

ORGANIZATIONAL CHART

Oakland County Residents



Component Unit: Foundation

COLLEGE HISTORY & OVERVIEW

The Oakland Community College District ("the College" or "OCC") was established by the electorate of Oakland County, Michigan, on June 8, 1964. The area served encompasses approximately 900 square miles and has market value of property of over \$195.4 billion. The county contains 28 public school districts with 45 public high schools. In addition, there are 37 non-public high schools in the district. With an estimated population of 1.27 million people, Oakland County is home to a mix of urban and rural communities, encompassing 62 cities, villages and townships, including 32 downtown areas and many scenic natural settings.

The College opened in September 1965, with a record community college initial enrollment of 3,860 students on two campuses – Highland Lakes, a renovated hospital in what was Union Lake, and Auburn Hills, a former Army Nike missile site in what was Auburn Heights.

The Orchard Ridge Campus, with its award-winning architectural design, opened in Farmington Hills in September 1967. First housed in leased facilities in Oak Park, the Southeast Campus System expanded through the purchase and remodeling of buildings at a second site in Royal Oak. In 1980, the Oak Park facilities were replaced by a new campus in Southfield. The Royal Oak buildings were replaced by a new campus complex which opened in the fall of 1982.

Since 1964, over 1 million students have attended OCC, with nearly 100,000 degrees and certificates granted. As a comprehensive two-year institution of higher education, Oakland Community College offers nearly 1,000 courses and over 80 programs in art, business, technology, health, science, humanities, public service and advanced manufacturing. This includes nearly 20 fully online programs. The College provides high quality curriculum that

meets the needs of the community while preparing individuals for high wage, high demand occupations, as well as providing pathways for students who wish to pursue advanced study at a four-year university.

As one of the top transfer institutions in Michigan, students intending to transfer to four-year schools make up nearly half of OCC's student body. To assist students who wish to pursue advanced study at four-year institution, the College currently has approximately 70 transfer-oriented agreements with 40 partnering institutions covering 90 OCC academic programs.

These agreements provide for the smooth transfer of course credits earned at OCC and avoids unnecessary repeating of courses at the four-year institution. As a result, students are able to complete their advanced study in a more cost effective and timely manner, by providing students who desire to continue their educational pursuit with information and resources. This will empower them to navigate the often-challenging seas of transfer, thus improving the student experience. Efforts to create transfer opportunities and enhance awareness remains steadfast. Ongoing communication throughout the year to all regionally accredited four-year colleges and universities in the state (40) has developed and/or enhanced transfer opportunities, awareness and institutional relationships, demonstrating OCC's commitment to exploring, developing and enhancing transfer partnerships.

OCC's dedicated faculty and staff are committed to providing academic and developmental experiences that will allow each student to reach their full potential and enhance the diverse communities they serve. OCC is a caring College that values innovation, strong student outcomes, high-quality service, and professionalism, at an affordable price.



FAST FACTS



More than
1 MILLION
students have
attended OCC



Approximately
103,000
degrees and
certificates granted



\$111
cost per contact hour
– among the lowest
in Michigan



1 OF EVERY 41
jobs in Oakland County
is supported by
OCC activities and students*

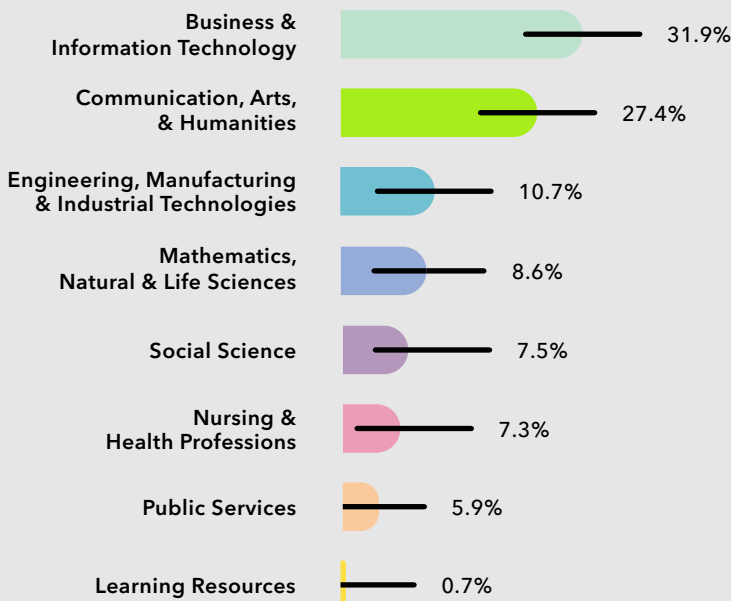


#1
transfer institution
in Michigan



18% ROI
OCC students'
historical return on
investment in OCC*

MOST POPULAR PROGRAMS**



STUDENTS

- Credit hours taken in 2024: 304,692
- Unduplicated head count: 23,223
- Male: 36.3%
- Female: 54.4%
- Part-time students: 73.5%

FACILITIES

- 360+ classrooms on 5 campuses
- 500+ acres over 5 sites
- Nearly 2.0 million square feet in facilities

* Data Source: OCC's Economic Impact Study Lightcase (previously know as EMSI) 2019

** Data Source: Office of Institutional Effectiveness, Data on October 8, 2024



POINTS OF PRIDE

ACADEMICS & STUDENT SERVICES

One of Michigan's largest multi-campus community college and top transfer institution in the state with over 80 degrees and certificate programs, including nearly 20 fully online degree and certificate options, including mental health/social work and health care administration.

OCC Foundation established new departmental program funds for the Food Pantry and Social Work program to support innovation ideas and initiatives by the areas of the college who oversee them.

14 additional program accreditations in specialized fields including nursing, health sciences, EMIT and more.

Honored nearly 1,900 graduates at 58th Commencement.

During the 2023-24 academic year, more than 600 students awarded annual, endowed and miscellaneous scholarships totaling \$363,480.

ADMINISTRATION

A Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report, one of only two community colleges in Michigan to earn this distinguished recognition.

Distinguished Budget Presentation Award for Fiscal Year 2024-2028 Five-Year Budget and Financial Forecast document, the highest award in governmental budgeting.

Award for Outstanding Achievement for the Popular Annual Financial Report.

OCC completes Higher Learning Commission's Year-Four Assurance Review.

Hosted Midwestern Diversity Equity and Inclusion (DEI) Conference on Bridging Equity: Creating Innovative Spaces for K-12 and Higher Education.

Perennial OCC Partnership with Detroit Institute of Arts' Inside|Out program featured 15 DIA reproductions across all campuses.

ECONOMICS & EMPLOYABILITY

Economic and Workforce Development leader in business and industry providing nearly \$5 million in contract training to 22 companies.

Lead college and fiduciary for multi college/agency collaboration expanding apprenticeships in southeast Michigan through a \$4 million federal grant.

ENHANCING THE STUDENT EXPERIENCE

OCC and Oakland University collaborate on a pilot program allowing OCC students to enjoy the benefits of living on the University's campus beginning fall 2024.

Faculty adopted Open Education Resources for their classes, saving students

more than \$2 million since Winter 2020.

Dr. Martin Luther King, Jr.'s daughter, Dr. Bernice A. King, discussed "The Fierce Urgency of Now" at OCC's MLK Convocation on Jan. 8, 2024.

PARTNERSHIPS AND DEGREE PATHWAYS

New Engineering transfer agreement with Oakland University provides OCC students who earn a Pre-Engineering associate degree an easier transfer to OU to earn a bachelor of science in Engineering.

Articulation agreement with University of Detroit Mercy making it easier for OCC pre-engineering graduates to complete a bachelor's degree in various engineering disciplines at UDM.

PEOPLE OF OCC

The American Culinary Federation Michigan Chefs de Cuisine has named OCC Chef Greg Stroker as the 2023 Educator Pastry Chef of the Year.

Rob Featherstone, HVAC faculty, is the only instructor in Michigan with all of the Esco Certifications.

OCC cross country runners Amy Rowan and Mackenzie Montagano named NJCAA All Americans.

Shawn Dry was named distinguished faculty of the year by the Alliance for Excellence in Online Education.

Counselor and Adjunct Faculty member Alicia Paramo-Dionne Named 2024 Diversity Excellence Award Recipient.

OCC student Kalen Rogers one of only 12 individuals from across the country – and the only community college student – selected for a prestigious Broadway intensive in Italy.

PROGRAM EXCELLENCE

Sign Language Interpreter Program is first and only accredited program in Michigan, one of only four accredited associate degree programs nationwide.

Michigan's largest regional Police and Fire Academies, and featuring the only community college 911 Dispatch Academy in Michigan and the state's only regional K-9 Dispatch Academy.

Fire Academy is the only nationally and internationally accredited program in Michigan.

OCC launches an associate degree in Supply Chain Management to meet the needs of the field's growing job demand.

Auto servicing faculty head Claude Townsend is the only certified NC3 Master Instructor at a Michigan community college.

National accreditation by the Automotive Service Education (ASE) Foundation.

The Machine Tool program is the only community college with a partnership with Hurco.

Pre-Engineering program is one of the few among Michigan community colleges that offer engineering courses that will transfer to 4-year universities.

The Robotics & Automation program offers the largest varieties of robot applications among Michigan community colleges.

Paralegal Program voted #1 in education in the Michigan Lawyers Weekly Reader Rankings.

Library Service and Technology Online Program is the only program offered in the four state Great Lakes region.

At the College's second annual National Signing Day event, 120 area high school seniors agreed to commit to Career and Technical Education studies at OCC.

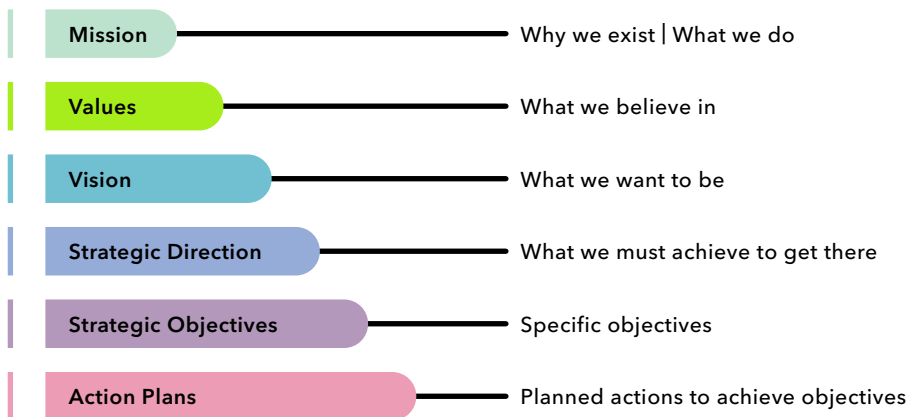
Top school in Michigan for awarding skill certifications through the National Coalition of Certification Centers (NC3).

STRATEGIC PLANNING

The College's current Mission, Values, Vision, Strategic Directions, and Strategic Objectives are focused on achieving excellence in everything we do. Oakland Community College is committed to empowering our students to succeed and advancing our community. Our Strategic Plan provides a roadmap for advancing the College and recognizes that our students, our staff, and our community are all essential partners in

our collective success. In alignment with the College's Mission, Values, and Vision, the Strategic Plan advances Strategic Directions and Strategic Objectives to create an inclusive and action-oriented model of college advancement.

The following summary illustrates the current hierarchy of language.



STRATEGIC PLANNING AND STEWARDSHIP

Strategic planning at Oakland Community College (OCC) is an inclusive model that actively engages volunteers from across the institution. The College recognizes that meaningful, high-impact, and pragmatic strategies can only be created through the direct engagement and contributions of those closest to our core functions.

OCC understands that one of the biggest threats to a strategic planning process is a lack of accountability. Too often, the creation of the plan becomes the primary output. To ensure a plan focused on creating and sustaining action, OCC's Executive Council (EC), consisting

of the Chief College Officers, serves as the Strategic Plan Steering Committee. In this role, the team provides direction, coaching, support, and counsel to the teams creating and deploying actions across the College.

Within the strategic plan process, the Steering Committee ensures that the College follows a cyclical and intentional process of planning, deployment, and evaluation. The Steering Committee views the strategic plan as a living document, rather than one that sits on a shelf. It ensures that the College models a regular, intentional, and cyclical process of continuous quality improvement.

STRATEGIC PLANNING PROCESS

Strategic planning at Oakland Community College is an ongoing endeavor involving a continuously evolving set of stakeholders, actions, and plans. Throughout the year, committees are assigned to each of the College's strategic objectives, working on two fronts simultaneously but with distinct focal points. At any given time, these committees are actively implementing actions defined in the previous year's planning while also preparing for the upcoming fiscal year's actions. They meet consistently throughout the year, managing their scope of work according to the process calendar outlined on the next page.

Supporting each strategic objective

committee are strategic action teams, which include a broader set of subject matter and process experts. These teams are responsible for executing the strategic actions defined at the objective level.

Each year, OCC's strategic plan engages in an independent external audit with Strategic In/Sight Partners (formerly Six Disciplines) (strategicinsightpartners.com), focused on continual growth in strategic processes, advancement, and inclusivity. A strategic planning survey was also implemented to gauge the awareness and engagement of stakeholders across every functional area of the College.



OAKLAND COMMUNITY COLLEGE'S STRATEGIC PLAN

The College's current Mission, Values, Vision, Strategic Directions, and Strategic Objectives are focused on achieving excellence in everything we do.



MISSION

OCC is committed to empowering our students to succeed and advancing our community.



VALUES

ACCESSIBLE - We welcome people of diverse backgrounds and abilities.

EXCELLENT - We offer high quality and relevant educational experiences, and celebrate the accomplishments of our people.

ETHICAL - We act with respect, integrity, and kindness, and carefully steward the resources entrusted to us.



VISION

Excellence in all we do: Become the college of choice.
Become the partner of choice. | Become the employer of choice.

PRIMARY INSTITUTIONAL GOAL

In 2023, OCC set a primary institutional goal to double graduation rates. This key objective helps the organization align activities and resources to significantly improve this critical success indicator, thereby advancing OCC's mission. This focus also aids in evaluating progress across strategic directions and objectives related to student completion. Community college completion remains a complex and mission-focused goal, to help fit higher education advancement and earned credentials into the lives of students who are working, caring for families, and facing economic

challenges throughout their college pursuits.

The College remains a central partner in helping to achieve the County and State goals for postsecondary credential attainment via Oakland80 and Michigan Sixty by 30. OCC is committed in its mission to empower students and advance the community in higher education awareness, aspirations, access, and success. The College will continue to evolve to meet the needs of its students, to create innovative opportunities and pathways toward higher education credential attainment.

MONITORING PROGRESS

OCC's monitoring reports offer the Board a comprehensive and consistent framework for evaluating overall institutional effectiveness. Delivered each semester (in fall, winter,

and spring), these reports track continuous process improvements related to strategic key performance indicators, culminating in an annual report each August.



AWARDS FOR FINANCIAL REPORTING

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Oakland Community College for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the ninth consecutive year that the college has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. Such an Annual Report must satisfy both generally accepted accounting principles and applicable legal regulations.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Report for fiscal year ended June 30, 2024 continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another Certificate.

In addition, the GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Oakland Community College for its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2023. This is the sixth year that the college has received this award. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**Oakland Community College
Michigan**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Merrill

Executive Director/CEO

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report for fiscal year ended June 30, 2024 continues to conform to the Popular Annual Financial Reporting requirements and we are submitting it to the GFOA to determine its eligibility for another award.

For six consecutive years, the College has received the GFOA's highest budget award. The latest recognition was received from the GFOA in the fall of 2024. On that date the College was presented with the Distinguished Budget Presentation Award for its June 30, 2025-2029 budget document, along with a Certificate of Recognition for Budget Preparation to the Budget and Financial Planning Department. The awards are valid for a period of one year only. The continued participation in the program represents the College's support of best practices in community college budgeting and a commitment to budget process excellence.

FINANCIAL PLANNING

Another way Oakland Community College fulfills its mission is through financial accountability. The allocation and appropriate use of financial resources is a priority in all we do to serve our students and honor our fiduciary responsibility to the community. The College has continually addressed budget issues over the past several years by cutting costs and monitoring all sources of revenue. Additionally, the College prepares a balanced budget and a four-year forecast to better plan and meet any budget shortfalls head-on by examining all sources of income and expenses across all funds.

The Board of Trustees has a fiduciary responsibility to ensure that public funds are used transparently, ethically, and responsibly. The College has a Board-approved policy requiring annual budgeting to ensure a net position that reflects a minimum of three months of operating expenses. In addition to the operating expense reserve, the College also has designated funds for quasi-endowment and capital outlay. Quarterly, the Board of Trustees receives financial reports for the Operating and Capital Funds. The Operating report compares the annual budget to year-to-date and prior year-to-date actual revenues and expenses, while the Capital report shows cumulative expenditures for the year on a project basis.

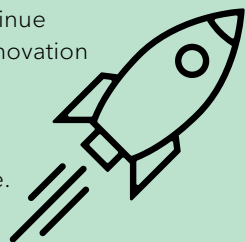
Oakland Community College strives to keep tuition affordable with modest annual

inflationary increases. The College charges students billable contact hours to address the additional costs of high-contact courses, such as science labs, culinary courses, nursing courses, and other health professions. Despite annual tuition rate increases, the College's In-District rate and overall fees remain among the lowest of the 28 Michigan community colleges. The out-of-district/out-of-state rate is about average compared to other Michigan community colleges. OCC's Board of Trustees and executive leadership remain committed to offering affordable education to all students. With gross tuition and fees accounting for approximately a third of the College's revenue, alongside state appropriations and property taxes, the College faces the challenge of working to increase enrollment with increasing costs.

It is no secret that higher education is entering a period of significant change. Across the country—and here at home—colleges and universities are facing declining enrollments, job market factors, and changes in student preferences, driving the need for adaptation. Our commitment to students is unwavering as we continue to focus on their success. There is great potential in these challenges, but we must embrace change with courage to realize it. The College is well-positioned and in excellent financial health to remain nimble, strategic, scalable, and safe, while staying attuned to the shifting behaviors, needs, and expectations of students.

OCC's **Future Plan** addresses the changes ahead and opportunities to continue to deliver on our long-standing commitment to access, inclusion, equity, innovation and collaboration and our unwavering commitment to student success. Importantly, we want to be champions for our students and for our community, working closely with our faculty and staff to collaborate on the details of decisions to ensure they are beneficial to our shared future.

For more information visit [page 24](#) or oaklandcc.edu/future-plan



FINANCIAL HIGHLIGHTS

The following is an overview of the College's financial operations for the fiscal year ended June 30, 2024. The information contained within this Popular Annual Financial Report is extracted from the financial information contained within the FY2024 Annual Comprehensive Financial Report (ACFR). The Annual Report is a more detailed and complete financial presentation prepared in conformance with generally accepted accounting principles (GAAP) and is audited by the College's independent auditors, Plante Moran, receiving an unmodified opinion. The financial information for the College's Foundation, a component unit, is not included within this Popular Annual Financial Report. The statistical and demographic data is taken from various sources and is unaudited. The Annual Comprehensive Financial Report and Popular Annual Financial Report are both available on the College's website: oaklandcc.edu/about/transparency-at-occ

The Statement of Net Position most notably includes the College's assets, liabilities and net position as of the last day of the fiscal year, June 30, 2024. An asset is an economic resource. Anything tangible or intangible

that can be owned or controlled to produce value and that is held by the College to produce positive economic value is an asset. Current assets include accounts receivable and short term investments, while capital assets include such items as buildings and equipment. A liability is defined as the future sacrifices of economic benefits that the entity is obliged to make to other entities as a result of past transactions or other past events, the settlement of which may result in the transfer or use of assets, provision of services or other yielding of economic benefits in the future. Net Position is the residual of all other elements presented in the Statement of Net Position. The Statement of Net Position also includes deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the College's activities, which are supported primarily by property taxes, state appropriations and tuition and fees.

STATEMENT OF NET POSITION

The financial statements report information on the College as a whole. These figures report the College's financial position as of June 30, 2024 and changes in net position for the year ended June 30, 2024. The College's Statement of Net Position at June 30, 2024, had assets of \$662.9 million, and liabilities of \$220.6 million.

The College's assets include \$99.6 million in current assets and \$563.3 in non-current assets for year ended June 30, 2024.

The College holds \$371.0 million in long-term investments at June 30, 2024. The College implemented GASB 68 in 2015 at which point recognized the College's share of the Michigan Public School Employees' Retirement System (MPSERS) unfunded net pension liability. The net pension liability at June 30, 2024 was \$173.0 million. In 2018, the College implemented GASB 75 and recognized the College's share of the MPSERS unfunded OPEB liability. At June 30, 2024, it was a net OPEB asset totaling

\$3.0 million. The net pension liability and net OPEB asset result from the College's participation in MPSERS, a statewide, cost-sharing, multiple employer defined benefit public employee retirement system.

The College has \$178.6 million invested in capital assets, net of accumulated depreciation of \$353.7 million at June 30, 2024. Additions to capital assets during 2024 included costs for building additions and renovation projects at various campus sites, equipment and technology purchases. Capital additions were \$52.9 million during 2024. In fiscal year 2024, for Subscription based IT arrangements, the College recognized \$3.1 million in amortization expense and has \$9.8 million SBITAs, net of accumulated amortization with an associated liability of \$7.9 million as of June 30, 2024. Payroll related and compensated absences liabilities were \$11.8 million and accounts payable was \$15.7 million at June 30, 2024.

REVENUES (IN MILLIONS)

Operating revenues:

Tuition and fees, net.....	\$27.1
Federal grants and contracts.....	\$4.4
State, local.....	\$5.9
Auxiliary/ Miscellaneous.....	\$1.4
Total operating revenues.....	\$38.8

Non-operating revenues:

Pell grant revenue.....	\$20.8
Other federal revenue.....	\$3.9
Property taxes.....	\$107.5
State appropriations.....	\$35.6
State appropriations for UAAL.....	\$14.6
Investment income.....	\$14.8
Net gain on investments.....	\$4.9
Gain on sale of asset.....	\$1.6
Total non-operating revenues.....	\$203.7
> Total revenues.....	\$242.5

EXPENSES

Instruction.....	\$48.0
Academic Support.....	\$21.3
Student Services.....	\$25.8
Institutional Support/ Public Services..	\$19.6
Information Technology.....	\$8.6
Physical plant operations.....	\$14.8
Depreciation and Amortization.....	\$20.9
> Total expenses.....	\$159.0

ASSETS (IN MILLIONS)

Current Assets.....	\$99.6
---------------------	--------

Non-current assets:

Long Term Investments.....	\$371.0
Net OPEB asset.....	\$3.0
Right of use lease asset, net.....	\$0.8
Subscription based IT arrangements.....	\$9.8
Capital assets.....	\$178.7
> Total assets.....	\$662.9
Total Deferred outflows of resources.....	\$58.4

LIABILITIES

Current liabilities.....	\$37.9
Non-current liabilities.....	\$182.7
> Total liabilities.....	\$220.6
Total Deferred inflows of resources.....	\$69.2

NET POSITION

Net investment in capital assets.....	\$180.5
Restricted.....	\$8.4
Unrestricted.....	\$242.6
> Total net position.....	\$431.5

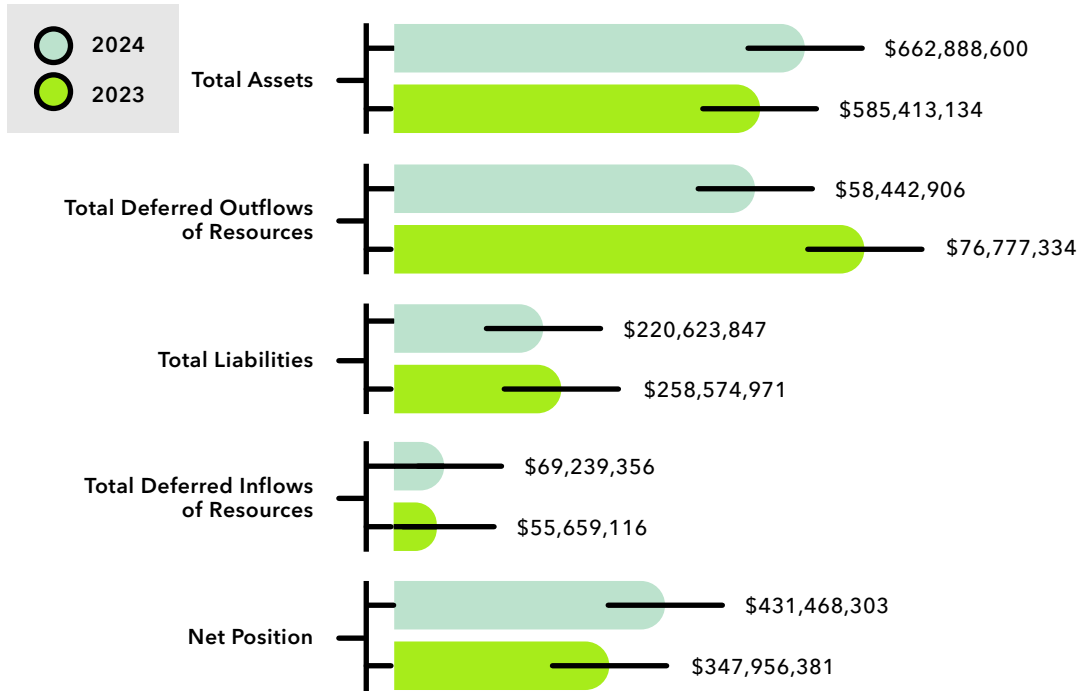
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (IN MILLIONS)

The College's revenues and other support exceeded expenses by \$83.5 million in 2024. This was primarily due to increases in property tax revenue, state appropriations, grants and a significant increase in investment income as well as an unrealized gain at June 30, 2024. In addition, in 2024, the College sold its administrative office building resulting in a gain on sale of asset of \$1.6 million. Expenses in 2024 remain fairly stable despite inflation because of containing costs across all departments.

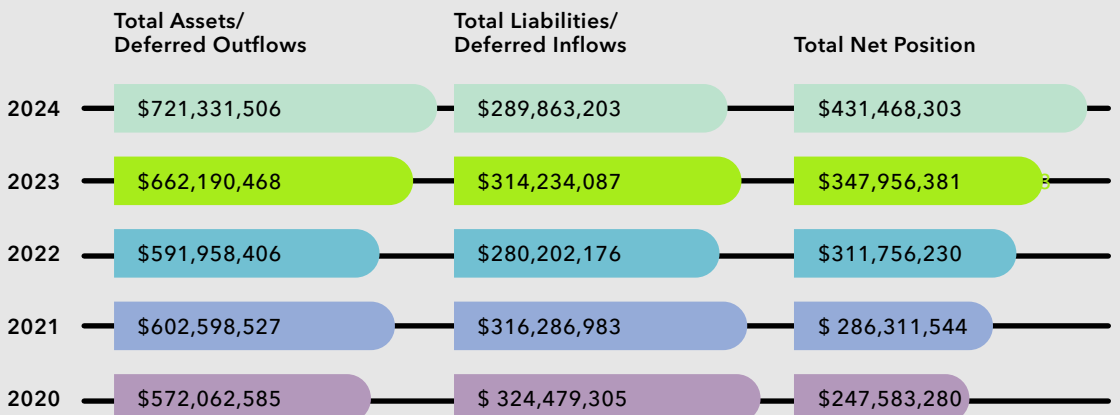
The College's net position, which represents the residual interest in the College's assets and deferred outflows after liabilities and deferred inflows are deducted, totaled \$348.0 million as of June 30, 2024. Although unrestricted net position is not subject to externally imposed restrictions, virtually all of the College's unrestricted net position

is designated to fulfill the College's mission including designations for future retirement obligations and insurance, designations to meet the College's reserve policy for operating expenses and capital projects, and designations of quasi-endowment for future debt payments and scholarships.

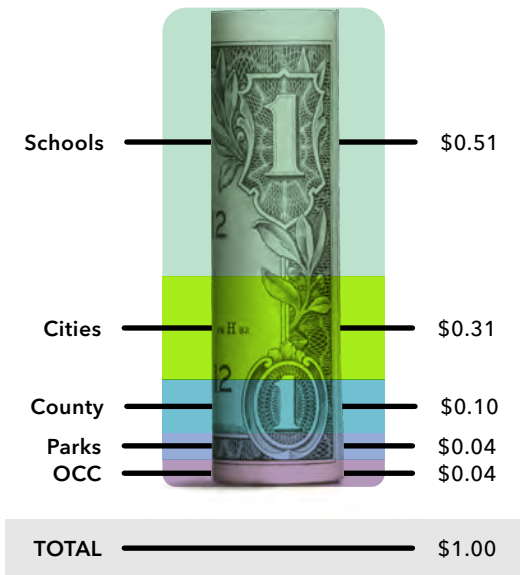
STATEMENT OF NET POSITION



HISTORICAL INFORMATION



PROPERTY TAXES: WHERE DOES YOUR DOLLAR GO?



The Oakland County Treasurer’s office is responsible for the collection and distribution of property tax revenue. Property taxes support cities, villages, townships, the county, libraries, parks and recreation, and school districts. Oakland Community College also receives a portion of these property taxes. The following illustrates the distribution of Oakland County property tax dollars by government entity. For every dollar of property tax, Oakland Community College received \$.04.

Oakland County's annual report: oakgov.com/government/management-budget/financial-tax-reports/annual-financial-reports

OPERATING AND NON-OPERATING REVENUES

Operating revenues include all transactions that result in sales and/or receipts from goods and services, such as tuition, fees, and auxiliary and miscellaneous operations. In addition, certain federal, state, and private grants are considered operating if they are not for capital purposes and are considered a contract for services.

Non-operating revenues are all revenue sources that are not a result of College operations. They consist primarily of state appropriations, other federal grant revenue, Pell grant revenue, property tax revenue, interest income and realized and unrealized gains and losses.

Net student tuition and fee revenue (after scholarship allowance) decreased by 5.3 percent for the year ended June 30, 2024. Gross tuition and fee revenue, however, increased by 6.2 percent for fiscal year ended June 30, 2024. Contact hours increased by 6.3 percent for fiscal year ended June 30, 2024. The contact hour rates for in-district tuition increased by 4.0 percent and for out-of-district tuition, the contact hour rates

increased by 3.0 percent for fiscal year 2024, beginning with the Fall 2023 term.

In 2024, total Federal grants and contracts revenue (operating) increased by 3.5 percent from 2023. Students receiving Pell in fiscal year 2024 increased so Pell revenue increased by 27.7 percent from 2023. Other federal grants are recorded in non-operating revenues and decreased 38.0 percent in 2024 as the HEERF grant expired.

Auxiliary services and other miscellaneous revenue increased by approximately 41.3 percent during fiscal year ending June 30, 2024.

The College had a gain on sale of asset with the closing and sale of the District office administration building of \$1.6 million. Staff with office space at this building were moved to campus offices.

In 2024, state grants and contracts and other non-governmental grants revenue increased by more than \$3.0 million from 2023 due to increases in funding for several state and local programs and scholarships.

The College received increased state appropriations for fiscal year 2024, including \$5.0 million in funding from the Infrastructure, Technology, Equipment, Maintenance, Safety Award (ITEMS) restricted for use in the plant fund for CREST expansion. Personal property tax reimbursement from the state in the amount of \$2.5 million was received and is included in the annual state appropriation figures. Public Act 300 of 2012 instituted a 20.96 percent cap on the employer's share of the UAAL for reported MPERS wages. This produced state appropriation for UAAL of \$10.0 million for 2024, resulting in \$14.6 million of revenue after consideration of GASB 68 and GASB 75 in 2024 as well as MPERS related cash outlay and expenses of equal amounts.

In 2024, property taxes increased by \$7.5 million or 7.6 percent over 2023. These increases are a result of taxable values in Oakland County, Michigan continuing to increase.

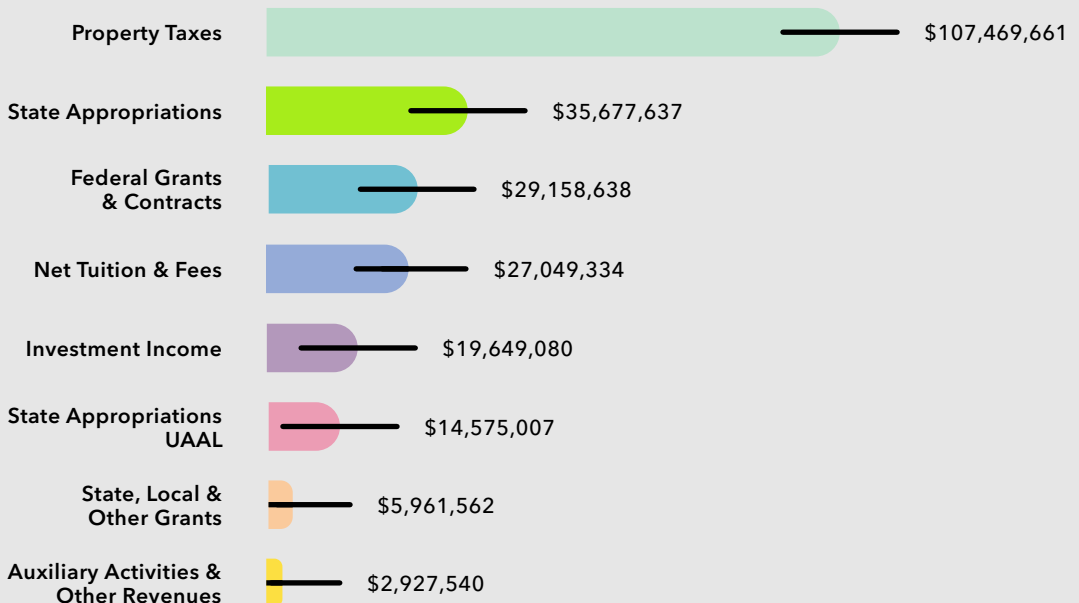
In 2024, investment income increased by 40.7 percent. Realized losses on investments were \$702,000 in 2024. The College must comply with section 389.142 of the Michigan Community College Act of 1966, however,

with the assistance of the College's investment manager, the College periodically rebalances the investment portfolio to continually meet strategic investment objectives and maximize return. This results in year-over-year changes to the types and maturities of investments in the College's portfolio.

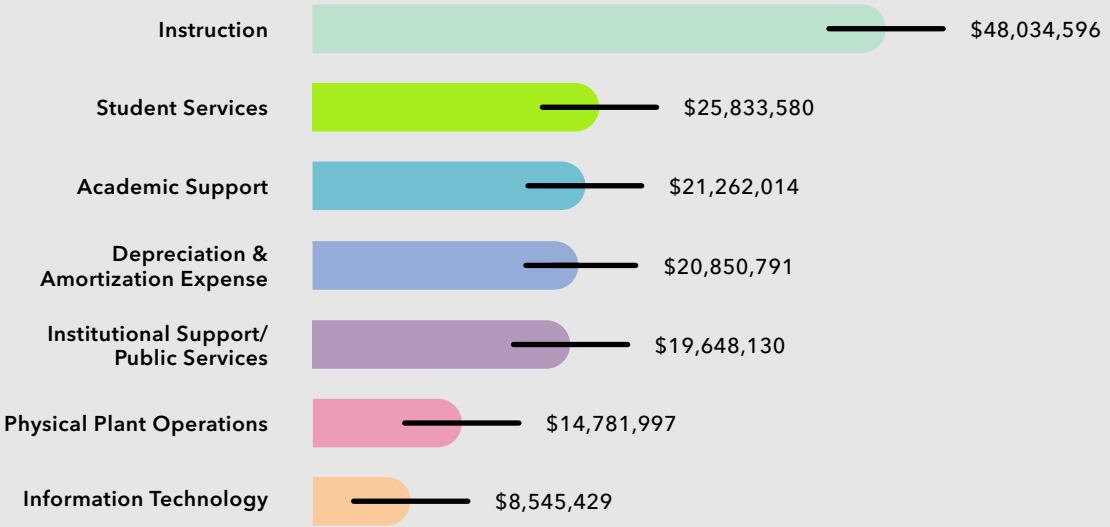
Unrealized gains and losses are primarily a result of market fluctuations in interest rates due to economic conditions in the United States. Unrealized gains and losses represent the fluctuation in the fair market value of investments. Bond values decline as interest rates increase and rise as interest rates decrease. In 2024 the unrealized gains were \$5.6 million. Nearly 90 percent of the investments held by the College are in government agencies and sponsored enterprises securities, whose prices were affected by the factors mentioned above. As the College intends to hold investments to maturity, it is unlikely that these unrealized gains and losses will be realized.

Listed under non-operating revenue as other federal grant revenue, for 2024, the College received \$3.9 million in student financial aid for Future for Frontliners and Michigan ReConnect programs.

WHERE DOES THE MONEY COME FROM?



WHAT IS THE MONEY USED FOR?



OPERATING EXPENSES

Operating Expenses are the costs for the College to conduct the programs necessary to carry out the principal purpose of the College.

The primary operating expenses of the College are salaries, payroll taxes, and related fringe benefits. The College incurred \$96.4 million of payroll-related expenses during the year ended June 30, 2024. This represents approximately 60.6 percent of the College’s operating expenses. In 2024, there was a decrease in total salaries and benefits, 7.1 percent. The College anticipates that future payroll costs will reflect annual incremental increases.

Salary expenses decreased in 2024 from 2023 by 1.4 percent. Payroll taxes and related fringe benefits decreased by 20.1 percent from 2023 to 2024. This decrease is related to pension expense and is a result of the allocation of a reduction of pension and OPEB expense in accordance with GASB 68 and 75

Instruction costs decreased by 5.3 percent in 2024, primarily due to pension and OPEB benefit adjustment. Academic Support expenses remained stable. Overall expenses in Student Services increased by 21.2 percent in 2024. Institutional Support expenses decreased by 11.8 percent in 2024.

Information Technology expense decreased in 2024 from 2023 by 16.4 percent. Physical Plant Operations had a modest decrease of 5.0 percent in 2024. It is expected in 2025 that utility costs and other facility costs will increase due to inflation and the College will be monitoring these increases and make every effort to curtail them. Depreciation and amortization expense (for SBITA’s/leases) increased by 6.4 percent in 2024 from 2023.

Operating expenses are projected to rise in the coming fiscal year. However, the College remains steadfast in its commitment to providing students with high-quality, affordable education. By innovating in administrative areas—such as participating in consortium buying, implementing process efficiencies, leveraging technology to reduce costs, and pursuing utility savings through sustainable methods—the College continues to do more with less, without compromising the quality of its educational programs.

The College remains proactive and forward-thinking, ensuring that we continue to provide quality educational resources to students and the community.

OCC FUTURE PLAN

Higher education is entering a period of significant change, and we are taking steps to adapt and thrive. In order to continue to deliver on our long-standing commitment to access, inclusion, equity, innovation and collaboration, we must adapt to changing realities by moving resources to meet student needs.

Transformation across academic programs, support services and educational spaces will ensure we can further enhance the student experience, increase student success and be responsive to our community, while improving financial operations.

In order to create more vibrancy and energy across the college for our students, we need to reduce our footprint and focus activity in fewer spaces. Students and community members will experience us as one college, with both on-campus and online experiences, rather than just a collection of individual campuses.

The core of the work we do remains the same, but it is clear that how we do it must change. As we continue to focus on student success and shift to becoming a student-ready college, OCC will continue to smooth the path for our students. The changes we make will enhance the student experience by:

- Increasing student retention and graduation rates

- Making student services more convenient

- Consolidating buildings and learning spaces to create more vibrant, well-maintained and safer, state-of-the-art teaching spaces

These and other strategic decisions in our future plan will allow us to provide our students with a consistent high-quality experience - and ensure that we remain the college of choice, the partner of choice and the employer of choice for decades to come.

The One OCC future plan identifies changes to academic spaces and the overall college footprint across the County in order to deliver on our long-standing commitment to access, inclusion, equity, innovation and collaboration to meet student needs.

In consideration of upgrading facilities to better serve faculty and students while reducing emergency repairs, maintenance and energy cost, the College has developed a Five-Year Capital Plan. This plan considers major capital planning on a college-wide basis. Because OCC is faced with a large deferred maintenance need, the College utilizes the facility needs assessment report provided by consultants in 2022, along with consideration for the programmatic needs of the College community to prioritize capital projects.



MAJOR CAPITAL PROJECTS

The Board of Trustees has agreed to set aside funds for the next five years to upgrade facilities to better serve students and staff while reducing emergency repairs, maintenance and energy cost.

Royal Oak E Building project was selected in 2020 and 2021 because of the need for updated, state-of-the-art Culinary spaces. The Culinary program is currently located at the Orchard Ridge campus. The move to Royal Oak will provide an urban venue for the student operated restaurant and retail space. The building will also include a central power plant to feed the HVAC and electrical needs of the entire campus. It is anticipated in a future project the current power plant will be removed providing a more aesthetically pleasing view from Main Street.

The new facility will also feature a 2,600 square-foot restaurant on the third floor with a sloping ceiling, large glass windows and expansive views of downtown Royal Oak, known for its hospitality, cuisine and vibrant culture. The restaurant will offer the community a new dining option where culinary students will prepare and serve fine-dining recipes as part of their training.

The College is building to enhance the educational experience for students and staff for another 50 years. Accessibility, ADA regulations and inclusion considerations will be thoughtfully reviewed and addressed throughout this project. Building features include:

Natural lighting and windows will be used to provide inviting spaces and promote student collaboration and interaction.

The third-floor restaurant will seat up to 200 for dinner or can be reconfigured to accommodate up to 300 for events. It will also include a custom glass wine storage room and a full-service bar to provide students with additional training in beverage service.

Flexible first floor design for culinary retail and café service.



A separate charcuterie kitchen with a dry-aged cooler for aging meats.

The demonstration kitchens will feature instructional video technology that will live stream the teaching chef's cooking demonstrations to monitors around the facility to enhance student learning.

Integration of instructional technology for flexibility in teaching and learning, remote access to diverse kitchens around the world and space for academic conferences and national culinary competitions.

Design for adaptability and future use to stay current with culinary trends.

College staff, faculty and Board members engaged with architects to design this state-of-the-art building as shown below. Ground breaking occurred in the fall of 2022 and completion is expected in fall 2025.

To serve the health care industry demands, Orchard Ridge campus building H will be renovated to "state-of-the art" learning spaces to best prepare our future healthcare professionals along with new science

laboratories. Renovation is forecasted to be completed for the fall 2026 semester, with the Health Sciences programs moving from the Highland Lakes and Southfield campuses the summer previous. Extensive site upgrades are included in the project. To further support consolidation of College activities, Highland Lakes' general education classes will move and commence on other OCC campuses in Fall 2024. The campus is planned to close in fall 2026, and OCC is working closely with local officials to ensure the property continues to benefit the people of Waterford.



The Auburn Hills campus is home to the Combined Regional Emergency Services Training Center (CREST), the largest police and fire academy in southeast Michigan. OCC collaborated with local police, fire, and EMS agencies to create the CREST center to train emergency response teams. The College has more than 50 years of experience training emergency services personnel and demand is increasing. CREST future plans include a new gun range for both pistol and rifle training, an indoor tactical village to simulate a wide variety of training scenarios (complementing the current outdoor tactical village simulations), additional classrooms and renovated locker rooms.



The guiding, five-year roadmap for future facility projects has been developed with Year 1 projects included in the College's budget approved by the board in May 2024. Years 2 through Year 5 represent preliminary planning, guiding the College and its architecture and construction partners through design and project development. The roadmap is reviewed annually and revised as necessary to meet the changing requirements of the College and the community.

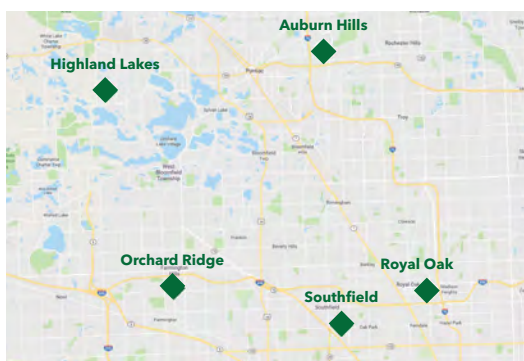


The future roadmap for OCC's facilities is focused on flexible spaces that provide rich technology opportunities, active learning spaces and inviting meeting places. Oakland Community College's Capital Plan is an investment in the College, the community and our students.



FACILITIES AND GROUNDS

Oakland Community College is a large, multi-campus, two-year institution of higher education, training and community enrichment located in Oakland County. OCC currently has five academic campuses across Oakland County. There are over 500 acres of land, more than 60 buildings, approximately 360 classrooms and over \$2 million square feet of space. The estimated replacement value of the College buildings exceeds \$730 million and the annual cost to operate the physical plant is nearly \$15 million.



Current campus placement throughout Oakland County

FACILITIES DEPARTMENT

The Facilities, Operations and Maintenance Department is a centralized organizational unit within the College and is responsible for the entire physical plant, including all geographic locations owned and operated by the college. Responsibilities include maintenance and cleaning of buildings and grounds, renovation of facilities and new construction. The primary purpose of this unit is to provide a safe, clean, inviting and engaging environment for students and staff that is conducive to teaching, learning and working.

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DEMOGRAPHIC & ECONOMIC INFORMATION

FULL-TIME EQUIVALENT EMPLOYEES - LAST FIVE FISCAL YEARS (UNAUDITED)

	2024*	2023	2022	2021	2020
Faculty Full-Time	210	208	204	236	198
Faculty Part-Time	425	436	354	430	413
Total Faculty	635	644	538	666	611
Administrators	102	106	99	103	88
Support Full-Time	313	375	373	358	370
Support Part-Time	24	38	152	75	53
Total Support	337	413	525	433	423
Actual Total Employees Reported	1074	1163	1162	1202	1122
Total FTE	774	846	838	865	811

NOTES

Management occupations in IPEDS = administration and management (Teamsters) in this report

All other non-instructional, non-management occupations = support in this report

*2024 figures are estimated – IPEDS data not yet complete

Source: IPEDS report – categories defined as instruction, management. All other categories listed under Support.



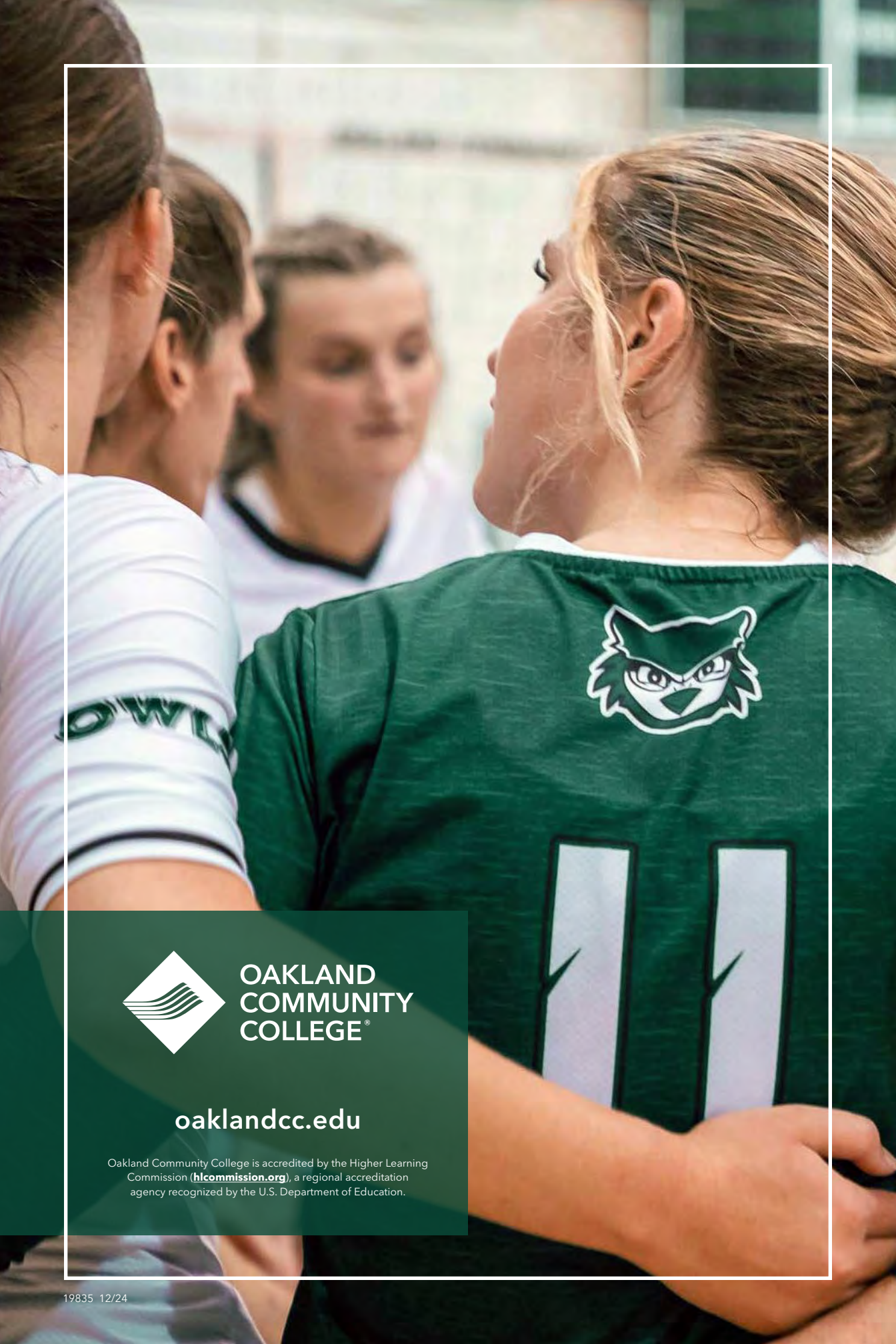


IN-DISTRICT TUITION

Academic Year Beginning in Fall	Tuition Rate	Increase (Decrease) Percent	Michigan Community College Average	Percent of State Average
2015	\$88.00	0.07	\$102.13	0.86
2016	\$88.00	–	\$106.10	0.83
2017	\$90.00	0.02	\$110.03	0.82
2018	\$92.00	0.02	\$114.07	0.81
2019	\$94.50	0.03	\$117.33	0.81
2020	\$97.00	0.03	\$121.67	0.80
2021	\$99.00	0.02	\$124.26	0.80
2022	\$103.00	0.04	\$127.88	0.81
2023	\$107.00	0.04	\$132.53	0.81
2024	\$111.00	0.04	\$136.64	0.81

OUT-OF-DISTRICT TUITION

Academic Year Beginning in Fall	Tuition Rate	Increase (Decrease) Percent	Michigan Community College	Average Percent of State Average
2015	\$171.00	0.11	\$169.07	1.01
2016	\$171.00	–	\$176.58	0.97
2017	\$174.00	0.02	\$183.15	0.95
2018	\$178.00	0.02	\$189.78	0.94
2019	\$183.00	0.03	\$189.54	0.97
2020	\$188.00	0.03	\$201.06	0.94
2021	\$192.00	0.02	\$203.21	0.94
2022	\$199.00	0.04	\$208.78	0.95
2023	\$205.00	0.03	\$216.38	0.95
2024	\$211.00	0.03	\$223.29	0.94



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Oakland Community College is accredited by the Higher Learning Commission (hlcommission.org), a regional accreditation agency recognized by the U.S. Department of Education.