



Management Report

Fiscal Year 2008

Office of Budget and Fiscal Planning

**Oregon State University
Financial Reports for Executive Team
Financial Results for the Fiscal Year 2008**

CONTENTS

	Page
2008 Management Report	1
Graph Sources and Uses of Funds.....	2
 Balance Sheet; Statement of Revenues, Expenses, and Other changes; Statement of Cash Flows (Budgeted Operations Only); and Initial Budget to Actual Comparison for:	
 Analysis of Financial Results: Budgeted Operations	
All Operating Fund.....	3
Graph Fund Balances	5
Ed and General Funds.....	6
Ed and General Plant Funds.....	11
Agricultural Experiment Stations	12
Extension Service	16
Forest Research Laboratory	20
 Analysis of Financial Results: Auxiliary Operations	
Combined Auxiliary Funds.....	25
Housing	26
Student Centers.....	29
Athletics	32
Student Health Services.....	35
Parking.....	38
Misc. Auxiliary Funds	41
 Analysis of Financial Results: Service Center Operations	
Combined Service Center Funds.....	44
Telecom	45
Inter-Institutional Enterprise Services	48
Inter-Institutional Network Services	51
Printing and Mailing.....	54
Motor Pool	57
Surplus Property	60
Misc. Service Center Funds	63
 Gift & Royalty Funds	 66
Debt Service.....	67

OREGON STATE UNIVERSITY
2008 MANAGEMENT REPORT
As of June 30, 2008

The following unaudited financial statements have been prepared for internal management purposes, providing a summary of all operating funds and detailed information on revenues, expenses, transfers, and fund balances for the Education and General Program, Statewide Public Services, Auxiliary Enterprises, Service Departments, and Supplemental Schedules. The report includes fiscal year 2008 balance sheets, operating statements, and cash flow statements and comparisons with fiscal year 2007 June 30 results.

Operating revenues totaled \$692 million for fiscal year 2008, up 7.7% from the fiscal year 2007 total of \$643 million. While Education and General Fund revenues increased by 9.9%, Auxiliary operating revenues climbed by 5.8% and Research Funds increased by 3.4%

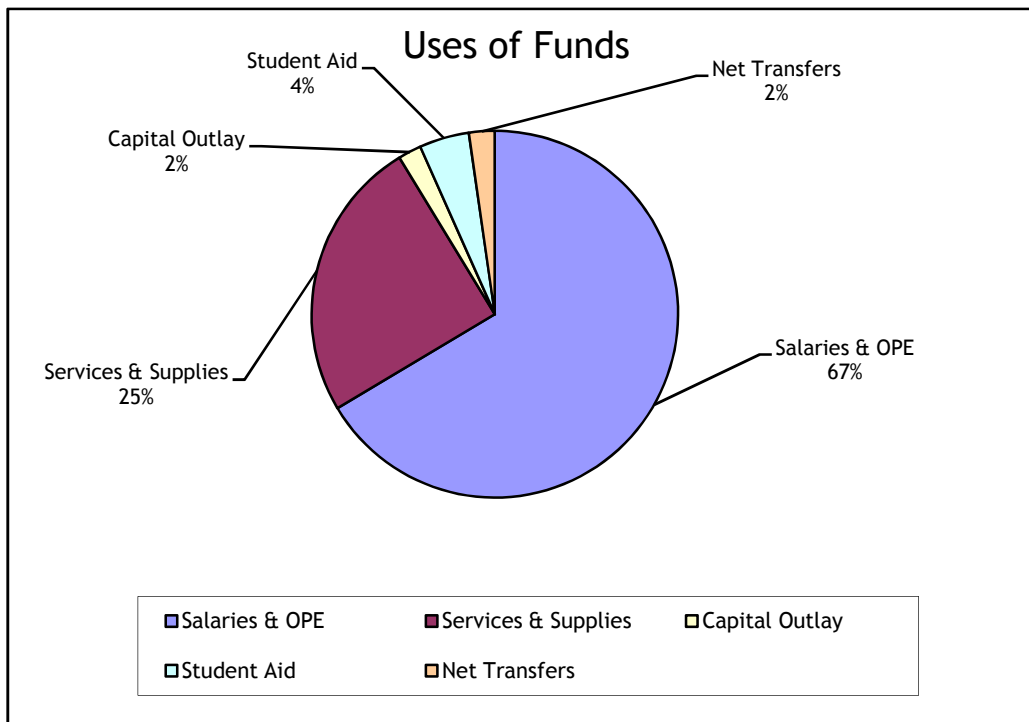
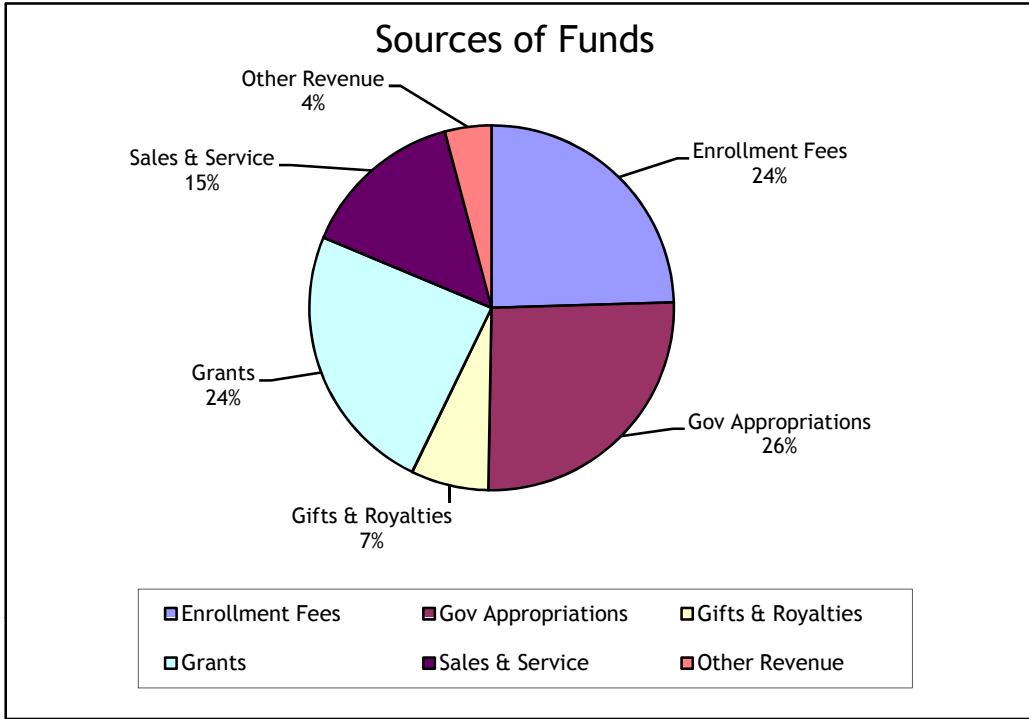
Operating expenses increased by 4.5% due primarily to mandated increases in employee retirement and health benefits and salary increase, but offset by a holdback of spending due to budget uncertainties and less research activity.

The university added \$14.4 million to fund balances from operations. Capital improvements for Reser/Reser II Stadium expansion, Gill Annex project and Goss Stadium expansion project were the main reason for the \$19.6 million fund addition in Auxiliary Enterprises. Service centers funded equipment reserves of \$0.2 million.

Oregon State University

Sources & Uses of Funds¹

Fiscal Year 2008



¹ Plant funds not included

Oregon State University
All Operating Funds¹
Summary Balance Sheet
Fiscal Year 2008 and 2007
(in thousands)

FY2008	Education & General	Statewide Public Services	Auxiliary Enterprises	Service Center Departments	Gift & Royalty Funds	Designated Operations	Research Funds	Total²
Current Assets	\$ 62,257	\$ 15,990	\$ 28,668	\$ 3,559	\$ 26,633	\$ 4,404	\$ 21,126	\$ 162,637
Non Current Assets	-	-	215,834	4,014	-	-	-	219,847
Total Assets	62,257	15,990	244,502	7,572	26,633	4,404	21,126	382,484
Current Liabilities	25,079	4,801	12,125	1,485	1,681	1,140	20,398	66,709
Non Current Liabilities	-	-	143,881	-	-	-	-	143,881
Fund Balance	37,178	11,188	88,496	6,087	24,952	2,717	728	171,347
Total Liabilities and Fund Balance	\$ 62,257	\$ 15,990	\$ 244,502	\$ 7,572	\$ 26,633	\$ 3,857	\$ 21,126	\$ 381,937

FY2007	Education & General	Statewide Public Services	Auxiliary Enterprises	Service Center Departments	Gift & Royalty Funds	Designated Operations	Research Funds	Total²
Current Assets	\$ 49,596	\$ 11,807	\$ 27,240	\$ 3,321	\$ 24,063	\$ 3,578	\$ 13,956	\$ 133,562
Non Current Assets	-	-	206,423	2,557	-	-	-	208,980
Total Assets	49,596	11,807	233,663	5,878	24,063	3,578	13,956	342,542
Current Liabilities	24,902	4,940	10,754	1,097	939	1,183	14,557	58,371
Non Current Liabilities	-	-	147,057	-	-	-	-	147,057
Fund Balance	24,694	6,867	75,852	4,781	23,124	2,396	(601)	137,114
Total Liabilities and Fund Balance	\$ 49,596	\$ 11,807	\$ 233,663	\$ 5,878	\$ 24,063	\$ 3,578	\$ 13,956	\$ 342,542

¹ Plant Funds not included.

² Memorandum only - Interfund eliminations have not been made for certain transactions which are counted in more than one fund, such as internal sales.

Oregon State University
All Operating Funds¹
Summary Revenue and Expense Statement
Fiscal Year 2008 and 2007
(in thousands)

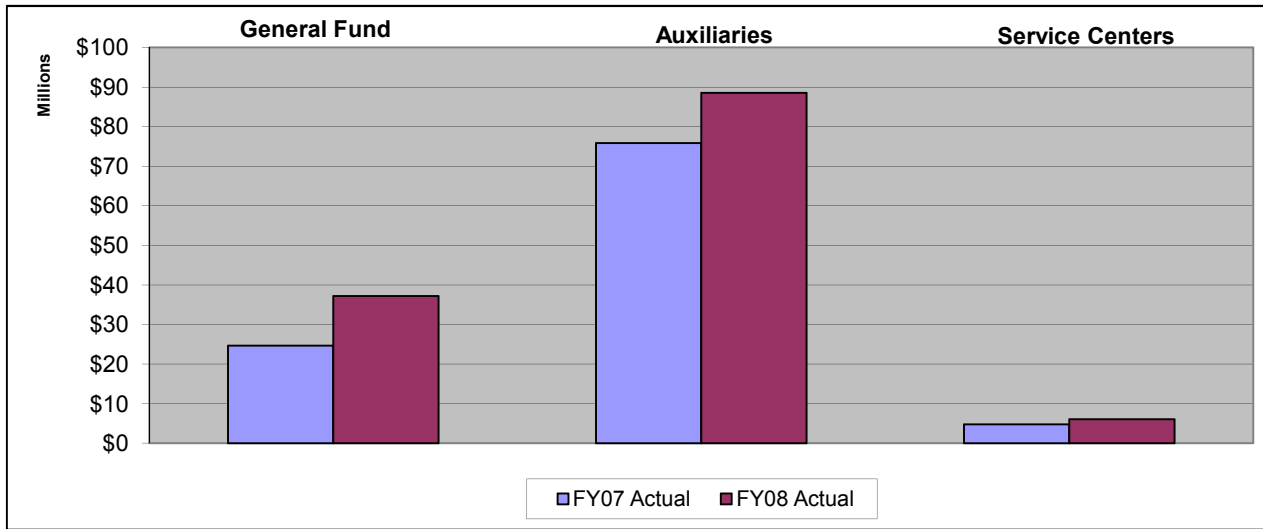
FY2008 Actual	Education & General	Statewide Public Services	Auxiliary Enterprises	Service Center Departments	Gift & Royalty Funds	Designated Operations	Research Funds²	Total³
Revenue	\$ 277,106	\$ 76,505	\$ 89,957	\$ 22,904	\$ 58,372	\$ 14,837	\$ 152,422	\$ 692,104
Expenditures	264,623	72,184	96,906	21,796	56,544	14,515	151,138	677,707
Net Increase (Decrease in Fund Balance)	12,483	4,321	(6,949)	1,108	1,828	322	1,283	14,397
Beginning Fund Balance	24,694	6,867	75,852	4,781	23,124	2,396	(603)	137,112
Fund Additions (Deductions)	-	-	19,593	199	-	-	47	19,839
Ending Fund Balance	<u>\$ 37,178</u>	<u>\$ 11,188</u>	<u>\$ 88,496</u>	<u>\$ 6,087</u>	<u>\$ 24,952</u>	<u>\$ 2,717</u>	<u>\$ 728</u>	<u>\$ 171,347</u>
FY2007 Actual								
Revenue	\$ 252,067	\$ 70,609	\$ 84,992	\$ 20,523	\$ 52,869	\$ 14,256	\$ 147,377	\$ 642,692
Expenditures	247,207	71,019	94,163	20,129	52,925	14,120	148,810	648,371
Net Increase (Decrease in Fund Balance)	4,861	(410)	(9,171)	394	(56)	136	(1,433)	(5,679)
Beginning Fund Balance	19,834	7,277	93,115	5,730	23,180	2,259	879	152,274
Fund Additions (Deductions)		-	(8,092)	(1,343)	-	-	(48)	(9,483)
Ending Fund Balance	<u>\$ 24,694</u>	<u>\$ 6,867</u>	<u>\$ 75,852</u>	<u>\$ 4,781</u>	<u>\$ 23,124</u>	<u>\$ 2,396</u>	<u>(\$ 603)</u>	<u>\$ 137,112</u>

¹ Plant Funds not included.

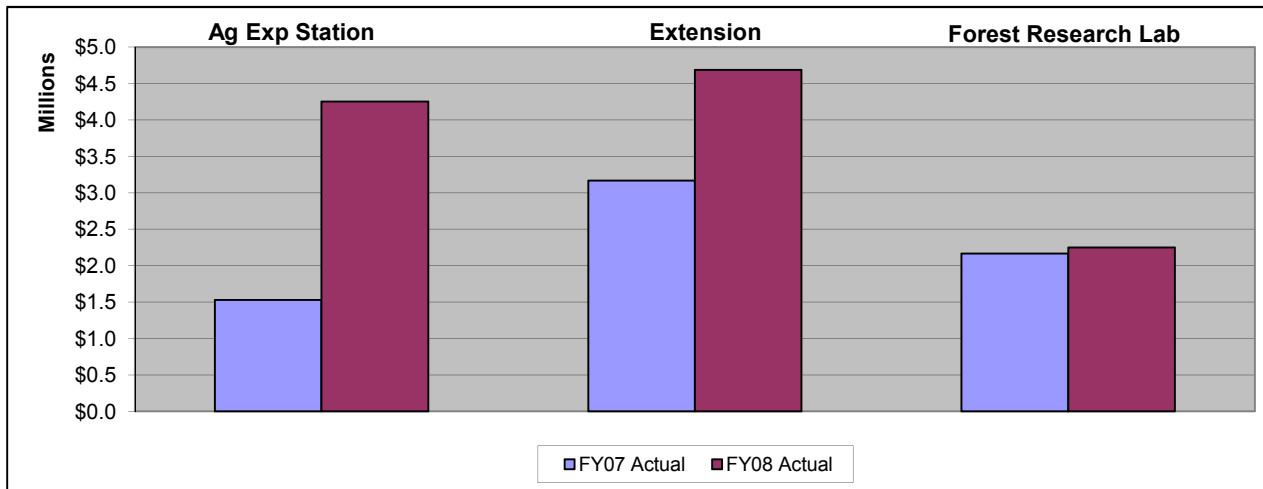
² FY07 restated for changes made after year-end close.

³ Memorandum only - Interfund eliminations have not been made for certain transactions which are counted in more than one fund, such as internal sales.

**OREGON STATE UNIVERSITY
FUND BALANCE
Fiscal Year 2007 and 2008**



	General Fund	Auxiliaries	Service Centers
	(in thousands)		
FY07 Actual	\$ 24,694	\$ 75,852	\$ 4,781
FY08 Actual	37,178	88,496	6,087



	AES	EXT	FRL
	(in thousands)		
FY07 Actual	\$ 1,530	\$ 3,169	\$ 2,168
FY08 Actual	4,252	4,689	2,247

OREGON STATE UNIVERSITY
EDUCATION & GENERAL FUNDS
As of June 30, 2008

Background: Education & General funds support the general operations of the university and its primary missions of instruction, research, and public service. The major sources of revenue are tuition, state appropriations, and indirect cost recovery from federal grants.

Revenues: Overall revenue is up \$25 million or 9.9% higher than fiscal year 2007.

Revenues from enrollment fees exceeded last year's actual by \$7.9 million or 5.7% due to tuition rate increases, an increase in the number of non-resident undergraduate students, and greater participation in ECampus.

Fee remissions, treated as negative revenue, remained at the same level as 2007.

State appropriations were \$15 million above last year, an increase of 16.5%. The increase over the prior year included \$8.3 million to support the base and \$6.7 million targeted to specific programs, including \$5 million to the College of Engineering for graduate and research programs and \$368 thousand to the Veterinary Diagnostic Laboratory to partially restore prior cuts.

Indirect Cost Recovery revenues, primarily from federal grants, increased this year by \$1.7 million or 7.2%. The increase was primarily due to an increase in the federal F&A rate from 41.5% to 46.2% in fiscal year 2007.

Income from Sales and Services remained close to the same level as fiscal year 2007.

Expenses: Expenses and net transfers are \$17.4 million or 7.0% higher than in fiscal year 2007. Salary and other payroll expenses increased by 4.4% due to salary increases and to higher costs for PEBB health benefits.

Spending for Services and Supplies totaled \$52.8 million, an increase of \$6.8 million, or 14.7% above the prior year. This amount is still lower than historical spending levels, as colleges and support units continue to defer spending due to budget uncertainty.

The Education & General fund balance increased by \$12.5 million resulting in a fund balance of \$37.2 million or 13.4% of operating revenue. The surplus was generated mainly in the third and fourth quarters of the fiscal year, as units began to restrain spending in response to gloomy state revenue forecasts.

Balance Sheet: The Balance Sheet presents assets and liabilities on an accrual basis as of June 30, 2008 in comparison to June 30, 2007. Fund balance is an indicator of an operation's current financial condition. The changes to fund balance that occur over time indicate that operating results for that reporting period are providing either a surplus or a decrease in the organization's financial condition.

Assets: Cash balance for Education and General Funds increased \$10.1 million from June 30 of the previous year due the positive change in operations and reduction receivable from Other Funds.

Accounts Receivable increased \$4.5 million due partially to increases in delinquent tuition of \$2.3 million. While the number of students who are carrying delinquent debt declined, the amount per student increased. In addition, at year end, a receivable of \$1.7 million was posted for salary pool funding for fiscal year 2008 which will be received in fiscal year 2009.

Allowance for Doubtful Accounts balance represents management's estimate of the uncollectible portion of the Accounts Receivable balance at year-end.

Inventories for the Education and General funds consist of supplies held by stores operations such as Facilities Services and the College of Veterinary Medicine.

Prepaid Expenses and Deferred Charges decreased by \$280 thousand over fiscal year 2007 due to the timing summer session expenses and year end accruals for purchases.

Liabilities: Accounts Payable year end balance decreased by 327 thousand or 4.9%

Liability for Compensated Absences balance decreased by \$175 thousand, due to decreases in salaries, benefits, and vacation balances.

Cash Flows: In total, the cash balances for the Education and General fund increased by \$10.1 million compared to the prior year. The greatest source of cash for these funds comes from Enrollment Fees and Government Appropriations, while the greatest uses of cash are in the areas of compensation and service and supplies expenditures.

Oregon State University
Balance Sheet
Education and General Funds
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Cash	\$ 38,300,192	\$ 28,210,462	\$ 10,089,730	35.8%
Accounts Receivable	23,060,311	18,564,213	4,496,098	24.2%
Allowance for Doubtful Accounts	(1,632,571)	(1,476,101)	(156,470)	10.6%
Inventories	647,437	595,269	52,168	8.8%
Prepaid Expenses and Deferred Charges	1,057,255	1,336,960	(279,705)	-20.9%
Due from Other Funds	824,378	2,365,374	(1,540,996)	-65.1%
Total Assets	<u>62,257,002</u>	<u>49,596,177</u>	<u>12,660,825</u>	25.5%
 Liabilities and Fund Balance				
Liabilities				
Accounts Payable	6,302,108	6,628,625	(326,517)	-4.9%
Salaries and Wages Payable	1,258,199	1,243,620	14,579	1.2%
Liability for Compensated Absences	8,051,819	8,226,748	(174,929)	-2.1%
Deposits	205,898	204,042	1,856	0.9%
Deferred Revenues	9,261,186	8,598,708	662,478	7.7%
Total Liabilities	<u>25,079,209</u>	<u>24,901,743</u>	<u>177,466</u>	0.7%
Fund Balance	<u>37,177,793</u>	<u>24,694,434</u>	<u>12,483,359</u>	50.6%
Total Liabilities and Fund Balance	<u>\$ 62,257,002</u>	<u>\$ 49,596,177</u>	<u>\$ 12,660,825</u>	25.5%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Education and General Funds
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Enrollment Fees	\$ 144,994,481	\$ 137,113,393	\$ 7,881,088	5.7%
Fee Remissions	(11,464,360)	(11,702,276)	237,916	2.0%
State Appropriations	106,318,964	91,293,243	15,025,721	16.5%
Indirect Cost Recovery	26,069,808	24,320,350	1,749,458	7.2%
Interest Income	1,394,477	1,311,610	82,867	6.3%
Sales & Services	8,791,842	9,062,819	(270,977)	-3.0%
Other Revenue	1,001,071	668,138	332,933	49.8%
Total Revenue	277,106,283	252,067,277	25,039,006	9.9%
Expense				
Total Salaries and OPE	202,644,393	194,109,913	8,534,480	4.4%
Service and Supplies	52,826,419	46,053,652	6,772,767	14.7%
Capital Outlay	5,225,577	4,853,115	372,462	7.7%
Student Aid	251,201	240,552	10,649	4.4%
Total Expense	260,947,590	245,257,232	15,690,358	6.4%
Net Change From Operations	16,158,693	6,810,045	9,348,648	137.3%
Net Transfers In/(Out)	(3,675,334)	(1,949,386)	(1,725,948)	-88.5%
Net Increase (Decrease) in Fund Balance	12,483,359	4,860,659	7,622,700	156.8%
Beginning Fund Balance	24,694,434	19,833,775	4,860,659	24.5%
Fund Additions from Other Funds	-	-	-	
Ending Fund Balance	\$ 37,177,793	\$ 24,694,434	\$ 12,483,359	50.6%

**Oregon State University
Statement of Cash Flows
Education and General Funds
For the Twelve Months Ending June 30, 2008**

Beginning Cash as of July 1, 2007 **\$ 28,210,462**

Net Cash provided (used) by Changes in Assets and Liabilities

	June 2007	June 2008	Change
Assets			
Accounts Receivable (Net)	17,088,112	21,427,740	(4,339,628)
Inventories	595,269	647,437	(52,168)
Prepaid Expenses & Deferred Charges	1,336,960	1,057,255	279,705
Due From Other Funds	2,365,374	824,378	1,540,996
Liabilities			
Accounts Payable	6,628,625	6,302,108	(326,517)
Salaries & Wages Payable	1,243,620	1,258,199	14,579
Liability for Compensated Absences	8,226,748	8,051,818	(174,930)
Deposits	204,042	205,898	1,856
Deferred Revenues	8,598,708	9,261,186	662,478
Total Net Cash Provided (Used) by Changes in Assets and Liabilities			(2,393,629)

Cash Provided (Used) by Operating Activities

Revenue

Enrollment Fees	144,994,481
Fee Remissions	(11,464,360)
State Appropriations	106,318,964
Indirect Cost Recovery	26,069,808
Interest Income	1,394,477
Sales & Services	8,791,842
Other Revenue	1,001,071

Expense

Total Salaries and OPE	202,644,393
Service and Supplies	52,826,419
Capital Outlay	5,225,577
Student Aid	251,201
Net Transfers	3,675,334

Total Cash Provided (Used) by Operating Activities **12,483,359**

Cash as of June 30, 2008 **\$ 38,300,192**

Oregon State University
Education & General Plant Funds
As of June 30, 2008

	Beginning Fund Balance	YTD Expense	YTD Revenue ¹	YTD Expense Credits ²	Ending Fund Balance
Major Projects					
HP Building 11 Renovation - Engineering	-	83,724	-	(9,500,000)	9,416,276
Veterinary Medicine Large Animal Hospital	4,942,688	7,985,903	3,105,073	-	61,858
Education Hall Remodel	6,997,359	453,302	-	-	6,544,057
Apperson Hall Renovation - Engineering	9,323	4,049,393	4,040,070	-	-
Linus Pauling Institute	-	383,355	666,348	-	282,993
New Energy Center	(665,589)	12,627,647	7,436,498	(20,000,000)	14,143,262
Nash Hall Seismic Upgrade	250,388	1,091,287	3,776,000	267,797	2,667,304
Deferred Maintenance	1,604,494	6,702,239	-	(5,288,597)	190,852
Building Use Credits	2,312,545	511,027	-	(986,702)	2,788,220
Certificates of Participation	(490,310)	1,444,602	1,273,401	-	(661,511)
Miscellaneous Projects					
Agricultural Experiment Center	392,434	199,753	39,558	-	232,239
College of Business	-	285,930	285,956	-	27
College of Oceanography & Atmosph Sciences	45,379	-	-	-	45,379
College of Engineering	2,000	3,007	1,000,007	-	999,000
Graduate School	50,000	10,149	-	-	39,851
Research Centers & Institutes	88,648	44,498	6	-	44,156
College of Science	140	433	239	-	(53)
College of Veterinary Medicine	46,669	46,669	-	-	-
Facilities/Other Campus-wide Projects	1,162,755	486,897	116,234	-	792,092
Total	\$ 16,748,925	\$ 36,409,814	\$ 21,739,390	\$ (35,507,502)	\$ 37,586,003

¹ Interest or Gift Revenue

² Bond proceeds or other funding sources

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
AGRICULTURAL EXPERIMENT STATION
As of June 30, 2008

Background: The Agricultural Experiment Station is the principal agricultural research agency of the State of Oregon. It conducts research in the agricultural, biological, social, and environmental sciences for the social, economic, and environmental benefit of Oregonians. In pursuing this mission, the Agricultural Experiment Station helps ensure a stable and productive agriculture through sustainable management and use of the natural resources of the state; protects and improves the natural environment and quality of life; develops new agricultural products and processes; improves marketing of Oregon agricultural products; improves the nutritional value and quality of food; helps protect crops and animals from insects, diseases, and other hazards; contributes to the basic sciences; strengthens rural communities through research on issues that are critical to their economic development and social fabric; and assists developing nations' agriculture in ways that will help alleviate world hunger and promote trade with the United States.

Revenues: The revenues for AES showed a net increase of \$4.2 million or 13% during the year ending June 30, 2008, when compared to the period ending June 30, 2007. State appropriations increased \$2.3 million due to receipt of policy option package funding and accrual for the E-board salary compensation package funding. Federal AES research dollars increased \$1.6 million due to a one-time shift in funding from federal special research grants to federal Hatch Act funding. Sales & Services revenue increased \$0.3 million from the previous year due to increases in sales of various agricultural products and higher commodity prices.

Expenses: Total labor costs for AES rose \$0.9 million or 3.5% over previous year levels. This is consistent with the general increase in salary and benefit rates. Expenses for Service and Supplies remained level compared with the prior fiscal year. Higher feed, fuel, fertilizer and OUS/OSU assessment costs were offset by lower spending for building maintenance, minor/computer equipment, and support of designated operations.

Capital expenses increased \$0.1 million due to the acquisition of gene sequencing equipment used in marine research.

Balance Sheet: The cash balance for AES increased \$2.1 million or 58% as funds were retained for future faculty start-up expenses and spending was curbed in the face of funding uncertainties. Accounts Receivable increased by \$0.7 million for the year ending June 30, 2008, due to the accrual of E-board salary compensation package funding.

Oregon State University
Balance Sheet
Statewide Operations
Agricultural Experiment Station
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Cash	\$ 5,649,548	\$ 3,567,355	\$ 2,082,193	58.4%
Accounts Receivable	847,881	116,340	731,541	628.8%
Prepaid Expenses and Deferred Charges	32,685	23,602	9,083	38.5%
Total Assets	6,530,114	3,707,297	2,822,817	76.1%
 Liabilities and Fund Balance				
Liabilities				
Accounts Payable	344,219	276,548	67,671	24.5%
Liability for Compensated Absences	1,933,482	1,900,882	32,600	1.7%
Total Liabilities	2,277,701	2,177,430	100,271	4.6%
Fund Balance	\$ 4,252,413	1,529,867	2,722,546	178.0%
Total Liabilities and Fund Balance	\$ 6,530,114	\$ 3,707,297	\$ 2,822,817	76.1%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Statewide Operations
Agricultural Experiment Station
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
State Appropriations	\$ 30,090,130	\$ 27,802,337	\$ 2,287,793	8.2%
Other Governmental Appropriations	4,280,570	2,665,870	1,614,700	60.6%
Gifts, Grants & Contracts	8,000	34,805	(26,805)	-77.0%
Interest Income	666	741	(75)	-
Sales & Services	1,867,089	1,521,950	345,139	22.7%
Other Revenue	143,651	126,922	16,729	13.2%
Total Revenue	36,390,106	32,152,625	4,237,481	13.2%
Expense				
Total Salaries and OPE	27,307,494	26,390,087	917,407	3.5%
Service and Supplies	5,716,205	5,734,195	(17,990)	-0.3%
Capital Outlay	398,632	276,915	121,717	44.0%
Total Expense	33,422,331	32,401,197	1,021,134	3.2%
Net Change From Operations	2,967,775	(248,572)	3,216,347	1293.9%
Net Transfers In/(Out)	(245,229)	(590,289)	345,060	58.5%
Net Increase (Decrease) in Fund Balance	2,722,546	(838,861)	3,561,407	424.6%
Beginning Fund Balance	1,529,867	2,368,728	(838,861)	-35.4%
Fund Additions from Other Funds	-	-	-	-
Ending Fund Balance	\$ 4,252,413	\$ 1,529,867	\$ 2,722,546	178.0%

Unaudited - For Management Purposes Only

**Oregon State University
Statement of Cash Flows
Statewide Operations
Agricultural Experiment Station
For the Twelve Months Ending June 30, 2008**

Beginning Cash as of July 1, 2007 **\$ 3,567,355**

Net Cash provided (used) by Changes in Assets and Liabilities

	June 2007	June 2008	Change	
Assets				
Accounts Receivable	116,340	847,881	(731,541)	
Prepaid Expenses and Deferred Charges	23,602	32,685	(9,083)	
Liabilities				
Accounts Payable	276,548	344,219	67,671	
Liability for Compensated Absences	1,900,882	1,933,482	32,600	
 Total Net Cash Provided (Used) by Changes in Assets and Liabilities				 (640,353)

Cash Provided (Used) by Operating Activities

Revenue

State Appropriations	30,090,130
Other Governmental Appropriations	4,280,570
Gifts, Grants & Contracts	8,000
Interest Income	666
Sales & Services	1,867,089
Other Revenue	143,651

Expense

Total Salaries and OPE	27,307,494
Service and Supplies	5,716,205
Capital Outlay	398,632
Net Transfers	245,229

Total Cash Provided (Used) by Operating Activities **2,722,546**

Cash as of June 30, 2008 **\$ 5,649,548**

OREGON STATE UNIVERSITY
EXTENSION SERVICE
As of June 30, 2008

Background: OSU Extension Service provides education and information based on timely research to help Oregonians solve problems and develop skills related to youth, family, community, farm, forest, energy, and marine resources. Extension reaches across several colleges and 37 county offices throughout the state. Funding sources include state appropriations, federal formula revenues, county appropriations, and federal grants, as well as sales and service revenues.

Revenues: Revenues from State Appropriations for Extension were up by 8.3% for fiscal year 2008 from fiscal year 2007. The state allotted 49.0% of the biennial total to Extension in fiscal year 2008 and 51.0% in fiscal year 2009 due to the biennium adjustment made for salary compensation funds. Other Governmental Appropriations increased by \$237 thousand or 2.5%. Sales and Services has decreased by \$334 thousand while Other Revenue has decreased by \$17 thousand, due in part to a change in policy, which has required Extension Service to re-categorize other revenue as a reduction of expense. As Extension base funding remains static or declining, other revenue sources are being developed, which further accounts for the increase in Other Government Appropriations. Total revenues were \$33.2 million in 2008, up \$1.5 million or 4.9% from the prior year.

Expenses: Expenses decreased by 0.2%, or \$52 thousand. Retirements offset the cost of raises and higher health costs leaving Salaries and Other Payroll Expense relatively the same level as last year.

A net increase in fund balance of \$1.5 million brought the ending fund balance to \$4.6 million, or 14% of operating revenue.

Balance Sheet: An increase in Accounts Receivable of \$138 thousand was mainly attributable to fourth quarter billings not posting until fiscal year 2009. An increase in cash of \$1.2 million is mainly attributable to timely receipt of appropriations.

Accounts Payable year end balance decreased \$74 thousand due to streamlining of the year end payment process.

Liability for Compensated Absences balance decreased by \$35 thousand, due to decreases in salaries, benefits, and vacation balances.

Oregon State University
Balance Sheet
Statewide Operations
Extension
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Cash	\$ 5,670,640	\$ 4,384,106	\$ 1,286,534	29.3%
Accounts Receivable	820,556	682,833	137,723	20.2%
Inventories	308,942	323,542	(14,600)	-4.5%
Prepaid Expenses and Deferred Charges	22,796	51,181	(28,385)	-55.5%
Total Assets	<u>6,822,934</u>	<u>5,441,662</u>	<u>1,381,272</u>	25.4%
 Liabilities and Fund Balance				
Liabilities				
Accounts Payable	222,900	296,693	(73,793)	-24.9%
Liability for Compensated Absences	1,909,344	1,943,971	(34,627)	-1.8%
Deposits	-	2,100	(2,100)	-100.0%
Deferred Revenues	2,100	29,403	(27,303)	-92.9%
Total Liabilities	<u>2,134,344</u>	<u>2,272,167</u>	<u>(137,823)</u>	-6.1%
Fund Balance	<u>4,688,590</u>	<u>3,169,495</u>	<u>1,519,095</u>	47.9%
Total Liabilities and Fund Balance	<u>\$ 6,822,934</u>	<u>\$ 5,441,662</u>	<u>\$ 1,381,272</u>	25.4%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Statewide Operations
Extension
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
State Appropriations	\$ 21,746,832	\$ 20,076,088	\$ 1,670,744	8.3%
Other Governmental Appropriations	9,886,819	9,649,324	237,495	2.5%
Gifts, Grants & Contracts	-	600	(600)	-100.0%
Interest Income	336	-	336	-
Sales & Services	1,369,418	1,703,140	(333,722)	-19.6%
Other Revenue	278,386	295,063	(16,677)	-5.7%
Total Revenue	33,281,791	31,724,215	1,557,576	4.9%
Expense				
Total Salaries and OPE	26,210,707	26,160,287	50,420	0.2%
Service and Supplies	5,482,018	5,539,921	(57,903)	-1.0%
Capital Outlay	39,971	84,145	(44,174)	-52.5%
Total Expense	31,732,696	31,784,353	(51,657)	-0.2%
Net Change From Operations	1,549,095	(60,138)	1,609,233	2675.9%
Net Transfers In/(Out)	(30,000)	-	(30,000)	-
Net Increase (Decrease) in Fund Balance	1,519,095	(60,138)	1,579,233	2626.0%
Beginning Fund Balance	3,169,495	3,229,633	(60,138)	-1.9%
Ending Fund Balance	\$ 4,688,590	\$ 3,169,495	\$ 1,519,095	47.9%

**Oregon State University
Statement of Cash Flows
Statewide Operations
Extension
For the Twelve Months Ending June 30, 2008**

Beginning Cash as of July 1, 2007 **\$ 4,384,106**

Net Cash provided (used) by Changes in Assets and Liabilities

	June 2007	June 2008	Change
Assets			
Accounts Receivable	682,833	820,556	(137,723)
Inventories	323,542	308,942	14,600
Prepaid Expenses and Deferred Charges	51,181	22,796	28,385
Liabilities			
Accounts Payable	296,693	222,900	(73,793)
Liability for Compensated Absences	1,943,971	1,909,344	(34,627)
Deposits	2,100	-	(2,100)
Deferred Revenues	29,403	2,100	(27,303)
Total Net Cash Provided (Used) by Changes in Assets and Liabilities			(232,561)

Cash Provided (Used) by Operating Activities

Revenue

State Appropriations	21,746,832
Other Governmental Appropriations	9,886,819
Interest Income	336
Sales & Services	1,369,418
Other Revenue	278,386

Expense

Total Salaries and OPE	26,210,707
Service and Supplies	5,482,018
Capital Outlay	39,971
Net Transfers	30,000

Total Cash Provided (Used) by Operating Activities **1,519,095**

Cash as of June 30, 2008 **\$ 5,670,640**

OREGON STATE UNIVERSITY
FOREST RESEARCH LABORATORY
As of June 30, 2008

Background: The Forest Research Laboratory (FRL) conducts research leading to sustainable forest yields, innovative and efficient use of forest products, and responsible stewardship of Oregon's resources. The primary source of revenues for FRL is state and federal appropriations and Oregon Harvest Tax. FRL scientists are involved in projects that impact the state, the nation and the world:

The Watershed Research Cooperative continues to gather data and present preliminary findings in publications and at scientific meetings. The work from Hinkle Creek is now being replicated in the Trask and Alsea watersheds. This effort will provide the most comprehensive study in North America on the physical and biological aspects of watershed function and response to harvesting.

Recognizing that forests both play a potential role in mitigating the effects of climate change, and will be impacted by changes in global weather patterns, FRL scientists are increasing their efforts to understand the dynamics between forests, carbon storage, air quality, and climate variations. Scientists are also studying genetics and growth responsiveness in response to changes in climate. Knowledge gained in these areas is critical for understanding the impacts of global warming, and for fostering forest productivity and health in a changing environment.

The Center for Intensive Plantation Silviculture (CIPS) was established in 2007, and has become fully operational in 2008. The center has enlisted a number of agency and industrial partners who are interested in the practical implementation of scientific studies on genetic improvements, silvicultural treatments, and soil/climate/ geographic variations to help determine optimum productivity on forestlands that will be dedicated to timber production. The goal of CIPS is to concentrate economic production on suitable forestlands; allowing other forests to be reserved for other values like recreation, wildlife habitat, and water quality.

The Oregon Wood Innovation Center continues to establish itself as an informational resource and clearing office for established industries and entrepreneurs seeking to improve productivity, find new markets and/or create new products. OWIC is currently focusing on innovation in its broadest form; fostering connections between all links along the supply and value-added chain; utilizing existing capabilities and infrastructure to establish woody biomass as a competitive resource in the biofuels and bioproducts arena; and creating a market synergy between green building, sustainability and Oregon forests.

Revenues: Revenues increased \$101 thousand or 1.5% over fiscal year 2007 due mainly to increases in State Appropriations as the result of an approved policy option package. The gains from the package were nearly offset by reductions in the timber harvest tax revenue due to the national downturn in housing construction.

Expenses: Expenses for FRL were up by \$510 thousand compared with fiscal year 2007. This was primarily due to increases in salaries, state and university overhead assessments, and computing network expenses that were paid from other funds in 2007.

Balance Sheet: Total Assets, Liabilities and Fund Balance reflect an insignificant change between 2007 and 2008.

Oregon State University
Balance Sheet
Statewide Operations
Forest Research Laboratory
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Cash	\$ 2,546,985	\$ 2,026,532	\$ 520,453	25.7%
Accounts Receivable	86,799	629,950	(543,151)	-86.2%
Prepaid Expenses and Deferred Charges	3,097	1,774	1,323	74.6%
Total Assets	<u>2,636,880</u>	<u>2,658,256</u>	<u>(21,376)</u>	-0.8%
 Liabilities and Fund Balance				
Liabilities				
Accounts Payable	26,594	14,645	11,949	81.6%
Liability for Compensated Absences	362,800	475,873	(113,073)	-23.8%
Total Liabilities	<u>389,395</u>	<u>490,518</u>	<u>(101,123)</u>	-20.6%
Fund Balance	<u>2,247,486</u>	<u>2,167,738</u>	<u>79,748</u>	3.7%
Total Liabilities and Fund Balance	<u>\$ 2,636,880</u>	<u>\$ 2,658,256</u>	<u>\$ (21,376)</u>	-0.8%

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Statewide Operations
Forest Research Laboratory
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
State Appropriations	\$ 3,290,501	\$ 2,814,706	\$ 475,795	16.9%
Other Governmental Appropriations	820,714	883,206	(62,492)	-7.1%
Transfers From State Agencies	2,552,277	2,829,102	(276,825)	-9.8%
Sales & Services	167,449	183,318	(15,869)	-8.7%
Other Revenue	2,097	21,389	(19,292)	-90.2%
Total Revenue	6,833,039	6,731,721	101,318	1.5%
Expense				
Total Salaries and OPE	5,884,101	5,761,338	122,763	2.1%
Service and Supplies	868,690	464,707	403,983	86.9%
Capital Outlay	500	17,406	(16,906)	-97.1%
Total Expense	6,753,292	6,243,451	509,841	8.2%
Net Change From Operations	79,748	488,270	(408,522)	-83.7%
Net Transfers In/(Out)	-	659	(659)	-
Net Increase (Decrease) in Fund Balance	79,748	488,929	(409,181)	-83.7%
Beginning Fund Balance	2,167,738	1,678,809	488,929	29.1%
Ending Fund Balance	\$ 2,247,486	\$ 2,167,738	\$ 79,748	3.7%

**Oregon State University
Statement of Cash Flows
Statewide Operations
Forest Research Laboratory
For the Twelve Months Ending June 30, 2008**

Beginning Cash as of July 1, 2007 **\$ 2,026,532**

Net Cash provided (used) by Changes in Assets and Liabilities

	June 2007	June 2008	Change	
Assets				
Accounts Receivable	629,950	86,799	543,151	
Prepaid Expenses and Deferred Charges	1,774	3,097	(1,323)	
Liabilities				
Accounts Payable	14,645	26,594	11,949	
Liability for Compensated Absences	475,873	362,800	(113,073)	
Total Net Cash Provided (Used) by Changes in Assets and Liabilities				440,705

Cash Provided (Used) by Operating Activities

Revenue				
State Appropriations			3,290,501	
Other Governmental Appropriations			820,714	
Transfers From State Agencies			2,552,277	
Sales & Services			167,449	
Other Revenue			2,097	
Expense				
Total Salaries and OPE			5,884,101	
Service and Supplies			868,690	
Capital Outlay			500	
Total Cash Provided (Used) by Operating Activities				<u>79,748</u>

Cash as of June 30, 2008 **\$ 2,546,985**

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Enterprises
For the Twelve Months Ending June 30, 2008 and 2007

	Housing	Student Cntrs & Activities	Athletics	Health Services	Parking	Miscellaneous Auxiliaries	Fiscal Year 2008	Fiscal Year 2007	Increase (Decrease)	% Change
Revenue										
Student Fees	\$ -	\$ 11,418,494	\$ 1,235,551	\$ 6,635,028	\$ -	\$ 174,328	\$ 19,463,401	\$ 17,776,752	\$ 1,686,649	9.49%
Government Appropriations	-	-	1,170,659	-	-	-	1,170,659	649,382	521,277	80.27%
Gifts, Grants & Contracts	-	-	9,214	-	-	-	9,214	1,349,163	(1,339,949)	-99.32%
Interest Income	1,090	363,392	574,736	312,751	-	25,537	1,277,506	968,150	309,356	31.95%
Sales & Services	27,339,619	4,601,496	23,895,554	3,196,267	1,658,762	2,962,125	63,653,823	59,699,005	3,954,818	6.62%
Other Revenue	51,839	81,211	854,909	12,728	38,380	8,758	1,047,825	1,177,999	(130,174)	-11.05%
Internal Sales	1,830,723	486,692	72,072	34,790	168,082	742,519	3,334,878	3,371,494	(36,616)	-1.09%
Total Revenue	29,223,271	16,951,285	27,812,695	10,191,564	1,865,224	3,913,267	89,957,306	84,991,945	4,965,361	5.84%
Expense										
Total Salaries and OPE	11,272,643	7,951,966	12,210,135	5,406,462	711,795	1,323,492	38,876,493	36,187,652	2,688,841	7.43%
Service and Supplies	12,658,644	6,172,768	15,427,881	3,260,280	527,563	1,999,937	40,047,073	40,191,321	(144,248)	-0.36%
Depreciation	3,047,594	1,055,229	5,689,512	92,160	823,611	100,278	10,808,384	9,994,780	813,604	8.14%
Student Aid	-	-	34,084	-	-	-	34,084	1,003,640	(969,556)	-96.60%
Total Expense	26,978,881	15,179,963	33,361,612	8,758,902	2,062,969	3,423,707	89,766,034	87,377,393	2,388,641	2.73%
Net Change From Operations	2,244,390	1,771,322	(5,548,917)	1,432,662	(197,745)	489,560	191,272	(2,385,448)	2,576,720	-108.02%
Fixed Asset Disposal Gain/(Loss)	(638,279)	-	(6,615)	-	-	(4,539)	(649,433)	(579,394)	(70,039)	-
Net Transfers In/(Out)	(4,320,907)	(1,221,868)	(31,648)	-	(782,155)	(133,935)	(6,490,513)	(6,206,225)	(284,288)	-4.58%
Net Increase (Decrease) in Fund Balance	(2,714,796)	549,454	(5,587,180)	1,432,662	(979,900)	351,086	(6,948,674)	(9,171,067)	2,222,393	24.23%
Beginning Operations Fund Balance	9,371,742	31,012,829	17,405,799	6,274,912	8,868,603	2,917,915	75,851,800	93,114,724	(17,262,924)	-18.54%
Fund Additions/Deductions	2,336,577	(708,299)	17,490,255	(250,000)	738,788	(14,282)	19,593,039	(8,091,857)	27,684,896	-342.13%
Ending Fund Balance from Operations	8,993,523	30,853,984	29,308,874	7,457,574	8,627,491	3,254,719	88,496,165	75,851,800	12,644,365	16.67%
Beginning Plant Fund Balance	5,314,863	1,628,530	12,956,219	966,303	1,227,224	359,932	22,453,071	7,485,973	14,967,098	199.94%
Plant Revenues	398,504	78,899	4,378,899	47,607	51,422	30,913	4,986,244	31,637,425	(26,651,181)	-84.24%
Plant Expenditures	(3,805,807)	(393,125)	(16,567,848)	(6,125)	(339,568)	(45,751)	(21,158,224)	(19,331,985)	(1,826,239)	9.45%
Net Incr (Decr) in Plant Fund Balance	(3,407,303)	(314,226)	(12,188,949)	41,482	(288,146)	(14,838)	(16,171,980)	12,305,440	(28,477,420)	-231.42%
Fund Additions (Deductions)	2,858,202	698,119	-	250,000	-	103,730	3,910,051	3,044,374	865,677	28.44%
Ending Plant Fund Balance	4,765,762	2,012,423	767,270	1,257,785	939,078	448,824	10,191,142	22,835,787	(12,644,645)	-55.37%
Total Operations & Plant Fund Balance	\$ 13,759,285	\$ 32,866,407	\$ 30,076,144	\$ 8,715,359	\$ 9,566,569	\$ 3,703,543	\$ 98,687,307	\$ 98,687,587	\$ (280)	0.00%

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
HOUSING & DINING SERVICES
As of June 30, 2008

Background: Services provided by Housing and Dining are mainly related to the rental for housing facilities for the student population, as well as the dining operations associated with those facilities. Though mainly focused on the student population, faculty and staff also enjoy dining benefits. Housing also operates a catering service for on-campus activities.

Revenues: Over all total revenue increased \$2.4 million from fiscal year 2007. Details of this change include a \$567 thousand increase in Sales and Services due to an increase in average occupancy of approximately 83 residents and an increase in Casual Customer Guest Income (dining cash sales) of \$192 thousand and for fiscal year 2007, UHDS transferred approximately \$1.3 million to the Memorial Union for usage of the UHDS Meal Plan at the Memorial Union locations. This transfer did not take place in fiscal year 2008, explaining the positive revenue variance of \$1.3 million in fiscal year 2008. Internal Sales increased due to increased catering and conferences sales in the amount of \$316 thousand. Other Revenue decreased by \$24 thousand mainly due to a reduction in food rebates of \$23 thousand.

Expenses: Total Salaries and Other Payroll Expenses increased \$1.4 million or 14.0% as a result of pay increases for both classified and unclassified salaries as well as increased benefit costs. The average rate of increase for Salaries and Other Payroll Expenses across the board at 7% resulted in an increase to the expense of \$690 thousand. Additional FTE of 6 increased salaries expense by \$270 thousand and increased student payroll of \$440 thousand. Services and Supplies had a net increase of \$1.5 million due to increases in the grocery, minor equipment, utilities, outside services and fees, maintenance and repairs, and miscellaneous supplies.

Debt service payments and other fund additions and deductions resulted in a \$2.2 million or 3.2% decrease in fund balance.

Balance Sheet: Total Assets decreased by \$2.2 million or 3.3% due mainly to the change in accumulated depreciation. Total Liabilities decreased \$1.3 million or 2.4% due to the payment on long term bonds.

Oregon State University
Balance Sheet
Auxiliary Funds - Housing & Dining Services
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 5,358,689	\$ 7,305,988	\$ (1,947,299)	-26.7%
Restricted Cash	5,230,325	5,332,941	(102,616)	-1.9%
Accounts Receivable	2,173,728	2,111,062	62,666	3.0%
Allowance for Doubtful Accounts	(158,193)	(150,830)	(7,363)	-4.9%
Inventories	256,933	193,582	63,351	32.7%
Prepaid Expenses and Deferred Charges	2,399	19,202	(16,803)	-87.5%
Due From Other Funds	13,388	18,440	(5,052)	-27.4%
Total Current Assets	12,877,269	14,830,385	(1,953,116)	-13.2%
Non-Current Assets				
Bond Proceeds - Debt Service	-	51,231	(51,231)	-
Fixed Assets	94,490,360	91,703,336	2,787,024	3.0%
Accumulated Depreciation	(40,406,793)	(37,381,292)	(3,025,501)	-8.1%
Total Non-Current Assets	54,083,567	54,373,275	(289,708)	-0.5%
Total Assets	66,960,836	69,203,660	(2,242,824)	-3.3%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	836,785	320,049	516,736	161.5%
Liability for Compensated Absences	424,808	367,155	57,653	15.7%
Deferred Revenues	240,405	191,994	48,411	25.2%
Total Current Liabilities	1,501,998	879,198	622,800	70.8%
Non-Current Liabilities				
XI-F Long Term Bonds Payable	51,699,554	53,637,857	(1,938,303)	-3.6%
Total Liabilities	53,201,552	54,517,055	(1,315,503)	-2.4%
Fund Balance	13,759,285	14,686,605	(927,320)	-6.3%
Total Liabilities and Fund Balance	\$ 66,960,836	\$ 69,203,660	\$ (2,242,823)	-3.2%
Working Capital				
Current Assets	\$ 12,877,269	\$ 14,830,385	\$ (1,953,116)	-13.2%
Less: Current Liabilities	1,501,998	879,198	622,800	70.8%
Working Capital End of Period	\$ 11,375,271	\$ 13,951,187	\$ (2,575,916)	-18.5%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Funds - Housing & Dining Services
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Interest Income	\$ 1,090	\$ 1,465	\$ (375)	-25.6%
Sales & Services	27,339,619	25,280,296	2,059,323	8.1%
Other Revenue	51,839	75,650	(23,811)	-31.5%
Internal Sales	1,830,723	1,514,329	316,394	20.9%
Total Revenue	29,223,271	26,871,740	2,351,531	8.8%
Expense				
Total Salaries and OPE	11,272,643	9,891,369	1,381,274	14.0%
Service and Supplies	12,658,644	11,157,961	1,500,683	13.4%
Depreciation	3,047,594	3,009,691	37,903	1.3%
Total Expense	26,978,881	24,059,021	2,919,860	12.1%
Net Change From Operations	2,244,390	2,812,719	(568,329)	-20.2%
Fixed Asset Disposal Gain/(Loss)	(638,279)	(1,517)	(636,762)	-41975.1%
Transfers-out	(4,869,907)	(4,394,340)	(475,567)	-10.8%
Transfers-in	549,000	(36,829)	585,829	-1590.7%
Net Increase (Decrease) in Fund Balance	(2,714,796)	(1,619,967)	(1,094,829)	-67.6%
Beginning Operations Fund Balance	9,371,742	11,572,165	(2,200,423)	-19.0%
NIP Change in Fixed Assets	3,256,476	61,383	3,195,093	5205.2%
Fund Additions/Deductions	(2,858,202)	(2,353,666)	(504,536)	-21.4%
Bond Debt Principle/Sinking Fund	1,938,303	1,711,827	226,476	13.2%
Ending Fund Balance From Operations	\$ 8,993,523	\$ 9,371,742	\$ (378,219)	-4.0%
Beginning Plant Fund Balance	\$ 5,314,863	\$ 2,876,122	2,438,741	84.8%
Plant Revenue - Interest	371,847	389,484	(17,637)	-4.5%
Plant Revenue - Gifts	26,657	531,273	(504,616)	-95.0%
Expenses	(3,852,139)	(828,432)	(3,023,707)	-365.0%
Net Transfers	46,332	(7,250)	53,582	739.1%
Fund Additions/Deductions	2,858,202	2,353,666	504,536	21.4%
Ending Plant Fund Balance	\$ 4,765,762	\$ 5,314,863	\$ (549,101)	-10.3%

Note: Restated Fiscal Year 2007 Plant Funds to include fund previously excluded.

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
STUDENT CENTERS & ACTIVITIES
As of June 30, 2008

Background: These Auxiliary operations, and associated reserve funds, record transactions related primarily to the operations of the Memorial Union, Memorial Union Retail Food Services, Student Educational Activities, Student Recreation Center, Student Involvement, the MU Mail Boxes, and OSU Incidental Fees Clearing Fund. The OSU Incidental Fees Clearing Fund is the originating fund responsible for distribution of the Student Fees to appropriate other Auxiliaries.

Revenues: Overall revenue for these operations increased by \$714 thousand or 4.4%. The \$1 million increase in Enrollment Fees is attributed to the rate increase in fiscal year 2008. Sales and Services revenue decreased by \$401 thousand or 8% primarily due to the elimination of portability of student meal plans. Interest revenue increased \$41 thousand and is attributable to stable cash positions, conservative spending and increased interest rates.

Expenses: Total Salaries and Other Payroll Expenses increased by \$455 thousand or 6.1% as a result of mandated salary, wage and health benefit cost increases. The Service and Supplies expense increase of \$98 thousand or 1.6% is primarily the result of increased costs of goods for resale due to inflation.

Balance Sheet: Total Assets and Total Liabilities changed very little from fiscal year 2007 (.4%). Cash in the operating funds increased \$836 thousand or 16.6% and restricted cash increased \$332 thousand 19.4% due to efforts to fund reserves and working capital. Fund balance remained stable.

Oregon State University
Balance Sheet
Auxiliary Funds - Student Centers & Activities
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 5,865,893	\$ 5,029,852	\$ 836,041	16.6%
Restricted Cash	2,040,857	1,708,630	332,228	19.4%
Accounts Receivable	1,164,425	1,106,298	58,127	5.3%
Allowance for Doubtful Accounts	(94,450)	(85,714)	(8,736)	-10.2%
Inventories	8,542	19,051	(10,509)	-55.2%
Prepaid Expenses and Deferred Charges	8,515	4,864	3,651	75.1%
Total Current Assets	8,993,782	7,782,981	1,210,801	15.6%
Non-Current Assets				
Fixed Assets	45,739,605	45,931,597	(191,992)	-0.4%
Accumulated Depreciation	(20,423,798)	(19,544,531)	(879,267)	-4.5%
Total Non-Current Assets	25,315,807	26,387,067	(1,071,260)	-4.1%
Total Assets	34,309,589	34,170,048	139,541	0.4%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	236,939	383,346	(146,407)	-38.2%
Liability for Compensated Absences	295,917	285,004	10,913	3.8%
Deposits	104,108	109,392	(5,284)	-4.8%
Deferred Revenues	712,290	644,340	67,950	10.5%
Total Current Liabilities	1,349,254	1,422,081	(72,827)	-5.1%
Non-Current Liabilities				
XI-F Long Term Bonds Payable	93,928	106,607	(12,679)	-11.9%
Total Liabilities	1,443,182	1,528,689	(85,507)	-5.6%
Fund Balance	32,866,407	32,641,359	225,048	0.7%
Total Liabilities and Fund Balance	\$ 34,309,589	\$ 34,170,048	\$ 139,541	0.4%
Working Capital				
Current Assets	\$ 8,993,782	\$ 7,782,981	\$ 1,210,801	15.6%
Less: Current Liabilities	1,349,254	1,422,081	(72,827)	-5.1%
Working Capital End of Period	\$ 7,644,528	\$ 6,360,899	\$ 1,283,629	20.2%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Funds - Student Centers & Activities
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Enrollment Fees	\$ 11,450,597	\$ 10,382,198	\$ 1,068,399	10.3%
Fee Remissions	(32,103)	(30,983)	(1,120)	-3.6%
Gifts	-	199	(199)	-
Interest Income	363,392	322,665	40,727	12.6%
Sales & Services	4,601,496	5,002,560	(401,064)	-8.0%
Other Revenue	81,211	64,110	17,101	26.7%
Internal Sales	486,692	496,699	(10,007)	-2.0%
Total Revenue	16,951,285	16,237,448	713,837	4.4%
Expense				
Total Salaries and OPE	7,951,966	7,496,831	455,135	6.1%
Service and Supplies	6,172,768	6,075,061	97,707	1.6%
Depreciation	1,055,229	1,093,485	(38,256)	-3.5%
Total Expense	15,179,963	14,665,377	514,586	3.5%
Net Change From Operations	1,771,322	1,572,071	199,251	12.7%
Net Transfers In/(Out)	(1,221,868)	(1,512,814)	290,946	19.2%
Net Increase (Decrease) in Fund Balance	549,454	59,257	490,197	827.2%
Beginning Operations Fund Balance	31,012,829	31,261,008	(248,179)	-0.8%
NIP Change in Fixed Assets	(22,860)	-	(22,860)	-
Fund Additions/Deductions	(698,118)	(319,550)	(378,568)	-118.5%
Bond Debt Principle/Sinking Fund	12,679	12,114	565	4.7%
Ending Fund Balance From Operations	\$ 30,853,984	\$ 31,012,829	\$ (158,845)	-0.5%
Beginning Plant Fund Balance	\$ 1,628,530	\$ 1,402,421	\$ 226,109	16.1%
Plant Revenue - Interest	78,899	78,680	219	0.3%
Expenses	(393,070)	(171,991)	(221,079)	-128.5%
Net Transfers	(55)	(130)	75	57.6%
Fund Additions/Deductions	698,119	319,550	378,569	118.5%
Ending Plant Fund Balance	\$ 2,012,423	\$ 1,628,530	\$ 383,893	23.6%

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
ATHLETICS
As of June 30, 2008

Background: This Auxiliary operation, and associated reserve and plant funds, record transactions related to Athletics activities on campus. These programs involve approximately 586 student athletes in a variety of sports including: football, baseball, softball, men's and women's basketball, women's volleyball, women's track, women's cross country, men's and women's soccer, men's and women's rowing, men's wrestling, women's swimming, and men's and women's golf and 500+ students in a variety of support roles such as band, cheer, student trainers, and managers. In addition to the Auxiliary funds, Athletics received \$2.5 million in support from the Education and General Fund and \$16 million in gifts and donations in Fiscal Year 2008. The OUS Board receives a financial report on Athletics each year which include these three sources of major funding.

An expansion of Reser Stadium began in fiscal year 2004 with the majority of construction performed in fiscal year 2005 and completion in fiscal year 2006. In fiscal year 2008, the Reser II Stadium expansion project was completed, in conjunction with the Gill Coliseum Annex which houses the new Athletic Department 30,000 square foot strength and conditioning area as well as the wrestling practice room. The newly expanded stadium now seats approximately 45,674. The Goss Stadium expansion project was started in fiscal year 2008 with a projected completion in the fall of 2008.

Revenues: Revenue for this unit is up 5.5% from the prior year, increasing by \$1.4 million due primarily to increases in Lottery Proceeds and Sales and Services. The Lottery Proceeds increase is due to the new lottery game introduced in this fiscal year. The increase in Sales and Services is primarily due to increased game guarantees and increased conference revenues from new TV packages and conference bowl participation.

Expenses: Total expenses decreased of \$0.8 million (-2.4%) with the majority of the decrease due to the lower cost of the participation in the 2007 Emerald Bowl as compared to the 2006 Brut Sun Bowl. Large savings were also made in the area of Student Aid with student-athlete scholarships being almost entirely covered by the Foundation fundraising efforts. The only categorical increases were Salaries and Other Payroll Expenses (2.0%) which are associated with merit raises and contractual increases, and depreciation associated with the new construction projects being capitalized (15.6%)

Balance Sheet: Total Assets decreased by \$7.46 million primarily due to a \$16.5 million increase in Fixed Assets offset by an increase depreciation and use of bond proceeds for the Reser/Reser II Stadium expansion, Gill Annex project and Goss Stadium expansion.

The Accounts Payable decrease is due to the payment of construction invoices for the Reser II / Gill Annex projects and the payment of Due to Other Funds. The increase in Deferred Revenues is due to the increase price and number of Football Season tickets paid in fiscal year 2008 for fiscal year 2009 utilization.

Oregon State University
Balance Sheet
Auxiliary Funds - Athletics
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 1,873,385	\$ 988,545	\$ 884,840	89.5%
Restricted Cash	572,513	928,948	(356,435)	-38.4%
Accounts Receivable	1,133,607	1,826,998	(693,391)	-38.0%
Allowance for Doubtful Accounts	(7,425)	(5,450)	(1,975)	-36.2%
Prepaid Expenses and Deferred Charges	293,512	94,812	198,700	209.6%
Total Current Assets	3,865,592	3,833,853	31,739	0.8%
Non-Current Assets				
Bond Proceeds - Debt Service	-	18,390,978	(18,390,978)	-
Fixed Assets	143,601,876	127,086,092	16,515,784	13.0%
Accumulated Depreciation	(26,096,459)	(20,480,399)	(5,616,060)	-27.4%
Total Non-Current Assets	117,505,417	124,996,670	(7,491,253)	-6.0%
Total Assets	121,371,009	128,830,523	(7,459,514)	-5.8%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	1,488,145	7,394,720	(5,906,575)	-79.9%
Liability for Compensated Absences	858,591	858,375	216	-
Capital Leases Payable	-	1,101	(1,101)	-
Deferred Revenues	5,857,031	4,655,963	1,201,068	25.8%
Due to Other Funds	-	1,250,000	(1,250,000)	-
Total Current Liabilities	8,203,767	14,160,159	(5,956,392)	-42.1%
Non-Current Liabilities				
XI-F Long Term Bonds Payable	83,091,098	84,318,346	(1,227,248)	-1.5%
Total Liabilities	91,294,865	98,478,505	(7,183,640)	-7.3%
Fund Balance	30,076,144	30,362,018	(285,874)	-0.9%
Total Liabilities and Fund Balance	\$ 121,371,009	\$ 128,840,523	\$ (7,469,514)	-5.8%
Working Capital				
Current Assets	\$ 3,865,592	\$ 3,833,853	\$ 31,739	0.8%
Less: Current Liabilities	8,203,767	14,160,159	(5,956,392)	-42.1%
Working Capital End of Period	\$ (4,338,175)	\$ (10,326,307)	\$ 5,988,132	-58.0%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Funds - Athletics
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Enrollment Fees	\$ 1,235,551	\$ 1,494,984	\$ (259,433)	-17.4%
Gifts, Grants, and Contracts	9,214	1,348,832	(1,339,618)	-99.3%
Interest Income	574,736	308,444	266,292	86.3%
Lottery Proceeds	1,170,659	649,382	521,277	80.3%
Sales & Services	23,895,554	21,491,977	2,403,577	11.2%
Other Revenue	854,909	982,133	(127,224)	-13.0%
Internal Sales	72,072	97,510	(25,438)	-26.1%
Total Revenue	<u>27,812,695</u>	<u>26,373,262</u>	<u>1,439,433</u>	<u>5.5%</u>
Expense				
Total Salaries and OPE	12,210,135	11,974,602	235,533	2.0%
Service and Supplies	15,427,881	16,272,924	(845,043)	-5.2%
Student Aid	34,084	1,003,640	(969,556)	-96.6%
Depreciation	5,689,512	4,921,678	767,834	15.6%
Total Expense	<u>33,361,612</u>	<u>34,172,844</u>	<u>(811,232)</u>	<u>-2.4%</u>
Net Change From Operations	(5,548,917)	(7,799,582)	2,250,665	28.9%
Fixed Asset Disposal Gain/(Loss)	(6,615)	(574,658)	568,043	-98.8%
Net Transfers In/(Out)	(31,648)	-	(31,648)	-
Net Increase (Decrease) in Fund Balance	<u>(5,587,180)</u>	<u>(8,374,240)</u>	<u>2,787,060</u>	<u>33.3%</u>
Beginning Operations Fund Balance	17,405,799	32,987,370	(15,581,571)	-47.2%
NIP Change in Fixed Assets	16,263,007	17,214,834	(951,827)	-5.5%
Fund Additions/Deductions	<u>1,227,248</u>	<u>(24,422,165)</u>	<u>25,649,413</u>	<u>105.0%</u>
Ending Fund Balance From Operations	<u>\$ 29,308,874</u>	<u>\$ 17,405,799</u>	<u>\$ 11,903,075</u>	<u>68.4%</u>
Beginning Plant Fund Balance	<u>\$ 12,956,219</u>	<u>\$ 681,507</u>	<u>\$ 12,274,712</u>	<u>1801.1%</u>
Plant Revenue - Interest	142,678	100,438	42,240	42.1%
Plant Revenue - Gifts	4,236,221	3,444,695	791,526	23.0%
Plant Revenue - Bond	-	26,975,000	(26,975,000)	-
Expenses	(16,245,428)	(18,586,034)	2,340,606	12.6%
Net Transfers	(322,420)	340,613	(663,033)	-194.7%
Ending Plant Fund Balance	<u>\$ 767,270</u>	<u>\$ 12,956,219</u>	<u>\$ (12,188,949)</u>	<u>-94.1%</u>

Notes:

- Athletics also spent \$2.0 million from Education & General funds which is not reflected in the above statement.
- See page 66 for Gift Fund revenue and expense information

Unaudited - For Management Purposes Only

**OREGON STATE UNIVERSITY
STUDENT HEALTH SERVICES
As of June 30, 2008**

Background: The university's health care services are made up of two separate programs that work together to provide comprehensive care to the students of OSU. Student Health Services (SHS) provides primary care, health education services, and a variety of out patient services. Funding for general and urgent care office visits and health promotion services is covered by the Student Health Fee. Funding for ancillary services such as lab, x-ray, PT etc. are covered by fees charged for the service.

The benefits of the electronic medical record system that was implemented last year became fully evident by the end of this current fiscal year. All paper charts have been removed from the health center. The remaining charts from September 2005 and earlier are stored offsite. These charts will age out over the next five years and be destroyed.

Counseling and Psychological Services (CAPS) provides a variety of services to help students address the challenges and difficulties they face. The CAPS staff is dedicated to helping students by providing brief counseling services, or if more intensive or specialized care is needed, by helping students find an appropriate health care provider in the community. CAPS is also funded by the Student Health Fee.

A full time psychiatrist has been added to the SHS clinical staff this past year. This not only is a significant augmentation to the health center's services, it also benefits CAPS in their need to provide services to complex clients.

Revenue: Revenues from student health fees rose by \$862 thousand or 14.9%. This was the result of an increase to the health fee charged to students each term. Twenty percent of the increased fee was used to fund the psychiatric position mentioned above. A second area where revenues shifted was Medical Services income where the total increased by \$476 thousand. This was the result of higher visit volumes and of contract payments received from Benton County for the Family Planning Expansion Project.

Expenses: Total expenses increased \$889 thousand or 11.3% over fiscal year 2007. Salaries and Other Payroll Expenses accounted for 75% of that change due to raises and the new psychiatric position. The increased cost of pharmaceuticals and vaccines accounted for nearly half of the total increase of \$250 thousand in Services and Supplies. Maintenance and repairs accounted for another 12% and advertising for staff replacements equaled 10%.

Balance Sheet: Cash balances increased \$1.7 million due to the positive change in operations, collections on Accounts Receivable and a \$550 thousand increase in Accounts Payable. The Accounts Payable increase was due to the receipt of two large insurance invoices at the end of fiscal year.

Oregon State University
Balance Sheet
Auxiliary Funds - Health Services
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 7,153,624	\$ 5,389,272	\$ 1,764,352	32.7%
Restricted Cash	1,263,936	966,303	297,633	30.8%
Accounts Receivable	1,174,754	984,652	190,102	19.3%
Allowance for Doubtful Accounts	(99,854)	(83,695)	(16,159)	-19.3%
Prepaid Expenses and Deferred Charges	150	125	25	20.0%
Total Current Assets	9,492,610	7,256,657	2,235,953	30.8%
Non-Current Assets				
Fixed Assets	1,823,918	1,824,064	(146)	0.0%
Accumulated Depreciation	(1,160,730)	(1,074,740)	(85,990)	-8.0%
Total Non-Current Assets	663,188	749,324	(86,136)	-11.5%
Total Assets	10,155,798	8,005,981	2,149,817	26.9%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	616,179	68,559	547,620	798.8%
Liability for Compensated Absences	203,798	205,152	(1,354)	-0.7%
Deferred Revenues	620,462	491,055	129,407	26.4%
Total Current Liabilities	1,440,439	764,766	675,673	88.4%
Fund Balance	8,715,359	7,241,215	1,474,144	20.4%
Total Liabilities and Fund Balance	\$ 10,155,798	\$ 8,005,981	\$ 2,149,817	26.9%
Working Capital				
Current Assets	\$ 9,492,610	\$ 7,256,657	\$ 2,235,953	30.8%
Less: Current Liabilities	1,440,439	764,766	675,673	88.4%
Working Capital End of Period	\$ 8,052,171	\$ 6,491,891	\$ 1,560,280	24.0%

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Funds - Health Services
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Enrollment Fees	\$ 6,635,028	\$ 5,772,556	\$ 862,472	14.9%
Gifts, Grants, and Contracts	-	132	(132)	-
Interest Income	312,751	303,334	9,417	3.1%
Sales & Services	3,196,267	2,720,496	475,771	17.5%
Other Revenue	12,728	34,024	(21,296)	-62.6%
Internal Sales	34,790	17,123	17,667	103.2%
Total Revenue	10,191,564	8,847,665	1,343,899	15.2%
Expense				
Total Salaries and OPE	5,406,462	4,764,472	641,990	13.5%
Service and Supplies	3,260,280	3,010,731	249,549	8.3%
Depreciation	92,160	94,719	(2,559)	-2.7%
Total Expense	8,758,902	7,869,922	888,980	11.3%
Net Change From Operations	1,432,662	977,743	454,919	46.5%
Fixed Asset Disposal Gain/(Loss)	-	(3,219)	3,219	-
Net Transfers In/(Out)	-	1	(1)	-
Net Increase (Decrease) in Fund Balance	1,432,662	974,525	458,137	47.0%
Beginning Operations Fund Balance	6,274,912	5,570,387	704,525	12.6%
Fund Additions/Deductions	(250,000)	(270,000)	20,000	7.4%
Ending Fund Balance From Operations	\$ 7,457,574	\$ 6,274,912	\$ 1,182,662	18.8%
Beginning Plant Fund Balance	\$ 966,303	\$ 661,560	\$ 304,743	46.1%
Plant Revenue - Interest	47,607	34,798	12,809	36.8%
Expenses	(6,125)	(55)	(6,070)	-11036.4%
Fund Additions/Deductions	250,000	270,000	(20,000)	-7.4%
Ending Plant Fund Balance	\$ 1,257,785	\$ 966,303	\$ 291,482	30.2%

OREGON STATE UNIVERSITY
Transportation and Parking Services (TAPS)
As of June 30, 2008

Background: This Auxiliary operation, and associated reserve and plant funds, records transactions related to the operations of parking infrastructure and transportation options on the OSU campus. Services provided include construction, maintenance, monitoring, and signage for all parking facilities located on the OSU campus as well as managing the campus shuttle and other transportation options. Parking Services revenues are primarily generated by parking fees paid by OSU students and employees for parking privileges.

Revenues: Revenue for the unit decreased by 2% from fiscal year 2007. The decrease in permit revenue of 5% might be attributed to increased fuel costs leading to better commuting alternatives. Meter and other revenues were up 4%. Fine revenues were up 13% from FY07 mostly due to no vacancies of patrol officers.

Expenses: Parking Service expenses decreased \$22 thousand or 1.1% when compared to the previous fiscal year. Salary and Other Payroll Expenses were up by 9.5% from fiscal year 2007 due to filling the Parking Service Manager position. Total Service and Supplies expense was lower by 13% when compared to the previous fiscal year mostly due to not having the one-time expense of new software and hardware. Depreciation was increased over the previous year by \$39 thousand (5%) due to an additional parking lot coming on-line (Reser S. Lot). Transfers out of bond debt were higher than the previous year by 26% due to a debt refund in fiscal year 2007 and additional debt taken for the new lot. Transfers in are higher in fiscal year 2008 because funds were transferred out for the new lot.

Balance Sheet: Current Assets decreased by \$441 thousand or 22.3% due to spending down the reserves and transferring excess funds from the Parking Structure to fund the new lot. Fixed Assets increased by the \$741 thousand for the value of the new lot. Accumulated depreciation increased by annual depreciation expense.

Total Liabilities remained relatively flat from fiscal year 2007 to fiscal year 2008 by an increase of .1%.

Working Capital at the end of fiscal year 2008 decreased 23.2% relative to the current assets decrease explained above.

Oregon State University
Balance Sheet
Auxiliary Funds - Transportation & Parking Services
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 482,145	\$ 618,327	\$ (136,182)	-22.0%
Restricted Cash	939,078	1,236,048	(296,970)	-24.0%
Accounts Receivable	123,643	131,585	(7,942)	-6.0%
Allowance for Doubtful Accounts	(9,490)	(9,941)	451	4.5%
Total Current Assets	1,535,376	1,976,019	(440,643)	-22.3%
Non-Current Assets				
Fixed Assets	21,613,485	20,872,609	740,876	3.5%
Accumulated Depreciation	(4,520,425)	(3,696,813)	(823,612)	-22.3%
Total Non-Current Assets	17,093,060	17,175,796	(82,736)	-0.5%
Total Assets	18,628,436	19,151,815	(523,379)	-2.7%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	34,352	31,858	2,494	7.8%
Liability for Compensated Absences	31,135	29,839	1,296	4.3%
Total Current Liabilities	65,487	61,697	3,790	6.1%
Non-Current Liabilities				
XI-F Long Term Bonds Payable	8,996,379	8,994,290	2,089	0.0%
Total Liabilities	9,061,866	9,055,987	5,879	0.1%
Fund Balance	9,566,570	10,095,828	(529,258)	-5.2%
Total Liabilities and Fund Balance	\$ 18,628,436	\$ 19,151,815	\$ (523,379)	-2.7%
Working Capital				
Current Assets	\$ 1,535,376	\$ 1,976,019	\$ (440,643)	-22.3%
Less: Current Liabilities	65,487	61,697	3,790	6.1%
Working Capital End of Period	\$ 1,469,889	\$ 1,914,322	\$ (444,433)	-23.2%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Funds - Transportation & Parking Services
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Sales & Services	\$ 1,658,762	\$ 1,716,555	\$ (57,793)	-3.4%
Other Revenue	38,380	11,057	27,323	247.1%
Internal Sales	168,082	175,686	(7,604)	-4.3%
Total Revenue	1,865,224	1,903,298	(38,074)	-2.0%
Expense				
Total Salaries and OPE	711,795	649,958	61,837	9.5%
Service and Supplies	527,563	606,048	(78,485)	-13.0%
Depreciation	823,611	784,549	39,062	5.0%
Total Expense	2,062,969	2,040,555	22,414	1.1%
Net Change From Operations	(197,745)	(137,257)	(60,488)	-44.1%
Transfers-out Debt Service	(782,155)	(501,280)	(280,875)	-56.0%
Transfers-In		382,717	(382,717)	-
Net Increase (Decrease) in Fund Balance	(979,900)	(255,820)	(724,080)	-283.0%
Beginning Operations Fund Balance	8,868,604	8,749,900	118,704	1.4%
NIP Change in Fixed Assets	740,875	339,819	401,056	118.0%
Fund Additions/Deductions	(2,087)	34,705	(36,792)	-106.0%
Ending Fund Balance From Operations	\$ 8,627,492	\$ 8,868,604	\$ (241,112)	-2.7%
Beginning Plant Fund Balance	\$ 1,227,224	\$ 1,155,561	\$ 71,663	6.2%
Plant Revenue - Interest	51,422	59,742	(8,320)	-13.9%
Expenses	(634,628)	(347,757)	(286,871)	-82.5%
Net Transfers	295,060	359,678	(64,618)	-18.0%
Ending Plant Fund Balance	\$ 939,078	\$ 1,227,224	\$ (288,146)	-23.5%

Note: Restated Fiscal Year 2007 Plant Funds to include fund previously excluded.

OREGON STATE UNIVERSITY
MISCELLANEOUS AUXILIARIES
As of June 30, 2008

Background: This group of funds includes Forestry and Agricultural Experiment Station dwelling rentals, LaSells Stewart Center, Conference Services, Food Innovation Center, Student Health Center Pharmacy, Library Document Services, Hatfield Marine Science Center Housing, Health & Human Sciences Locker Room Service, Faculty/Staff Fitness Programs, Wireless Instructional Network and Program, Hatfield Marine Science Center Bookstore, Physics Equipment Deposits, building rentals and a child care center.

Revenues: Total revenue decreased this year by \$0.8 million or 17.8% over last year, due mainly to a decrease of \$0.6 million in Sales and Services revenue in Conference Services and a decrease of \$0.6 million of internal sales in the Pharmacy auxiliary because of an accounting change. LaSells Stewart Center and Conference Services auxiliaries showed a \$0.3 million increase in internal sales over fiscal year 2007.

Expenses: Salaries and Other Payroll Expenses decreased \$87 thousand or 6.2% due to raises and increased health benefit costs. Service and Supplies was significantly lower than last year due mainly due to the accounting change in the Pharmacy unit resulting in a \$0.6 million reduction of Services and Supplies and reduced expenses in both LaSells Stewart Center and Conference Services of \$0.4 million. The transfer out of \$134 thousand was due to allocation of bond repayment cost to the Food Innovation Center.

Balance Sheet: Current Assets increased \$0.8 million or 36.3% due to the increase in cash mainly from booking deferred revenue at year end. Current Liabilities increased \$0.5 million or 142.6% because of the deferred revenue increase. Fund balance increased by 13.0%.

Oregon State University
Balance Sheet
Auxiliary Funds - Miscellaneous
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 2,374,701	\$ 1,569,723	\$ 804,978	51.3%
Restricted Cash	451,733	401,936	49,797	12.4%
Accounts Receivable	299,207	321,700	(22,493)	-7.0%
Allowance for Doubtful Accounts	(23,036)	(22,872)	(164)	-0.7%
Inventories	174,831	160,757	14,074	8.8%
Prepaid Expenses and Deferred Charges	38,324	1,985	36,339	1830.7%
Total Current Assets	3,315,760	2,433,229	882,531	36.3%
Non-Current Assets				
Fixed Assets	2,722,990	2,543,070	179,920	7.1%
Accumulated Depreciation	(1,550,210)	(1,360,016)	(190,194)	-14.0%
Total Non-Current Assets	1,172,780	1,183,054	(10,274)	-0.9%
Total Assets	4,488,540	3,616,283	872,257	24.1%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	157,764	209,030	(51,266)	-24.5%
Liability for Compensated Absences	57,234	65,545	(8,311)	-12.7%
Deposits	600	1,575	(975)	-61.9%
Deferred Revenues	592,010	43,845	548,165	1250.2%
Due to Other Funds	13,388	18,440	(5,052)	-27.4%
Total Current Liabilities	820,996	338,435	482,561	142.6%
Fund Balance	3,703,544	3,277,848	425,696	13.0%
Total Liabilities and Fund Balance	\$ 4,524,540	\$ 3,616,283	\$ 908,257	25.1%
Working Capital				
Current Assets	\$ 3,315,760	\$ 2,433,229	\$ 882,531	36.3%
Less: Current Liabilities	820,996	338,435	482,561	142.6%
Working Capital End of Period	\$ 2,494,764	\$ 2,094,794	\$ 399,970	19.1%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Auxiliary Funds - Miscellaneous
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Enrollment Fees	\$ 174,328	157,997	\$ 16,331	10.3%
Interest Income	25,537	32,242	(6,705)	-20.8%
Sales & Services	2,962,125	3,487,122	(524,997)	-15.1%
Other Revenue	8,758	11,025	(2,267)	-20.6%
Internal Sales	742,519	1,070,148	(327,629)	-30.6%
Total Revenue	3,913,267	4,758,534	(845,267)	-17.8%
Expense				
Total Salaries and OPE	1,323,492	1,410,420	(86,928)	-6.2%
Service and Supplies	1,999,937	3,068,596	(1,068,659)	-34.8%
Depreciation	100,278	90,658	9,620	10.6%
Total Expense	3,423,707	4,569,674	(1,145,967)	-25.1%
Net Change From Operations	489,560	188,860	300,700	159.2%
Fixed Asset Disposal Gain/(Loss)	(4,539)		(4,539)	-
Net Transfers In/(Out)	(133,935)	(143,680)	9,745	6.8%
Net Increase (Decrease) in Fund Balance	351,086	45,180	305,906	677.1%
Beginning Operations Fund Balance	2,917,916	2,973,894	(55,978)	-1.9%
NIP Change in Fixed Assets	89,448	-	89,448	-
Fund Additions/Deductions	(103,730)	(101,158)	(2,572)	-2.5%
Ending Fund Balance From Operations	\$ 3,254,720	2,917,916	\$ 336,804	11.5%
Beginning Plant Fund Balance	\$ 359,932	326,086	\$ 33,846	10.4%
Plant Revenue - Interest	30,913	23,316	7,597	32.6%
Expenses	(45,751)	(90,628)	44,877	49.5%
Fund Additions/Deductions	103,730	101,158	2,572	2.5%
Ending Plant Fund Balance	\$ 448,824	359,932	\$ 88,892	24.7%

Note: Restated Fiscal Year 2007 Plant Funds to include fund previously excluded.

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Departments
For the Twelve Months Ending June 30, 2008 and 2007

	Telecom	Inter-Inst Enterprise Svc	Inter-Inst Network Svc	Printing & Mailing	Motor Pool	Surplus Property	Miscellaneous Svc Centers	Total 2008	Total 2007	Increase (Decrease)	% Change
Revenue											
Gifts, Grants & Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610,000	\$ 610,000	\$ -	\$ 610,000	0.00%
Revenue from Outside of OUS	243,539	237	215,270	1,015,765	116,817	229,613	582,389	2,403,630	2,300,416	103,214	4.49%
Revenue From OUS Depts	4,772,071	3,879,965	642,346	4,078,717	1,770,117	39,537	4,707,628	19,890,381	18,222,211	1,668,170	9.15%
Total Revenue	5,015,610	3,880,202	857,616	5,094,482	1,886,934	269,150	5,900,017	22,904,011	20,522,627	2,381,384	11.60%
Expense											
Total Salaries and OPE	1,467,533	2,224,299	638,287	1,053,063	500,540	234,782	3,613,429	9,731,933	8,555,376	1,176,557	13.75%
Service and Supplies	3,025,234	1,193,147	349,220	3,768,888	972,707	51,875	1,741,258	11,102,329	10,930,001	172,328	1.58%
Deprecation	169,601	89,440	55,868	82,492	302,913	1,409	67,162	768,885	777,065	(8,180)	-1.05%
Total Expense	4,662,368	3,506,886	1,043,375	4,904,443	1,776,160	288,066	5,421,849	21,603,147	20,262,442	1,340,705	6.62%
Net Change From Operations	353,242	373,316	(185,759)	190,039	110,774	(18,916)	478,168	1,300,864	260,185	1,040,679	399.98%
Fixed Asset Disposal Gain/(Loss)	-	-	-	-	-	-	(1,638)	(1,638)	-	(1,638)	#DIV/0!
Net Transfers In/(Out)	(191,617)	-	-	-	-	-	-	(191,617)	133,545	(325,162)	-243.48%
Net Increase (Decrease) in Fund Balance	161,625	373,316	(185,759)	190,039	110,774	(18,916)	476,530	1,107,609	393,730	713,879	181.31%
Beginning Operations Fund Balance	1,531,413	247,544	593,816	613,568	1,135,386	101,987	557,370	4,781,084	5,730,127	(949,043)	-16.56%
Fund Additions/Deductions	-	14,691	-	-	109,881	(16,427)	90,370	198,515	(1,342,773)	1,541,288	-114.78%
Ending Fund Balance from Operations	1,693,038	635,551	408,057	803,607	1,356,041	66,644	1,124,270	6,087,208	4,781,084	1,306,124	27.32%
Beginning Plant Fund Balance	2,175,074	579,371	478,666	523,541	2,560,999	115,291	252,653	6,685,595	5,374,085	1,311,510	24.40%
Plant Revenues	-	-	-	-	-	-	-	-	-	-	-
Plant Expenditures	-	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in Plant Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Fund Additions (Deductions)	-	-	-	-	-	-	(110,286)	(110,286)	1,311,510	(1,421,796)	108.41%
Ending Plant Fund Balance	2,175,074	579,371	478,666	523,541	2,560,999	115,291	252,653	6,575,309	6,685,595	(110,286)	-1.65%
Total Operations & Plant Fund Balance	\$ 3,868,112	\$ 1,214,922	\$ 886,723	\$ 1,327,148	\$ 3,917,040	\$ 181,935	\$ 1,376,923	\$ 12,662,517	\$ 11,466,679	1,195,838	10.43%

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
TELECOM
As of June 30, 2008

Background: This fund records the transactions related to telecommunications expenses incurred by OSU operations as well as telecommunication services provided to other OUS entities. Telecom provides and maintains a host of local and long distance phone services and equipment including cellular phones, pagers, voicemail, data network connections, wireless network, maintenance of the physical wire plant on campus, and audio and video conference capabilities.

Revenues: Overall revenues decreased \$70 thousand or 1.4% from fiscal year 2007 to fiscal year 2008 due to the reduction of several fee rates.

Expenses: Expenses increased by \$43 thousand or 0.9% compared to fiscal year 2007. There were two vacant positions that were filled during the year that produced an increase in Salaries and Other Payroll Expenses.

Balance Sheet: Current Assets increased by \$21 thousand or 0.7% between fiscal year 2008 and fiscal year 2007 mainly due to cash increases from positive change in operations.

Total Liabilities decreased minimally by \$2 thousand or 1.1%.

Oregon State University
Balance Sheet
Service Center Funds - Telecom
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 607,272	\$ 573,166	\$ 34,106	6.0%
Restricted Cash	2,175,074	2,175,074	-	-
Inventories	105,274	110,193	(4,919)	-4.5%
Prepaid Expenses	-	7,983	(7,983)	-
Total Current Assets	2,887,620	2,866,416	21,204	0.7%
Non-Current Assets				
Fixed Assets	7,683,148	7,375,652	307,496	4.2%
Accumulated Depreciation	(6,474,446)	(6,304,844)	(169,602)	-2.7%
Total Non-Current Assets	1,208,702	1,070,808	137,894	12.9%
Total Assets	4,096,322	3,937,224	159,098	4.0%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	148,302	149,095	(793)	-0.5%
Liability for Compensated Absences	79,908	81,642	(1,734)	-2.1%
Total Current Liabilities	228,210	230,737	(2,527)	-1.1%
Fund Balance	3,868,112	3,706,487	161,625	4.4%
Total Liabilities and Fund Balance	\$ 4,096,322	\$ 3,937,224	\$ 159,098	4.0%
Working Capital				
Current Assets	\$ 2,887,620	\$ 2,866,416	\$ 21,204	0.7%
Less: Current Liabilities	228,210	230,737	(2,527)	-1.1%
Working Capital End of Period	\$ 2,659,410	\$ 2,635,679	\$ 23,731	0.9%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Telecom
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Revenue from Outside of OUS	\$ 243,539	\$ 300,336	\$ (56,797)	-18.9%
Revenue from OUS Depts	4,772,071	4,785,124	(13,053)	-0.3%
Total Revenue	5,015,610	5,085,460	(69,850)	-1.4%
Expense				
Total Salaries and OPE	1,467,533	1,388,170	79,363	5.7%
Service and Supplies	3,025,234	3,085,813	(60,579)	-2.0%
Depreciation	169,601	145,547	24,054	16.5%
Total Expense	4,662,368	4,619,530	42,838	0.9%
Net Change From Operations	353,242	465,930	(112,688)	-24.2%
Net Transfers In/(Out)	(191,617)	(96,958)	(94,659)	-97.6%
Net Increase (Decrease) in Fund Balance	161,625	368,972	(207,347)	-56.2%
Beginning Operations Fund Balance	1,531,413	1,922,114	(390,701)	-20.3%
NIP Change in Fixed Assets	-	2,327	(2,327)	-
Fund Additions/Deductions	-	(762,000)	762,000	-
Ending Fund Balance From Operations	\$ 1,693,038	\$ 1,531,413	\$ 161,625	10.6%
Beginning Plant Fund Balance	\$ 2,175,074	\$ 1,413,074	762,000	53.9%
Fund Additions/Deductions	-	762,000	(762,000)	-
Ending Plant Fund Balance	\$ 2,175,074	\$ 2,175,074	\$ -	-

Unaudited - For Management Purposes Only

**OREGON STATE UNIVERSITY
INTER-INSTITUTIONAL ENTERPRISE
SERVICES
As of June 30, 2008**

Background: This fund records the transactions related to off campus network support services provided to the OUS 5th site schools and the Chancellor's Office. Services provided included network support and enterprise system support. Due to the IT merger during fiscal year 2004 between OUS and OSU, this operation is now reported by OSU.

Revenues: ETS revenues for fiscal year 2008 were \$396 thousand or 11.4% higher than Fiscal Year 2007 due to increased billing for additional services provided and an additional deposit of \$210 thousand for a technology upgrade.

Expenses: The expenses incurred by ETS for the year ending June 30, 2008 were \$3.5 million, up \$.36 million from the prior year. Salaries & Other Payroll Expenses increased due to filling vacant positions. The increase in Service and Supplies expenses was mostly due to purchasing equipment and software for the technology upgrade.

Balance Sheet: Cash balances increased due to the positive operating results.

Oregon State University
Balance Sheet
Service Center Funds - Enterprise Services
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 357,140	\$ 579,371	\$ (222,231)	-38.4%
Restricted Cash	579,371	309,418	269,953	87.2%
Prepaid Expenses and Deferred Charges	39,675	-	39,675	-
Total Current Assets	976,186	888,789	87,397	9.8%
Non-Current Assets				
Fixed Assets	1,112,379	869,505	242,874	27.9%
Accumulated Depreciation	(758,999)	(810,123)	51,124	6.3%
Total Non-Current Assets	353,380	59,382	293,998	495.1%
Total Assets	1,329,566	948,171	381,395	40.2%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	21,192	26,435	(5,243)	-19.8%
Liability for Compensated Absences	93,452	94,821	(1,369)	-1.4%
Total Current Liabilities	114,644	121,256	(6,612)	-5.5%
Fund Balance	1,214,922	826,915	388,007	46.9%
Total Liabilities and Fund Balance	\$ 1,329,566	\$ 948,171	\$ 381,395	40.2%
Working Capital				
Current Assets	\$ 976,186	\$ 888,789	\$ 87,397	9.8%
Less: Current Liabilities	114,644	121,256	(6,612)	-5.5%
Working Capital End of Period	\$ 861,542	\$ 767,533	\$ 94,009	12.2%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Enterprise Services
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Revenue from Outside of OUS	\$ 237	\$ (85)	\$ 322	378.8%
Revenue from OUS Depts	3,879,965	3,484,098	395,867	11.4%
Total Revenue	3,880,202	3,484,013	396,189	11.4%
Expense				
Total Salaries and OPE	2,224,299	2,004,708	219,591	11.0%
Service and Supplies	1,193,147	1,033,225	159,922	15.5%
Depreciation	89,440	109,757	(20,317)	-18.5%
Total Expense	3,506,886	3,147,690	359,196	11.4%
Net Change From Operations	373,316	336,323	36,993	11.0%
Fixed Asset Disposal Gain/(Loss)	-	-	-	-
Net Transfers In/(Out)	-	-	-	-
Net Increase (Decrease) in Fund Balance	373,316	336,323	36,993	11.0%
Beginning Operations Fund Balance	247,544	311,221	(63,677)	-20.5%
Fund Additions/Deductions	14,691	(400,000)	414,691	103.7%
Ending Fund Balance From Operations	\$ 635,551	\$ 247,544	\$ 388,007	156.7%
Beginning Plant Fund Balance	\$ 579,371	\$ 179,371	\$ 400,000	-
Fund Additions/Deductions	-	400,000	(400,000)	-
Ending Plant Fund Balance	\$ 579,371	\$ 579,371	\$ -	-

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
INTER-INSTITUTIONAL NETWORK SERVICES
As of June 30, 2008

Background: These funds record transactions related to off campus network support services provided to the Capital Center and OUS central phone system. Services provided included network support and enterprise system support. Inter-Institutional Network Services is made up of two separate funds which provide support services to non-OSU locations (OUS & Capital Center).

Revenues: Total revenues for these two funds increased \$375 thousand from last year due to resuming billing to regular levels. Billings had been reduced last year, which were planned to reduce the existing surplus in these funds.

Expenses: Total expenses rose by \$143 thousand or 15.9% mostly due to extra equipment and maintenance purchases.

Net loss from operations was \$186 thousand which brought the fund balance down to \$408 thousand.

Balance Sheet: Cash balances decreased \$58 thousand due to the operating loss. Total Liabilities increased due to the increase in Accounts Payable.

Oregon State University
Balance Sheet
Service Center Funds - Network Services
As of June 30, 2007 and 2006

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	459,605	517,366	\$ (57,761)	-11.2%
Restricted Cash	478,666	478,666	-	-
Total Current Assets	938,271	996,032	(57,761)	-5.8%
Non-Current Assets				
Fixed Assets	439,121	373,750	65,371	17.5%
Accumulated Depreciation	(267,699)	(211,831)	(55,868)	-26.4%
Total Non-Current Assets	171,422	161,919	9,503	5.9%
Total Assets	1,109,693	1,157,951	(48,258)	-4.2%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	178,249	38,078	140,171	368.1%
Liability for Compensated Absences	44,721	47,391	(2,670)	-5.6%
Total Current Liabilities	222,970	85,469	137,501	160.9%
Fund Balance	886,723	1,072,482	(185,759)	-17.3%
Total Liabilities and Fund Balance	\$ 1,109,693	\$ 1,157,951	\$ (48,258)	-4.2%
Working Capital				
Current Assets	\$ 938,271	\$ 996,032	\$ (57,761)	-5.8%
Less: Current Liabilities	222,970	85,469	137,501	160.9%
Working Capital End of Period	\$ 715,301	\$ 910,563	\$ (195,262)	-21.4%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Network Services
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Revenue from Outside of OUS	\$ 215,270	\$ 68,194	\$ 147,076	215.7%
Revenue from OUS Depts	642,346	414,555	227,791	54.9%
Total Revenue	857,616	482,749	374,867	77.7%
Expense				
Total Salaries and OPE	638,287	618,835	19,452	6.3%
Service and Supplies	349,220	212,713	136,507	22.1%
Depreciation	55,868	68,678	(12,810)	-6.0%
Total Expense	1,043,375	900,226	143,149	15.9%
Net Change From Operations	(185,759)	(417,477)	231,718	55.5%
Net Transfers In/(Out)	-	-	-	
Net Increase (Decrease) in Fund Balance	(185,759)	(417,477)	231,718	55.5%
Beginning Operations Fund Balance	593,816	1,043,293	(449,477)	-43.1%
Fund Additions/Deductions	-	(32,000)	32,000	-
Ending Fund Balance From Operations	\$ 408,057	\$ 593,816	\$ (185,759)	-31.3%
Beginning Plant Fund Balance	\$ 478,666	\$ 478,666	\$ -	-
Fund Additions/Deductions	-	-	-	-
Ending Plant Fund Balance	\$ 478,666	\$ 478,666	\$ -	-

Unaudited - For Management Purposes Only

**OREGON STATE UNIVERSITY
PRINTING AND MAILING
As of June 30, 2008**

Background: This fund records financial transactions related to printing and mailing services provided primarily to OSU departments. Printing and Mailing also provides services to customers outside of OSU.

Revenues: Printing and Mailing generated revenues of \$5.1 million in fiscal year 2008, or \$131 thousand (2.6%) over the prior year. Eighty percent of the revenue, \$4.1 million, came from internal Oregon University System departments, but the majority revenue growth, \$155 thousand (18%), came from business that Printing and Mailing generates with customers that are external to OUS.

Expenses: In fiscal year 2008, Printing and Mailing's total expenses were \$4.9 million, or \$50 thousand (1%) less than the prior year. The service and supplies category came in \$127 thousand or 3.2% less than fiscal year 2007 expense level. This result was due in part to an assessment reduction that contributed \$114 thousand in savings. Payroll expense increased in fiscal year 2008 by \$78 thousand or 8% despite operating without filling key vacancies for most of the year. Printing and Mailing filled the Customer Service Manager position in May 2008, so it is anticipated that payroll expenses will continue to grow in fiscal year 2009.

Balance Sheet: Printing and Mailing's current Assets increased \$281 thousand or 23.5%, with growth in Accounts Receivable of \$110 thousand due to several large print jobs completed at year end for key external accounts. Printing and Mailing has also implemented steps to effectively manage the collection of older Accounts Receivable. Prepaid Expenses increased \$22 thousand or 28.5%, which reflects the timing of loading the postage meters with prepaid postage. Fixed Assets declined \$68 thousand or 7% as two Pitney Bowes Paragon machines were disposed of during the year.

Total Liabilities increased \$8 thousand or 3.2%. This growth was reflected in Accounts Payable, which increased \$8 thousand.

Oregon State University
Balance Sheet
Service Center Funds - Printing & Mailing
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 507,042	\$ 397,947	\$ 109,095	27.4%
Restricted Cash	523,542	523,542	-	-
Accounts Receivable	201,144	91,033	110,111	121.0%
Inventories	140,738	101,761	38,977	38.3%
Prepaid Expenses and Deferred Charges	101,394	78,880	22,514	28.5%
Total Current Assets	1,473,860	1,193,163	280,697	23.5%
Non-Current Assets				
Fixed Assets	909,615	977,934	(68,319)	-7.0%
Accumulated Depreciation	(792,089)	(777,916)	(14,173)	-1.8%
Total Non-Current Assets	117,526	200,018	(82,492)	-41.2%
Total Assets	1,591,386	1,393,181	198,205	14.2%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	213,226	205,689	7,537	3.7%
Liability for Compensated Absences	51,012	50,383	629	1.2%
Total Current Liabilities	264,238	256,072	8,166	3.2%
Fund Balance	1,327,148	1,137,109	190,039	16.7%
Total Liabilities and Fund Balance	\$ 1,591,386	\$ 1,393,181	\$ 198,205	14.2%
Working Capital				
Current Assets	\$ 1,473,860	\$ 1,193,163	\$ 280,697	23.5%
Less: Current Liabilities	264,238	256,072	8,166	3.2%
Working Capital End of Period	\$ 1,209,622	\$ 937,091	\$ 272,531	29.1%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Printing & Mailing
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Revenue from Outside of OUS	\$ 1,015,765	\$ 860,433	\$ 155,332	18.1%
Revenue from OUS Depts	<u>4,078,717</u>	<u>4,102,620</u>	<u>(23,903)</u>	-0.6%
Total Revenue	5,094,482	4,963,053	131,429	2.6%
Expense				
Total Salaries and OPE	1,053,063	975,221	77,842	8.0%
Service and Supplies	3,768,888	3,895,429	(126,541)	-3.2%
Depreciation	<u>82,492</u>	<u>83,344</u>	<u>(852)</u>	-1.0%
Total Expense	4,904,443	4,953,994	(49,551)	-1.0%
Net Change From Operations	190,039	9,059	180,980	1997.8%
Beginning Operations Fund Balance	<u>613,568</u>	<u>604,509</u>	<u>9,059</u>	1.5%
Ending Fund Balance From Operations	<u>\$ 803,607</u>	<u>\$ 613,568</u>	<u>\$ 190,039</u>	31.0%
Beginning Plant Fund Balance	<u>\$ 523,541</u>	<u>\$ 523,541</u>	\$ -	-
Ending Plant Fund Balance	<u>\$ 523,541</u>	<u>\$ 523,541</u>	\$ -	-

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
MOTOR POOL
As of June 30, 2008

Background: This fund records financial transactions related to vehicle rental and repair services provided primarily to OSU departments and personnel. The Motor Pool also provides services to customers outside of OSU.

Revenues: External revenues were up \$19 thousand or 19.8% and internal revenues increased \$108 thousand or 6.5%. The increase in Internal Revenue reflects Motor Pool's investment in new vehicles and the university's increased usage of these vehicles,

Expenses: Motor Pool's operating expenses increased \$127 thousand or 7.7% over fiscal year 2007. Payroll expenses increased \$63 thousand or 14.5% as the Motor Pool was able to fill key positions, including the Motor Pool Manager that had gone vacant for half of fiscal year 08. Service and Supplies increased \$82 thousand or 9.2% due in large part to the increased cost of fuel. Depreciation decreased \$19 thousand or 5.8% as more vehicles have become fully depreciated.

Balance Sheet: Motor Pool cash at the end of fiscal year 2008 totaled \$2.8 million, a decrease of 2.7%. Fixed Assets increased 14% over the last fiscal year due to new vehicle purchases, which are intended to replace some of the aging vehicles. Accumulated depreciation decreased 6.8% due to the older vehicle disposal.

Liabilities at June 30, 2008 were \$274 thousand, or 148% higher than the prior year due in part to a higher Accounts Payable balance.

Oregon State University
Balance Sheet
Service Center Funds - Motor Pool
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 189,599	\$ 267,710	\$ (78,111)	-29.2%
Restricted Cash	2,560,998	2,560,998	-	-
Accounts Receivable	17,055	10,541	6,514	61.8%
Inventories	82,506	52,199	30,307	58.1%
Prepaid Expenses and Deferred Charges	730	-	730	-
Total Current Assets	2,850,888	2,891,448	(40,560)	-1.4%
Non-Current Assets				
Fixed Assets	5,719,083	5,015,897	703,186	14.0%
Accumulated Depreciation	(4,378,635)	(4,100,184)	(278,451)	-6.8%
Total Non-Current Assets	1,340,448	915,713	424,735	46.4%
Total Assets	4,191,336	3,807,161	384,175	10.1%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	246,333	77,768	168,565	216.8%
Liability for Compensated Absences	27,963	33,008	(5,045)	-15.3%
Total Current Liabilities	274,296	110,777	163,519	147.6%
Fund Balance	3,917,040	3,696,385	220,655	6.0%
Total Liabilities and Fund Balance	\$ 4,191,336	\$ 3,807,162	\$ 384,174	10.1%
Working Capital				
Current Assets	\$ 2,850,888	\$ 2,891,448	\$ (40,560)	-1.4%
Less: Current Liabilities	274,296	110,777	163,519	147.6%
Working Capital End of Period	\$ 2,576,592	\$ 2,780,671	\$ (204,079)	-7.3%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Motor Pool
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Revenue from Outside of OUS	\$ 116,817	\$ 97,532	\$ 19,285	19.8%
Revenue from OUS Depts	<u>1,770,117</u>	<u>1,661,747</u>	<u>108,370</u>	6.5%
Total Revenue	1,886,934	1,759,279	127,655	7.3%
Expense				
Total Salaries and OPE	500,540	437,105	63,435	14.5%
Service and Supplies	972,707	890,394	82,313	9.2%
Depreciation	<u>302,913</u>	<u>321,653</u>	<u>(18,740)</u>	-5.8%
Total Expense	1,776,160	1,649,152	127,008	7.7%
Net Change From Operations	110,774	110,127	647	0.6%
Beginning Operations Fund Balance	1,135,386	1,149,099	(13,713)	-1.2%
NIP Change in Fixed Assets	109,881	(1,590)	111,471	7010.8%
Fund Additions/Deductions	<u> </u>	<u>(122,250)</u>	<u>122,250</u>	-
Ending Fund Balance From Operations	<u>\$ 1,356,041</u>	<u>\$ 1,135,386</u>	<u>\$ 220,655</u>	19.4%
Beginning Plant Fund Balance	\$ 2,560,999	\$ 2,438,749	\$ 122,250	5.0%
Fund Additions/Deductions	<u> </u>	<u>122,250</u>	<u>(122,250)</u>	-
Ending Plant Fund Balance	<u>\$ 2,560,999</u>	<u>\$ 2,560,999</u>	<u>\$ -</u>	-

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
SURPLUS PROPERTY
As of June 30, 2008

Background: This fund records the financial transactions related to the collection and sale of OSU and other state agency property deemed ready for salvage. Surplus Property's customers are both internal and external to OSU. Sales are accomplished via auction, the "OSUsed" Store, as well as the web-based channels of Labtronix and E-Bay.

Revenues: Surplus Property Revenue can fluctuate significantly from period to period, as it is largely dependent on the quantity of used equipment coming from university departments, as well as the number of sales held each fiscal year. Total revenue for Surplus Property was \$269 thousand, a 7.5% decline from fiscal year 2007. Internal sales decreased \$6 thousand or 12.2%, while external sales declined \$16 thousand, or 6.7%.

Expenses: Surplus Property expenses of \$288 thousand for fiscal year 2008 were essentially flat from prior year. Salary and Other Payroll Expenses increased \$18 thousand or 8.7% but these were mostly offset by a \$16 thousand (23.7%) decline in Service and Supplies, with most of the reduction spread across lower freight, delivery, and maintenance charges.

Balance Sheet: Current Assets showed an overall decline of \$41 thousand, or 19% less than fiscal year 2007. A \$40 thousand reduction in cash made up the majority of the decline. Liabilities for fiscal year 2008 increased by \$3 thousand, as Accounts Payable grew 67.8%.

Oregon State University
Balance Sheet
Service Center Funds - Surplus Property
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 60,810	\$ 100,838	\$ (40,028)	-39.7%
Restricted Cash	115,291	115,291	-	-
Accounts Receivable	-	1,250	(1,250)	-
Total Current Assets	176,101	217,379	(41,278)	-19.0%
Non-Current Assets				
Fixed Assets	40,048	113,893	(73,845)	-64.8%
Accumulated Depreciation	(14,409)	(97,466)	83,057	85.2%
Total Non-Current Assets	25,639	16,427	9,212	56.1%
Total Assets	201,740	233,807	(32,066)	-13.7%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	8,152	4,857	3,295	67.8%
Liability for Compensated Absences	11,653	11,672	(19)	-0.2%
Total Current Liabilities	19,805	16,529	3,276	19.8%
Fund Balance	181,935	217,278	(35,343)	-16.3%
Total Liabilities and Fund Balance	\$ 201,740	\$ 233,807	\$ (32,067)	-13.7%
Working Capital				
Current Assets	\$ 176,101	\$ 217,379	\$ (41,278)	-19.0%
Less: Current Liabilities	19,805	16,529	3,276	19.8%
Working Capital End of Period	\$ 156,296	\$ 200,850	\$ (44,554)	-22.2%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Surplus Property
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Revenue from Outside of OUS	\$ 229,613	\$ 246,008	\$ (16,395)	-6.7%
Revenue from OUS Depts	39,537	\$ 45,035	(5,498)	-12.2%
Total Revenue	269,150	291,043	(21,893)	-7.5%
Expense				
Total Salaries and OPE	234,782	215,958	18,824	8.7%
Service and Supplies	51,875	67,964	(16,089)	-23.7%
Depreciation	1,409	4,480	(3,071)	-68.5%
Total Expense	288,066	288,402	(336)	-0.1%
Net Change From Operations	(18,916)	2,641	(21,557)	-816.2%
Beginning Operations Fund Balance	101,987	99,346	2,641	2.7%
NIP Change in Fixed Assets	(16,427)		(16,427)	-
Ending Fund Balance From Operations	\$ 66,644	\$ 101,987	\$ (35,343)	-34.7%
Beginning Plant Fund Balance	115,291	115,291	\$ -	-
Ending Plant Fund Balance	115,291	115,291	\$ -	-

Unaudited - For Management Purposes Only

OREGON STATE UNIVERSITY
MISCELLANEOUS SERVICE CENTERS
As of June 30, 2008

Background: These funds include the following operations: Campus ID System, Animal Isolation Lab, Lab Animal Services, Chemistry Stores, Forestry Quantitative LAN, Desktop Support Services, ATLAS Operations, Advertising Media Presentation Services and Marine Mammal Institute Vessels Program.

Revenues: Revenues increased \$1.4 million this year or 32.4% over fiscal year 2007 because the Marine Mammal Institute Vessels program received two vessels worth \$600 thousand and posted \$200 thousand in additional revenue over last year. In addition, the Advertising Media Presentation Services was a new service center started this year which brought in \$100 thousand while the ATLAS Operations, also fairly new posted \$200 thousand over FY07.

Expenses: Salaries and Other Payroll Expenses were higher than last year by \$700 thousand partly due to raises and increased health benefit costs. Also there was added labor distribution in the newer centers which are growing.

Balance Sheet: Total Assets increased by \$500 thousand or 50% due to the addition of the two vessels to fixed assets in the Marine Mammal Institute Vessels program. Current Liabilities increased \$85 thousand or 30.8%.

Oregon State University
Balance Sheet
Service Center Funds - Miscellaneous
As of June 30, 2008 and 2007

Assets	2008	2007	Increase (Decrease)	% Change
Current Assets				
Cash	\$ 381,549	\$ 460,792	\$ (79,243)	-17.2%
Restricted Cash	142,367	252,653	(110,286)	-43.7%
Accounts Receivable	60,576	71,219	(10,643)	-14.9%
Inventories	177,203	165,476	11,727	7.1%
Prepaid Expenses and Deferred Charges	69,522	2,801	66,721	2382.0%
Total Current Assets	831,217	952,941	(121,724)	-12.8%
Non-Current Assets				
Fixed Assets	1,300,318	588,658	711,660	120.9%
Accumulated Depreciation	(503,936)	(455,570)	(48,366)	-10.6%
Total Non-Current Assets	796,382	133,088	663,294	498.4%
Total Assets	1,627,599	1,086,029	541,570	49.9%
Liabilities and Fund Balance				
Current Liabilities				
Accounts Payable	173,910	122,532	51,378	41.9%
Liability for Compensated Absences	181,832	129,996	51,836	39.9%
Deferred Revenues	5,220	23,478	(18,258)	-77.8%
Total Current Liabilities	360,962	276,006	84,956	30.8%
Fund Balance	1,266,637	810,023	456,614	56.4%
Total Liabilities and Fund Balance	\$ 1,627,599	\$ 1,086,029	\$ 541,570	49.9%
Working Capital				
Current Assets	\$ 831,217	\$ 952,941	\$ (121,724)	-12.8%
Less: Current Liabilities	360,962	276,006	84,956	30.8%
Working Capital End of Period	\$ 470,255	\$ 676,935	\$ (206,680)	-30.5%

Unaudited - For Management Purposes Only

Oregon State University
Statement of Revenues, Expenses, and Other Changes
Service Center Funds - Miscellaneous
For the Twelve Months Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenue				
Gifts, Grants & Contracts	\$ 610,000	\$ -	\$ 610,000	-
Revenue from Outside of OUS	582,389	727,998	(145,609)	-20.0%
Revenue from OUS Depts	<u>4,707,628</u>	<u>3,729,032</u>	<u>978,596</u>	26.2%
Total Revenue	5,900,017	4,457,030	1,442,987	32.4%
Expense				
Total Salaries and OPE	3,613,429	2,915,379	698,050	23.9%
Service and Supplies	1,741,258	1,744,463	(3,205)	-0.2%
Depreciation	<u>67,162</u>	<u>43,606</u>	<u>23,556</u>	54.0%
Total Expense	5,421,849	4,703,448	718,401	15.3%
Net Change From Operations	478,168	(246,418)	724,586	294.0%
Fixed Asset Disposal Gain/(Loss)	(1,638)		(1,638)	-
Net Transfers In/(Out)		<u>230,503</u>	<u>(230,503)</u>	-
Net Increase (Decrease) in Fund Balance	<u>476,530</u>	<u>(15,915)</u>	<u>492,445</u>	-3094.2%
Beginning Operations Fund Balance	557,370	600,545	(43,175)	-7.2%
NIP Change in Fixed Assets	(19,917)	-	(19,917)	-
Fund Additions/Deductions	<u>110,287</u>	<u>(27,260)</u>	<u>137,547</u>	-504.6%
Ending Fund Balance From Operations	<u>\$ 1,124,270</u>	<u>\$ 557,370</u>	<u>\$ 566,900</u>	101.7%
Beginning Plant Fund Balance	\$ 252,653	\$ 225,393	\$ 27,260	12.1%
Fund Additions/Deductions	<u>(110,286)</u>	<u>27,260</u>	<u>(137,546)</u>	-504.6%
Ending Plant Fund Balance	<u>\$ 142,367</u>	<u>\$ 252,653</u>	<u>\$ (110,286)</u>	-43.7%

Unaudited - For Management Purposes Only

Oregon State University
Gift & Royalty Funds
Fiscal Years 2008-2007

Fiscal Year 2008

	Revenue	Expense	Net Result
Scholarships	\$ 16,454,274	\$ 16,479,386	(25,111)
Athletics	17,129,855	16,574,730	555,125
Academic Units	15,156,186	14,716,839	439,347
Administrative Units	3,093,604	2,512,162	581,442
Research	4,088,279	3,947,869	140,410
Library	1,252,189	1,203,868	48,321
Royalties & Inventions	745,513	695,592	49,921
Extension	452,311	414,039	38,272
	<u>\$ 58,372,212</u>	<u>\$ 56,544,485</u>	<u>\$ 1,827,727</u>

Fiscal Year 2007

	Revenue	Expense	Net Result
	\$ 14,043,770	\$ 13,935,477	108,293
	14,863,182	14,985,413	(122,231)
	15,584,387	15,975,490	(391,103)
	1,839,414	1,505,639	333,774
	4,275,029	4,558,051	(283,021)
	1,261,835	1,302,566	(40,731)
	708,760	365,620	343,140
	292,818	296,502	(3,684)
	<u>\$ 52,869,196</u>	<u>\$ 52,924,758</u>	<u>\$ (55,563)</u>

Oregon State University
Designated Operations¹
Fiscal Years 2008-2007

Fiscal Year 2008

	Revenue	Expense	Net Result
Seed Certification & Testing	\$ 3,774,016	\$ 3,577,038	\$ 196,978
English Language Institute	1,189,620	1,369,935	(180,315)
International Study Abroad Programs	2,119,566	2,130,796	(11,230)
College of Business Applied Technology Group	1,188,375	1,140,219	48,156
Health & Human Sciences Outreach	1,610,640	1,531,249	79,392
Miscellaneous	4,955,140	4,766,248	188,891
	<u>\$ 14,837,357</u>	<u>\$ 14,515,485</u>	<u>\$ 321,872</u>

Fiscal Year 2007

	Revenue	Expense	Net Result
	\$ 3,580,450	\$ 3,575,315	\$ 5,136
	1,700,332	1,608,791	91,542
	1,818,862	1,892,479	(73,616)
	1,184,539	1,238,653	(54,114)
	1,360,924	1,216,315	144,609
	4,610,684	4,588,094	22,590
	<u>\$ 14,255,791</u>	<u>\$ 14,119,645</u>	<u>\$ 136,146</u>

¹ The Designated Operations fund group also referred to as public service activities, consists of self-sustaining operations whose purpose is to account for specific activities such as labs, workshops, seminars, testing, consulting and special interest publications.

**Oregon State University
Report of Obligations and Debt Service
As of June 30, 2008**

Debt Obligation (Principal)	General		Student	Energy			Housing	Memorial Union	Athletics	Parking		
	<u>XI-G Bonds</u>	<u>XI-F Bonds (1)</u>	<u>Building Fees XI-F Bonds</u>	<u>Plant</u>	<u>Vet Med</u>	<u>SELP</u>	<u>XI-F Bonds</u>	<u>XI-F Bonds</u>	<u>XI-F Bonds</u>	<u>XI-F Bonds</u>	<u>Lottery</u>	<u>COPs</u>
2008-2009	71,363,121	5,031,020.00	24,395,303	11,602,422	6,299,954	2,223,394	49,857,235	79,278	83,642,508	9,171,247	16,470,852	13,863,278
2009-2010	68,839,341	4,792,533.00	23,578,268	11,411,483	6,175,652	1,956,695	47,975,249	67,935	81,704,354	8,986,301	16,124,414	12,897,536
2010-2011	66,443,181	4,555,263.00	22,789,151	11,213,728	6,047,749	1,677,410	46,176,695	57,456	79,711,701	8,797,141	15,724,098	11,561,591
2011-2012	63,996,910	4,319,190.00	22,007,986	11,007,846	5,911,958	1,412,396	44,169,419	47,308	77,635,144	8,596,872	15,306,834	10,474,651
2012-2013	61,517,142	4,082,067.00	21,219,159	10,793,837	5,770,425	1,138,234	41,965,321	37,196	75,495,771	8,387,645	14,874,999	9,493,501
Thereafter:	59,128,919	3,843,766.00	20,387,128	10,570,304	5,622,423	904,892	39,876,733	27,697	73,268,982	8,171,738	14,425,153	8,475,525
Debt Service (Principal & Interest)												
	<u>XI-G Bonds</u>	<u>General XI-F Bonds</u>	<u>Student Building Fees XI-F Bonds</u>	<u>Energy Plant</u>	<u>Vet Med</u>	<u>SELP</u>	<u>Housing XI-F Bonds</u>	<u>Memorial Union XI-F Bonds</u>	<u>Athletics XI-F Bonds</u>	<u>Parking XI-F Bonds</u>	<u>Lottery</u>	<u>COPs</u>
2008-2009	6,361,748	624,524	2,421,048	706,537	424,451	376,368	4,525,047	18,020	6,128,725	622,734	1,102,529	1,573,494
2009-2010	6,204,310	627,086	2,313,305	705,582	423,598	376,368	4,517,977	18,045	6,125,780	619,190	1,142,265	1,896,400
2010-2011	6,254,999	625,792	2,306,361	705,611	424,925	348,894	4,512,048	17,954	6,132,895	620,725	1,143,488	1,591,883
2011-2012	6,288,350	626,877	2,383,598	705,313	423,768	345,320	4,592,435	17,770	6,058,602	619,591	1,141,333	1,444,862
2012-2013	6,026,050	626,801	2,388,794	705,511	423,024	291,291	4,547,297	18,197	6,053,390	615,797	1,141,841	1,442,153
Thereafter:	93,204,079	6,203,548	33,150,789	17,612,833	8,894,526	1,055,388	60,405,842	49,917	119,641,109	13,093,538	19,943,901	11,175,439
Total:	<u>\$ 124,339,536</u>	<u>\$ 9,334,628</u>	<u>\$ 44,963,895</u>	<u>\$ 21,141,387</u>	<u>\$ 11,014,292</u>	<u>\$ 2,793,628</u>	<u>\$ 83,100,646</u>	<u>\$ 139,903</u>	<u>\$ 150,140,501</u>	<u>\$ 16,191,575</u>	<u>\$ 25,615,357</u>	<u>\$ 19,124,231</u>

(1) Environmental Computing Center; Hazardous Waste Facility; Cordley Hall Remodel; Food Innovation Ctr.