

## MINUTES

### BOARD OF TRUSTEES

June 11, 1971

These are the minutes of the meeting of the Ohio University Board of Trustees held at the Ohio University Inn in Athens, Ohio on Friday, June 11, 1971. Chairman Baxter called the meeting to order at 2:35 P.M. with the following members of the Board of Trustees present: C. Paul Stocker, Wayne E. Brown, Fred H. Johnson, Edwin L. Kennedy, Mrs. J. Wallace Phillips, and Fred W. Crow, Jr. In addition to the Trustees, also present were: President Claude R. Sowle, Provost Robert L. Savage, Vice President for Educational Services Richard C. Dorf, Treasurer John F. Milar, and Secretary to the Board of Trustees Paul R. O'Brien.

Mr. Kennedy moved, seconded by Mrs. Phillips and unanimously carried that the minutes of the meetings held on April 12, 1971 and May 13, 1971 be approved as distributed by the Secretary.

Dr. Meno Lovenstein, author of the historical book entitled The Decade of the University: Ohio University During the Alden Years, presented each of the members of the Board of Trustees a leather bound copy of this book. The Trustees expressed their thanks for this book and instructed the Secretary to write a letter of appreciation to Dr. Meno Lovenstein.

Fred Johnson then presented a resolution of appreciation to Paul R. O'Brien, who is retiring as Secretary to the Board of Trustees on June 30 of this year. It was moved by Mr. Johnson, seconded by Mrs. Phillips and unanimously carried that the following resolution be adopted:

WHEREAS, Paul Raymond O'Brien, Class of 1932 and a native of Southeastern Ohio, is retiring as Secretary of the Board of Trustees of Ohio University, a position he has held for twenty years, and

WHEREAS, prior to his return to Ohio University as controller in 1946, he served his country during World War II as an officer for three years, as an auditor for the State of Ohio for nine years, and as an accountant in private business for three years, and

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WHEREAS, he held the positions of treasurer and of vice president for business affairs during the University's greatest growth period,

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees, on behalf of Ohio University, does hereby officially commend Mr. O'Brien for twenty-five years of loyal and devoted service to the University and to three University presidents; and on behalf of all the Trustees he has served, does express grateful appreciation for his personal devotion to them.

The Chairman then called on President Sowle for his report. President Sowle reported as follows:

President Sowle reported that he believed we have had two years of rather solid progress despite the dramatic problems of student unrest during his first year as president.

There is still much to be done and the most serious immediate problem is the 1971-72 budget. He explained to the Trustees that the budget they had approved previously contained an increase in expenditures of 3.3 million. Governor Gilligan's budget as submitted to the Legislature contained an increased appropriation of 1.6 million for Ohio University. The House later cut this recommendation to 1.4 million when they passed the appropriation bill. The House approved Bill does permit an increase in fees of \$90 per year, which with the 1.4 million increased appropriation will provide approximately 3.3 million for the 1971-72 fiscal year.

The President reported there are several bills that have been introduced in the Legislature providing civil service pay increases. As presently constituted, these bills do not provide additional funds to the universities to cover these pay increases, nor does the appropriation bill include funds to cover the proposed salary increases. We are presently attempting to get any civil service increase provided by the Legislature to be funded by the Legislature, in addition to our present appropriation. 159

The President reported that if the pay increase is funded in addition to what we presently have appropriated and the Board of Trustees approve the increase of fees to the maximum \$90 per year, we will be able to operate for the fiscal year 1971-72 as previously budgeted.

At present there is no provision for increased appropriations for the 1971-72 fiscal year and without some additional funds, it will be impossible to operate Ohio University for the 1972-73 fiscal year as it 158

is presently operating. The quality of our education will have to be cut substantially for the 1972-73 year unless we do receive increased appropriations or are permitted to further increase fees charged students.

The President also reported that the present appropriation bill terminates state support for our sabbatical leave program effective June 30, 1972. This bill also stipulates that each faculty member shall teach at least twelve credit hours per week and effective June 30, 1972, all fee waivers shall be eliminated.

The President reported that in the academic area in the past two years, a more flexible and responsive curriculum has been developed. This includes liberalized requirements, development of the pass-fail grading system, and development of the Black Studies Institute. Also, significant gains in the financial support for the library and careful study has been made of the means to eliminate the class closeout problem as much as possible.

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In the fiscal area recognition of the need for fiscal responsibility has been generated by the new open budget procedure. The budget preparation was accomplished this past year with the full knowledge of all members of the University community, and they did participate in developing the budget.

In the student area, a new student judiciary process has been developed, considerable improvement has been made in the recreational facilities; however, we still have much more to do in this area. Also, the relaxed student social regulations have been approved during the past year.

The President also reported that we have negotiated a new union-management agreement without a strike. Also, no serious student disruptions occurred during the past year and many other improvements have been generated by the task forces and special committees appointed to look into general University affairs.

The President reported that communications between the students, faculty, administration and Trustees has been improved during the past year. The appointment of an ombudsman has improved student and administration communication. This office has been effectively handled by Dr. Lester Marks. The President's weekly press conferences and the weekly radio talkback program was initiated. In addition, the President has visited many of the dormitories and has had over 10,000 visitors, consisting of students, faculty and others in his home during the past year.

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The President then reported that in spite of the numerous accomplishments during the past two years, we still have many improvements that must be made in the coming two years.

These improvements include review of the grading system, a need for greater flexibility in meeting the changing student demands in the academic area, increase support for research, improvement and modernization in our approach to instruction, particularly in utilizing technology, continued attacks on the closeout problem, more planning, both long-range and short-range, and campus beautification.

The President also reported that we must strive for greater alumni support, both financial and moral. We must expand and improve our drug and sex education programs and develop a viable student government and an effective University-wide governing system. We must study the role of women in the University and guard against discrimination in this area. Our communications must be further improved particularly in regard to the region and the community, as well as with state legislators and we must point out that there are differences in the institutions of higher education in Ohio and it is because of these differences that the state system of higher education in Ohio is so strong.

There was a discussion of the fact that the former library named the Edwin Watts Chubb Library is no longer used as a library, but will house the Student Services and University College when it is rehabilitated. It was recommended that the Edwin Watts Chubb Library now be named the Edwin Watts Chubb Hall, as a more appropriate designation of this building.

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There was a discussion of this proposal and it was moved by Mr. Brown, seconded by Mrs. Phillips and unanimously carried that the building now named the Edwin Watts Chubb Library be named the Edwin Watts Chubb Hall to better recognize its future use.

The President recommended that Professor B. A. Renkenberger and Professor Eric Thompson be elected professors emeriti. There was a discussion of this recommendation and it was moved by Mr. Kennedy, seconded by Mrs. Phillips and unanimously passed that Dr. Eric Thompson be elected professor emeritus of English and that Dr. B. A. Renkenberger be elected professor emeritus of Modern Languages.

President Sowle called the Board's attention to some proposed changes in the Faculty Senate Constitution and By-Laws. He pointed out that the constitutional changes must be approved by the Trustees, however, the by-laws do not need their approval.

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The President reported that the significance of these changes are: 1) they will prevent hasty meetings to which all Senators may not be invited; 2) they will provide for closure of Senate meetings when necessary; and 3) they will prevent hasty consideration of motions introduced, discussed and enacted upon in one meeting.

The President recommended that the proposed amendment to the Faculty Senate Constitution be approved.

It was then moved by Mr. Kennedy, seconded by Mr. Brown and unanimously carried that Article II, Paragraph A, of the Faculty Senate Constitution be amended to read as follows:

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The Faculty Senate shall hold at least one regular meeting each month during the calendar year. Except in circumstances specified by the by-laws, any member of the faculty or any administrative officer of the University may attend the meetings of the Senate and may express his views upon recognition by the presiding officer.

President Sowle called the Board's attention to a proposed constitution of the Administrative Senate of Ohio University, which is in their agenda material. The President explained that this is a group of middle administrative officers who, to date, have not had an opportunity to be properly represented in the administrative line of the governance of the University. He reminded the Board that we have a Faculty Senate to represent the faculty, Student Senate which represents the students and the Senior Administrators who represent their areas. However, this rather large group of middle administrators have no organized representation.

The President reported that he believes these people are entitled to proper representation and would recommend to the Board the approval of this constitution, with Article III amended to read as follows:

The constitution may be added to or amended by a majority vote of the representatives to the Administrative Senate, subject to approval of the Ohio University Board of Trustees.

There was discussion of this proposal and it was then moved by Mr. Stocker, seconded by Mr. Kennedy and unanimously carried that the following constitution of the Administrative Senate of Ohio University be approved by the Board of Trustees of Ohio University.

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Constitution of the Administrative  
Senate of Ohio University

PREAMBLE

We, the members of the administrative staff of Ohio University, concerned with the growth and development of the university, the broad scope of educational issues confronting the administration, the professional development of this administrative staff, and with the responsibilities delegated to the administrative staff by the Board of Trustees and President of Ohio University, do hereby establish the Administrative Senate of Ohio University.

The purpose of the Administrative Senate is to promote and enhance the profession of university administration and, specifically, the profession at Ohio University. The Administrative Senate will be committed to providing a collective and independent voice to those having administrative responsibilities in the conduct of the educational mission of the university. The Senate will provide the administrative staff of the university with a legitimate and necessary role in the governance of the university through a public forum where the individual and representative voices of the staff will be heard, and will be one of equal participation with other representative groups in university decision making.

The Administrative Senate holds the conviction that it can assist in the further growth and development of Ohio University through its own growth, development and operation.

ARTICLE I

Membership and Composition

Section 1. Membership

For the purpose of the election, the university will be divided into three areas as follows: Academic, Business and Administrative Services, and Educational Services. Each area will be made up of three divisions, and include all full-time contract personnel who spend fifty percent or more of their time involved in administrative duties and who do not report to the President, and who are on university contract before January 1 of the year of the election.

The areas will include the following divisions: Academic--Academic Administration, Academic Facilities, and Intercollegiate Athletics; Business and Administrative Services--Public Affairs, Financial Affairs, and Administrative Services; Educational Services--Student Services, Residence Halls and Auxiliaries, and Research and Planning.

Section 2. Composition

The Administrative Senate will be made up of twenty-five (25) elected representatives. At least four of these representatives shall be elected as representatives-



at-large. All candidates-at-large will appear on ballots sent to everyone eligible to vote in the election. Seven representatives will be elected by each of the three areas.

No more than three area representatives may be elected from one division in an area. An exception to this would be made if a division has less than three candidates; the seven representatives would then be elected by expanding the possible representatives from each division to four.

## ARTICLE II Elections

### Section 1. Petitioning for Office

Anyone who is a member of the Administrative Senate is eligible to be a representative. To be a candidate for the position of representative, a member must petition the Election Committee to have his name placed on the ballot, and must declare whether he is seeking an at-large position or area position.

A candidate for an at-large office must submit a petition to the Election Committee for certification at least one week prior to the election. The petition must contain fifteen supporting signatures, five from each area.

A candidate for an area position must submit a petition to the Election Committee for certification at least one week prior to the election. The petition must contain ten supporting signatures from the candidate's area and five from the other areas.

### Section 2. The Election Committee

For 1971, the Election Committee shall consist of three persons and have the responsibility to administer the 1971 election and facilitate the creation of the Senate after the 1971 election. In all future years, the Election Committee will be appointed by the Administrative Senate.

The Election Committee is charged with the following responsibilities: They will prepare and circulate petitions three weeks prior to election day. Petitions will be available at a central location, and this should be announced during the two-week period they are available. They will certify each petition presented to them at least one week prior to election day. They will also ascertain whether the candidacy is for an at-large or area office, and that the signatures on the petitions are appropriate for the office being sought. They will prepare and distribute ballots on the election day. All candidates for an at-large office whose petitions have been certified shall appear on each ballot. Candidates for an area office shall appear only on ballots sent to the constituency in their area. Each ballot shall be accompanied by instructions which tell the voter how many candidates to choose from each category. Each ballot will also be mailed with a return envelope which the voter must sign to validate this ballot. The Election Committee will destroy all envelopes and ballots which are returned with no validating signature. The valid ballot shall be separated from the return envelope, and the ballot shall be dated and stamped as being valid. The envelopes will be kept until the election has been certified.

Validated ballots will be accepted by the Election Committee for one week after election day.

As of four o'clock (4:00 P.M.), one week after election day, no more ballots will be accepted whether validated or not. Not more than two days after the close of the election, the Election Committee will post the election results and notify each candidate of the election results by letter.

### Section 3. Elections

For the 1971 election, four candidates-at-large shall be elected. The two candidates-at-large receiving the largest vote will be elected to a three-year term. The candidate-at-large receiving the third largest vote will be elected to a two-year term. The candidate-at-large receiving the fourth largest vote will be elected to a one-year term. The candidates for area offices will be elected as follows: The two candidates for area offices who receive the largest vote will be elected to three-year terms, and the two candidates receiving the third and fourth largest vote will be elected to two-year terms to represent their respective areas. The next three candidates with the highest plurality will be elected to one-year terms.

Alternates for both at-large and area offices will be selected on the basis of plurality, and in the area offices without regard to division lines. That is, the first, second and third alternates for an at-large or area position will be candidates receiving the first, second and third largest votes respectively, and who will not be elected as a representative. An alternate's sole responsibility will be to assume the position if the elected representative does not take his position or vacates it by resignation during his first year of office. After the first year, an alternate's responsibility is waived. Special elections and their attendant procedures may be held, in accordance with the other processes of this constitution, by majority vote of the representatives.

In the event of a tie vote relative to any of these positions, including alternates, the Election Committee will break the tie by drawing lots.

At-large candidates do not restrict the number of area candidates a division may elect.

For all future elections, an election will be held annually. Candidates will be elected to three-year terms. Offices filled by the annual election will be those offices whose terms had expired that year and those which have been vacated by resignation of the representatives and not assumed by alternates. Those representatives elected to the latter positions will be elected only for the unexpired term of the representative being replaced.

The election day will be the first Wednesday in May each year. This is defined as the day the Election Committee is to mail ballots to all who are eligible to vote. The close of the election will be the second Wednesday of May at 4:00 P.M. Results of the election will be posted the second Friday of May at 4:00 P.M., and letters will be mailed to all candidates at this time.

The term of office of all elected representatives will begin July 1, of the year elected; except during 1971, when the elected representatives are empowered to meet and establish the by-laws, structure, and procedures of the Administrative Senate under the guidance of the 1971 Election Committee immediately after the election.

ARTICLE III  
Amendments

The constitution may be added to or amended by a majority vote of the representatives to the Administrative Senate, subject to approval of the Ohio University Board of Trustees.

Mr. Milar then called the Board's attention to excerpts from the Auditor of State's examination covering a period July 1, 1968 to June 30, 1969, which is included in the agenda material on page 12. There was a discussion of this report and it was moved by Mr. Brown, seconded by Mr. Stocker that this report be received and entered in the minutes of this meeting. This resolution was unanimously carried.



STATE OF OHIO

AUDITOR OF STATE

BUREAU OF INSPECTION AND SUPERVISION OF PUBLIC OFFICES

REPORT OF EXAMINATION

OF

OHIO UNIVERSITY

OF

ATHERS, OHIO

~~YOUNG~~  
~~WOOSTER~~

(Date) July 1, 1968

TO (Date) June 30, 1969

H. J. Graham

STATE EXAMINER

**A. DISTRICT OFFICE**

Report Received \_\_\_\_\_

Report Approved \_\_\_\_\_

Reviewed by \_\_\_\_\_  
 State Examiner - in charge of District

**B. BUREAU**

Report Received OCT 21 1970

Report Approved November 24, 1970

Approved by Rex C. Hacker  
 Deputy Inspector

This copy for SECRETARY - BOARD OF TRUSTEES

File Date APR 13 1971

APPROVED: \_\_\_\_\_ Date NOV 12 1970  
Stanley Han  
 ASSISTANT DEPUTY INSPECTOR  
 UNIVERSITY ADULTS

OHIO UNIVERSITY

JULY 1, 1968

to

JUNE 30, 1969

BOARD OF TRUSTEES

<u>Name</u>	<u>Date of Appointment</u>	<u>Term Expires</u>
Wayne E. Brown	June 27, 1963	May 14, 1969
Joseph B. Hall **	July 8, 1963	May 13, 1970
Russell P. Herrold	September 24, 1963	May 14, 1971
Don M. Casto	September 25, 1963	May 14, 1972
Duncan M. Baxter	June 12, 1964	May 13, 1973
C. Paul Stocker	July 21, 1965	May 13, 1974
Edwin L. Kennedy	November 25, 1966	May 13, 1975
William R. Morris	June 6, 1968	May 13, 1976
Fred H. Johnson *	June 7, 1968	May 14, 1977

- \* Chairman
- \*\* Vice Chairman

ADMINISTRATIVE PERSONNEL

<u>Title</u>		<u>Annual Salary *</u>
President	Vernon R. Auden	\$ 40,000.00 **
Provost	Thomas S. Smith	32,000.00
Executive Vice President	James J. Whalen	30,000.00
Vice President for Development	Martin L. Recht	27,000.00
Vice President for Research	Robert L. Savage	29,200.00
Treasurer	John F. Milar	23,400.00
Controller	William L. Kennard	15,000.00
Bursar	J. William Roberson	13,400.00
Cashier	Danny W. Kasler	8,900.00
Director of Purchases	Gerald F. Evans	12,200.00
Director of Athletics	William D. Rohr	24,000.00

\* Annual salary computed on the basis of June 30, 1969 payroll.

\*\* Paid an additional allowance of \$ 10,000.00 each year for travel and entertainment expense.

AUTHORITY

Ohio University operates under the authority provided in Chapters 3337, 3345 and 3347 of the Revised Code of Ohio.

HISTORY AND LOCATION

Business offices of Ohio University during the audit period were located in the Administrative Annex Building, at Smith and Byard Street, Athens, Ohio.

RECORDS AND ACCOUNTS

Minute Book of Board Proceedings  
General Ledger  
Account Ledgers  
Journal Entries  
Cash Receipts Journals  
Cash Disbursements Journals  
Departmental Operating Report  
Distribution of Collections  
Bank Statements  
Deposit Tickets and Receipts  
Paid and Cancelled Warrants  
Weekly Cash Summary  
Outstanding Check Lists

Requisitions  
Purchase Orders  
Inventory Ledger  
Accounts Receivable  
Accounts Payable  
Investments Folio  
Construction Accounts  
Construction Contracts  
Bond and Sinking Fund Transfers  
Bond and Interest Accounts  
Change Funds and Petty Cash  
Loan Funds  
Notes Receivable  
Notes Payable  
Payroll Records  
Personnel Contracts  
Withholding Tax Reports  
Motor Vehicle Titles and Registrations

REMARKS

General

The accounts, records, files and reports of the Ohio University were found to be adequate for audit purposes.

University personnel extended full cooperation during the conducting of the examination.

Minute Book of Board Proceedings

The minute book of board proceedings of the Board of Trustees of Ohio University was reviewed and it was found that business transactions of the University were conducted within the scope of authority delegated by the board to administrative personnel.

Officers of the Board of Trustees

The President of Ohio University and the officers of the Board of Trustees, elected annually, were elected at the June 19, 1969 meeting.

College Work-Study Program

A college work-study program, provided for in Public Law 88-452, Title I, Part C, was administered with Ohio University and other public and non-profit organizations as participating agencies.

Ohio University serves as a payroll clearing house for the participating agencies and receives an overhead allowance charge of five percent (5%) of the Federal share of the off-campus payrolls.

Construction Accounts

Individual accounts were maintained for the various construction projects. Details of the respective project accounts are set forth in the examination workpapers.

Overseas Petty Cash Accounts

Petty cash accounts were maintained for the United States Aid in Development projects administered by Ohio University in Nigeria-Northern Region, Nigeria-Western Region and Vietnam. These petty cash accounts were reimbursed on vouchers submitted to the university by the chief-of-party in charge of each project.

Disbursement of funds was made by the chief-of-party from an overseas bank. Reimbursement claim vouchers to the overseas petty cash accounts were audited as a part of the regular operating account audit.

All records and accounts were retained by the project agency and were available to agencies of the United States Government for audit.

Hypothecation of Funds

Securities hypothecated by the respective depositories were found to be sufficient to meet the requirements of Section 135.16 Revised Code of Ohio.

Federally Funded Projects and Grants

Federally funded grant programs and research projects were examined and summarized in the appropriate schedules and exhibits of the examination report.

Vending Machine Contract

A vending machine contract was in effect with the Pepsi-Cola Company at Laughlin Music and Vending Service to provide vending machine services for milk, candy, soft drinks, sandwiches and cigarettes.

The university receives a percentage of the profits with a guaranteed annual amount stipulated in the contract. The income is credited to the Residence and Dining Hall account and budgeted amounts are allocated to the Residence Hall Social Funds. Un-budgeted funds remain in the account.

Students' General Fund

Examination of the accounts within the Students' General Fund was made in accordance with generally accepted audit procedures and nothing was found that would indicate that the records and accounts were not maintained in accordance with university accounting procedures.

Ohio University Leases

During the period under examination various leases were in effect with Ohio University as the lessee and the following lessors:

1. Allis-Chalmers Manufacturing Company- equipment- for period from November 21, 1968 to November 21, 1969 at \$ 545.32 per year.
2. Arwill Company- Room 451 at 611 Rockwell Avenue, Cleveland, Ohio- College of Education, Teacher Training- for period from July 1, 1967 to June 30, 1969 at \$ 7,368.00 per year.
3. Sutton Land- Airport, two acres- navigation lights- for period from July 1, 1968 to June 30, 1969 at \$ 50.00 per year.
4. State of Ohio, Department of Mental Hygiene and Correction, Athens State Hospital- Radar Hill Land- for period from December 1, 1966 to November 30, 1981 at \$ 100.00 per year.
5. Biggs & Strekal- 2nd floor, 11 East Washington Street- for period from February 1, 1969 to January 30, 1971 at \$ 170.00 per month.
6. Church of the Good Shepherd- Grosvenor House- for period from July 1, 1968 to June 30, 1969 at \$ 5,400.00 per year.
7. Mary and John Newcomb- 3rd floor, Cline Building- for period from July 1, 1968 to June 30, 1969 at \$ 3,600.00 per year.
8. Baltimore & Ohio Railroad- Land- Yearly basis for period beginning June 21, 1919 at \$ 5.00 per year.
9. Baltimore & Ohio Railroad- Land- for period from April 1, 1968 to April 1, 1970 at \$ 3,460.00 for period.

Ohio University Leases, con't

10. Full Drugs, Inc.- 3rd floor, 21 South Court Street- for period from February 1, 1967 to February 1, 1971 at \$ 3,600.00 per year.
11. Elizabeth Baker- Monomoy Theater- for period from July 1, 1968 to June 30, 1969 at \$ 2,500.00 per year.
12. Ohio University Fund, Inc.- Delta Tau Delta property- for period from September 12, 1968 to September 11, 1969 at \$ 3,000.00 per year.
13. Ohio University Fund, Inc.- McBee Building- for period from July 1, 1968 to June 30, 1969 at \$ 17,000.00 per year.
14. Ohio University Fund, Inc.- Building, 10 East Union Street- for period from July 1, 1968 to June 30, 1969 at \$ 5,200.00 per year.
15. Rumac, Inc.- 304 Davis Hall- for period from January 15, 1969 to June 30, 1969 at \$ 1,328.36 for period.
16. Rumac, Inc.- First and Second Floor Apartments, Davis Hall- for period from August 15, 1968 to August 14, 1969 at \$ 20,428.84 per year.
17. Rumac, Inc.- Golf Pro Shop Space- for period from January 1, 1965 to December 31, 1969 at \$ 541.32 per month.
18. Fred W. and Gene Wheaton- Offices at 72-74 West Union Street- for period from June 1, 1968 to May 31, 1970 at \$ 3,600.00 per year.

The Ohio University Fund, Inc.

The Ohio University Fund, Incorporated, a non-profit corporation, was established in 1945 as a gift receiving and holding agency for Ohio University. The Board of Trustees of the "Fund" controls the use of contributions and gifts and unrestricted contributions are applied to uses for the benefit of the university.

Since this is a private, non-profit corporation no audit was made of the records and accounts. The balance sheet and statement of operations included in this report were provided through the courtesy of the treasurer.

AUDIT SCOPE

Cash receipts and disbursements of the operating account, special account, residence and dining hall account, construction accounts, payroll accounts, bond and interest sinking fund account, bond and interest reserve account, repair and replacement reserve account, petty cash accounts, the student general fund and member accounts, student aid and loan fund accounts and the college workstudy program accounts were examined for the audit period.

The results of the examination are set forth in the financial statements and schedules included in this report.

Bank reconciliations were made in all instances and outstanding check lists were verified.

All refunds, vouchers, purchase orders and payrolls were audited prior to payment.

Spot testing of computerized payroll earnings records was made on numerous occasions. Any exceptions noted were corrected at that time.

All personnel contracts were examined and computed payments were in agreement with stated salaries.

A complete review was made of all bond issues and principal and interest paid. This included a review of the Construction accounts, The Sinking Fund account and the Repair and Replacement Reserve account.

All investments income was checked for the audit period.

Investment purchases and sales records were examined.

Documents covering deposits of funds, fund transfers and journal entries were reviewed.

Insurance policies and surety bonds in force during the audit period were reviewed.

Federal grant and research grant project accounts were examined.

Overseas petty cash accounts were not audited for the reasons set forth in the "Remarks" section of this report.

All projects and programs supported in whole or in part by Federal Government agencies were reviewed and financial transactions examined.

The Board then considered a proposal to establish advisory committees of Ohio University's branch campuses in the various cities in which the branches are located.

The Chairman reported that the Board Administration Committee of the Board of Trustees had not been able to meet on this proposal. However, the members of this committee were of the opinion that these committees should be organized and it was the consensus of the full Board that these committees should be organized on an advise and consult basis. After the Board Administration Committee more carefully considers the proposal, it is hoped that by a telephone vote of the Board, the constitution and by-laws could be officially approved by a telephone vote sometime during the summer.

Mr. Milar was called upon to present a proposed resolution for the purchase of land from the Ohio University Fund, Inc. Mr. Milar called the Board's attention to the report on page 20 of the agenda material which indicated the land holdings of the Ohio University Fund and the financing by the Fund. This report indicated the current holdings of the Ohio University Fund in land purchases for Ohio University totals \$746,660. Mr. Milar reported there was approximately \$185,000 available in the University funds to purchase parcels of this land and permit the Fund to reduce their outstanding loans on the Fund.

Mr. Kennedy reported that ten years ago when it was evident that much land surrounding the University would be needed for future expansion and the University had no funds available for the purchase of this land, the Board of Trustees of Ohio University did request the Ohio University Fund to purchase parcels of land surrounding the University with the understanding that the University would purchase this land from the Fund when funds were available. 141

Mr. Kennedy pointed out that the purchase of this land at the prices ten years ago has saved the Ohio University and the State of Ohio taxpayers over a million dollars by this procedure. He feels this function of the Ohio University Fund alone has justified its existence.

After further discussion, it was moved by Mr. Crow, seconded by Mr. Brown and unanimously carried that the following resolution be adopted:

WHEREAS, the Board of Trustees of Ohio University have taken previous action to the effect that if the Ohio University Fund, Inc. purchased specifically identified properties; and if the Ohio University Fund, Inc. could not dispose of them in a reasonable period of time; then Ohio University would purchase the properties at their acquisition cost, plus expenses incurred, less income received, and

WHEREAS, the Ohio University Fund, Inc. has purchased properties, and

WHEREAS, funds are available to acquire properties,

NOW, THEREFORE, BE IT RESOLVED, that the administrative officers of the University be empowered to proceed with the purchase of two parcels known as the stadium property located on Richland Avenue at a price of \$113,121; and the second parcel known as the Bruner property located at 10 E. Union Street at a price of \$72,299; said prices reflecting acquisition cost plus expenses, less income received.

The Chairman called on Mr. Fred H. Johnson, Chairman of the Educational Policies Committee for a report on developing the Ironton Branch. 140

Mr. Johnson reported that his committee had been unable to meet on this question since receiving the Austin report, which is the report of the consultants employed to study possible site locations in Lawrence County. He reported that his copy of this report did not arrive until the day before yesterday, one member of the committee had not yet received a copy of the report, and the other member had not yet had time to analyze fully the report. Mr. Johnson had hoped that they would be able to give a final report on the Ironton Branch situation at this meeting. However, due to the facts outlined above and the fact that Mr. Casto and Mr. Morris, who had indicated to members of the committee by letter that they favored establishing a branch in the Ironton area, were absent from this meeting, the committee was unable to make its final report.

Mr. Johnson hoped to study the Austin report on site location and hopes that the members of his committee could consult with the Board of Regents, the Board of Directors of the Southern County Technical Institute, the Ohio University Portsmouth Advisory Committee and the Ohio University Ironton Advisory Committee and come up with a final report on the Ironton Branch campus before the next regular meeting. He hoped that this report could be presented some time during the summer in a special meeting. He is still hopeful that educational facilities be made available for Lawrence County. He also pointed out that the present appropriation bill, House Bill 475, does contain an appropriation for the continuation of the Ironton Educational Center. 139

President Sowle reported that the Ohio University administration had requested the re-appropriation of the monies for the construction of the Ironton Branch.

Mr. Johnson further reported that he had hurriedly discussed the Austin report with representatives of the Ironton Chamber of Commerce and the newspaper representative from Ironton and they disagreed with the values of the various sites considered by the Austin Company. They felt the prices were much too high for these sites. Mr. Johnson gave copies of this report to these representatives and they are going to study it and get together with members of Mr. Johnson's committee.

Dr. Richard Dorf, Vice President for Educational Services, was called upon for a report on housing for the 1971-72 academic year. Dr. Dorf presented reports from Robert A. Hynes, Director of Housing; John R. O'Neal, Dean of Registration and Student Records; and Jerry D. Reese, Director of Admissions. All of these reports indicated that there was a strong possibility that student housing for the next academic year could be down as much as 1200 students from the current year. Dr. Dorf then explained that rather than having 1200 spaces vacant throughout the entire dormitory system, he was recommending that several dormitories be closed completely and the remaining dormitories be filled to their normal capacity. He explained that this would permit more economical operation because it would save the expense of keeping buildings open that were partially filled. He further explained that it was determined that the older dormitories located on the College Green be closed rather than the newer ones, because these older dormitories were less economical to operate, and were better located for other educational uses. 138

Dr. Dorf presented a financial analysis showing the amount of savings that would be made by closing each dormitory on the College Green. There was a further discussion on this recommendation and Mr. Kennedy pointed out that the Board of Trustees are bound by firm contracts with the Trustees for the Bond holders to operate the dormitory system in the most economical manner possible.

Dr. Dorf further pointed out that this recommendation was for one year only and that if it appeared necessary the parietal rules could be changed for the 1972-73 academic year to require freshmen and sophomores to live in University owned housing. This change would fill the College Green dormitories in the future. He felt it was too late at this time to make this change in parietal rules for the 1971-72 year, as many students had already contracted for outside housing. After further discussion, it was moved by Mr. Crow and seconded by Mr. Kennedy that the following resolution be adopted:

WHEREAS, the number of students returning contracts for occupancy in the University residence halls for 1971-72 academic year is significantly below the number normally expected as of this date, and,

WHEREAS, the potential impact of this situation having been carefully evaluated based upon information provided by the officers of Admissions, Housing, and Registration creates difficult pressures, financial and otherwise, upon the sound management of dormitory and dining systems.

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NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby authorizes the removal if it should become necessary, of one or more of the college residence halls and dining halls from use for student housing and/or food service during 1971-72 academic year, and

BE IT FURTHER RESOLVED, that any action thus taken shall be subject to the provisions of the Housing and Dining Revenue Bond Trust Agreement which provides that actions of the type herein authorized must be expected to result in a more advantageous financial position than would be realized should the contemplated actions not be taken.

On roll call, the following votes were recorded: Johnson, aye; Stocker, aye; Brown, aye; Crow, aye; Phillips, aye; Kennedy, aye; and Baxter, aye. The Chairman declared the resolution adopted.

Dr. Dorf then reported that the Senior Administrators have recommended that Lindley Hall be renovated for use as an office and classroom building under the general institutional operating budget. There are presently general operating units housed in rented buildings paying out annual rentals of approximately \$56,000. The rental on Lindley Hall, after renovation, would be \$50,000 payable to the dormitory system. This rental would replace the loss to the dormitory systems of the net income from Lindley Hall when it is used to house students.

Dr. Dorf reported that the renovation of this building would cost approximately \$400,000 and this sum would be allocated from the state appropriation anticipated for renovation and utilities. It is hoped with the development of this additional space for operating and educational facilities that Ewing Hall can be removed as an educational facility in

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the future. After a general discussion of this recommendation, it was moved by Mr. Crow and seconded by Mr. Brown that the following resolution be adopted:

BE IT RESOLVED, that the Board of Trustees authorizes the utilization of Lindley Hall as an office and classroom building under the general operating budget effective fiscal 1971-72 and a lease purchase of Lindley Hall by utilizing operating funds of the University for payment to the Dormitory and Dining Hall Fund in the amount of \$50,000 per year for 15 years be approved, and

BE IT FURTHER RESOLVED, that any action thus taken shall be subject to the provisions of the Housing and Dining Revenue Bond Trust Agreements which provide that action of the type herein authorized must be expected to result in a more advantageous financial position than would be realized should the contemplated actions not be taken.

The following votes were recorded: Johnson, aye; Stocker, aye; Brown, aye; Crow, aye; Phillips, aye; Kennedy, aye; and Baxter, aye. The Chairman declared the resolution adopted.

Mr. Milar then reported that the \$24,500,000 of currently outstanding dormitory notes due September 15, 1971 be refinanced on a one-year basis and that the President and Treasurer be authorized to do all things necessary to seek this refinancing at an increased level of \$24,800,000 and to sell and deliver said notes. The following resolutions will accomplish these objectives. They were prepared by Bond Council Bricker, Everett, Bartlett, and Eckler.

Mr. Milar then called the Board's attention to the report on page 37 of the agenda which indicated the refinancing on a one-year basis of this note would save in annual payments a million dollars over the cost of long-term financing. It was then moved by Mr. Kennedy and seconded by Mrs. Phillips that the following resolution be adopted:

RESOLUTION

PROVIDING FOR THE RENEWAL OF HOUSING AND DINING REVENUE NOTES  
OF 1967 IN AN INCREASED AMOUNT OF \$24,800,000 FOR THE  
CONSTRUCTION OF DORMITORY FACILITIES

WHEREAS, the Board of Trustees (herein called the "Board") of The President and Trustees of The Ohio University is vested with the control and management of The President and Trustees of The Ohio University (herein called the "University," or when the context admits collectively with the Board called the "University"), under and by virtue of Chapter 3337 of the Revised Code of Ohio; and

WHEREAS, the Board on August 25, 1967, duly adopted a resolution (herein called the "Bond Resolution") entitled:

"Providing for the issuance of \$18,400,000 The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds Series I and J for the purpose of constructing and equipping fifteen new student dormitories in the South Green Dormitory Development, housing 1734 students, and thirteen married student apartment buildings and a utility building housing 193 families in the East Mill Street area, as Additional Parity Bonds pursuant to Bond Resolution adopted October 16, 1962, and Trust Agreement dated as of January 1, 1962, as amended."

and did therein determine and confirm the necessity of constructing and equipping fifteen new student dormitories in the South Green Dormitory Development housing 1734 students, and thirteen married student apartment buildings and a utility building housing 193 families in the East Mill Street area, being on lands owned by the University or the State of Ohio for the benefit of the University on or in proximity to the University Campus (herein called the "Project") the cost of which was then estimated to be \$18,400,000; and

WHEREAS, the Bond Resolution authorized the issuance of \$14,875,000 Housing and Dining Revenue Bonds, Series I (herein called "Series I Bonds") and \$3,525,000 Housing and Dining Revenue Bonds, Series J (herein called "Series J Bonds") pursuant to a Trust Agreement between the University and The City National Bank and Trust Company of Columbus, dated as of January 1, 1962 and a Sixth Supplement thereto authorized in the Bond Resolution (said Trust Agreement and all supplements thereto herein called the "Trust Agreement"); and

WHEREAS, the aforesaid Series I and J Bonds have not been issued and said Sixth Supplement to the Trust Agreement dated as of January 1, 1962, has not been entered into between the University and the Trustee, and the Board, on September 5, 1969, duly adopted a revised resolution authorizing Series I and J Bonds in increased principal amounts and additional facilities under the project to be constructed and equipped from the proceeds of Series I and J Bonds which resolution is entitled:

"BOND RESOLUTION

Providing for the issuance of \$24,000,000 The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds Series I and J for the purpose of constructing and equipping fifteen new student dormitories housing 1734 students, and a dining hall in the South Green Dormitory Development and thirteen married student apartment buildings housing 193 families, and a utility building in the East Mill Street areas, a laundry and a commissary facility, as Additional Parity Bonds pursuant to Bond Resolution adopted October 16, 1962, and Trust Agreement dated as of January 1, 1962, as amended."

and did therein, and does hereby, determine and confirm the necessity of constructing and equipping University housing and dining facilities consisting of fifteen new student dormitories housing 1734 students, a dining hall in the South Green Dormitory Development and thirteen married student apartment buildings housing 193 families, and a utility building in the East Mill Street Area, a laundry and a commissary facility, being on lands owned by the University or the State of Ohio for the benefit of the University on or in proximity to the University Campus (herein called the "Project"); and

WHEREAS, thereafter the estimated cost of the Project was increased from \$24,000,000 to \$24,500,000 and, in order to provide for the financing of such additional cost, this Board by Resolution adopted September 3, 1970, amended and revised the above-described Bond Resolution and Sixth Supplement, as amended by Resolution adopted September 5, 1969, to provide for an increase in the principal amount of Series I Bonds to \$20,300,000; and

WHEREAS, the estimated cost of the Project has been further increased from \$24,500,000 to \$24,800,000 and, in order to provide for the financing of this additional cost, this Board by resolution adopted June 11, 1971, amended and revised the above-described Bond Resolution and Sixth Supplement, as amended by Resolutions adopted September 5, 1969 and September 3, 1970, to provide for an increase in the principal amount of Series I Bonds to \$20,600,000; and

WHEREAS, pursuant to a note resolution adopted August 25, 1967, the Board authorized and issued \$14,875,000 Housing and Dining Revenue Notes of 1967, Series I and \$3,525,000 Housing and Dining Revenue Notes of 1967, Series J, dated October 1, 1967 and maturing September 15, 1969, which Series I Notes were renewed in an increased principal sum of \$19,800,000 and said Series J Notes were renewed in an increased principal sum of \$4,200,000 for an additional term from September 15, 1969 to September 15, 1970; and

WHEREAS, said Series I Notes maturing September 15, 1970 were renewed in an increased principal sum of \$20,300,000 and said Series J Notes maturing September 15, 1970 were renewed in the principal sum of \$4,200,000 for an additional term from September 15, 1970 to September 15, 1971; and

WHEREAS, it is necessary to again renew said Series I Notes in an increased principal sum of \$20,600,000 and to renew said Series J Notes in the principal sum of \$4,200,000 for an additional term of one year from date of issuance.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of The President and Trustees of The Ohio University:

Section 1. It is hereby determined and declared that it is necessary to construct and equip the Project, and to renew the University's Housing and Dining Revenue Notes of 1967, Series I, in an increased principal amount of \$20,600,000 and the University's Housing and Dining Revenue Notes of 1967, Series J, in the principal amount of \$4,200,000, pursuant to Sections 3345.07 and 3345.12 of the Revised Code of Ohio for the purpose of paying the portion of the Project costs payable from Series I and J Bonds, as defined in the Bond Resolution.

Section 2. Said notes shall be payable solely from (a) the receipts after provision for "Reasonable and Proper Operating and Maintenance Expenses," if any, of all "Dormitory Facilities," as such terms are defined in the Bond Resolution, subject to the pledge thereof to the bonds issued under the Trust Agreement dated January 1, 1962, as amended by a Fourth Supplemental Trust Agreement dated as of June 6, 1968, and all additional bonds issued under the Trust Agreement, including Series I and J Bonds, upon the issuance of said Bonds; and (b) the proceeds of the sale of bonds or notes to be issued pursuant to Revised Code Sections 3345.07 and 3345.12 or other authorizing provision of law; and neither the Board nor the State of Ohio is obligated to pay the principal of or interest on said notes from any other funds or source, nor shall such notes be a claim upon or lien against any other property of the University or the State and said notes are not general obligations of the State or the University, the full faith and credit thereof are not pledged thereto and the noteholders shall have no right to have any taxes or excises levied, collected or applied for or to the payment thereof.

Section 3. Said notes shall be designated "Housing and Dining Revenue Notes of 1967," shall be dated on or before September 15, 1971, and shall mature one year from date of issuance. Said notes shall bear interest payable annually at a rate not to exceed 5% per annum. Said notes shall be in bearer form without coupons and in the denominations as requested by the Original Purchaser or Purchasers thereof and approved by the Treasurer. Said notes shall be payable as to both principal and interest at the Chase Manhattan Bank, N.A., New York, New York, (herein called the "Paying Agent"), and said notes shall be signed by the Treasurer and attested by the Secretary of the Board, and shall be impressed with or bear a facsimile of the official seal of the University. Said notes shall be substantially in the form attached hereto as Exhibit A, the terms and covenants of which are incorporated herein, with such changes not detrimental to the University as the President or the Treasurer may approve. If agreeable to the Original Purchaser or Purchasers, prior to delivery of the definitive notes, said notes may be delivered as one or more temporary manuscript notes to be surrendered to the University at the principal office of the Paying Agent when the University shall notify the holder thereof that the definitive notes are available.

Title to any note shall pass by delivery in the same manner as a negotiable instrument payable to bearer. The University and the Paying Agent may deem and treat the bearer of any note as the absolute owner of such note, whether such note shall be overdue or not, for the purpose of receiving payment of principal and interest thereon and for all other purposes whatsoever, and neither the University nor the Paying Agent shall be affected by any notice to the contrary.

Section 4. The Treasurer of the University is hereby directed and authorized to sell said Series I and J Notes, to be dated on or before September 15, 1971, at private sale at a net interest cost not to exceed 5% per annum and award the same to the Purchaser or Purchasers offering to purchase said notes at or below the aforesaid maximum interest cost. Said notes shall be issued and sold upon the terms and conditions provided herein and in the said Exhibit A and the President and Treasurer of the University are each authorized to do all things necessary or proper for the delivery of said notes in accordance with such award and this resolution.

Section 5. The President or the Treasurer of the University is hereby authorized to deposit the proceeds of said notes in the Construction Fund to be established under the provisions of the Bond Resolution and to apply and invest the moneys therein as provided in the Bond Resolution and for the purpose of refunding said Series I and J Notes maturing September 15, 1971.

(Form of Note)

Exhibit A

UNITED STATES OF AMERICA

STATE OF OHIO

THE OHIO UNIVERSITY

HOUSING AND DINING REVENUE NOTE OF 1967  
SERIES

No.

\$

KNOW ALL MEN BY THESE PRESENTS that The President and Trustees of The Ohio University and its Board of Trustees (herein collectively called the "University"), for value received, hereby promise to pay, solely from the sources hereinafter set forth, to the bearer on September 15, 1972, the principal sum of

THOUSAND DOLLARS

and to pay, solely from said sources, interest thereon from the date hereof at the rate of \_\_\_\_\_ % per annum, payable September 15, 1972, until payment of such principal sum has been made or provided for. The interest on this note and the principal hereof are payable in any coin or currency which at the respective dates of payment thereof is legal tender for the payment of public or private debts at the principal office of The Chase Manhattan Bank, N.A., New York, New York. The principal and interest hereof are payable solely from (a) the receipts after provision for "Reasonable and Proper Operating and Maintenance Expenses," if any, of all "Dormitory Facilities," as such terms are defined in the resolution authorizing the Housing and Dining Revenue Bonds, Series I and J of the University (herein called the Bonds) duly adopted by said Board of Trustees on June 11, 1971 subject to the pledge thereof to said Bonds upon the issuance of said Bonds, and all other bonds heretofore issued and to be issued on a parity therewith, and (b) the proceeds of the sale of bonds or the proceeds of the sale of notes issued pursuant to Sections 3345.07 and 3345.12 of the Revised Code of Ohio or other authorizing provision of law; and neither the State of Ohio nor the University or its Board of Trustees is obligated to pay the same from any other funds or source, nor shall this note be a claim upon or lien against any other property of the State or the University, and this note is not a general obligation of the State or the University and the full faith and credit thereof are not pledged thereto and the noteholders shall have no right to have any taxes or excises levied, collected or applied for the payment hereof.

This note is one of a duly authorized issue of notes in the aggregate principal amount of Twenty Four Million Eight Hundred Thousand Dollars issued for the purpose of constructing and equipping certain housing and dining facilities of the University, under authority of, pursuant to and in full compliance with the general laws of the State of Ohio, particularly Sections 3345.07 and 3345.12 of the Revised Code, and pursuant to a Resolution of the Board of Trustees of said University duly adopted on the 11th day of June, 1971, and to renew notes heretofore issued for said purpose.

In consideration of the loan evidenced by this note, the University and its Board of Trustees covenant and agree that they will do all things necessary to effect the issuance of and delivery, prior to the maturity of this note, of the bonds or notes for the refunding of this note, pursuant to Sections 3345.07 and 3345.12 of the Revised Code of Ohio or other authorizing provisions of law, in such principal amount as shall be necessary to pay the principal of and interest on this note, that they will do all things necessary to sell such bonds or notes at the time provided above and will accept such price and such interest rate as shall be necessary in order to effect such sale, and these obligations are established as duties specifically enjoined by law upon the University, its trustees and officers, and result from their respective offices, trusts or stations within the meaning of Section 2731.01 of the Revised Code of Ohio.

This note is executed on behalf of said Board of Trustees and officers of the University solely in their capacity as such Trustees and officers and shall not constitute their personal obligation, either jointly or severally, in their individual capacities.

AND IT IS HEREBY CERTIFIED AND RECITED, that all acts, conditions and things necessary to be done precedent to and in the issuance of this note, in order to make it a legal, valid and binding obligation of said University and its Board of Trustees, have happened, been done and performed in regular and due form as required by law.

IN WITNESS WHEREOF, The President and Trustees of The Ohio University and its Board of Trustees, jointly and severally, have caused this note to be signed by the Treasurer of the University, the official seal of the University to be impressed hereon, and to be attested by the Secretary of the Board of Trustees of said University, all as of the 15th day of September, 1971.

THE PRESIDENT AND TRUSTEES OF  
THE OHIO UNIVERSITY  
and  
THE BOARD OF TRUSTEES OF THE  
PRESIDENT AND TRUSTEES OF  
THE OHIO UNIVERSITY

Attest:

\_\_\_\_\_  
Secretary of the Board of  
Trustees

\_\_\_\_\_  
Treasurer of The Ohio University

On roll call, the following votes were recorded: Johnson, aye; Stocker, aye; Brown, aye; Crow, aye; Phillips, aye; Kennedy, aye; and Baxter, aye. The Chairman declared the above resolution adopted.

Mr. Kennedy moved the following resolution be adopted and it was seconded by Mr. Brown:

RESOLUTION APPROVING CERTIFICATES OF THE PRESIDENT  
AND TREASURER FOR HOUSING AND DINING REVENUE BONDS,  
SERIES I AND J

BE IT RESOLVED by the Board of Trustees of The President and Trustees of The Ohio University that the certificates attached hereto marked Exhibit A and Exhibit B, respectively, and setting forth the earnings coverage for additional bonds entitled Housing and Dining Revenue Bonds, Series I and J as required by Section 5(b) of the Bond Resolution and the statements required by Section 2.03 (4) of the Original Trust Agreement, as amended by a Fourth Supplemental Trust Agreement dated as of June 6, 1968, be and the same are hereby approved.

EXHIBIT "A"

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

Certificate of Expected Earnings Coverage Required under Section 5 (b) of Bond Resolution adopted June 11, 1971 for issuance of \$24,800,000 Housing and Dining Revenue Bonds, Series I and J.

1.	Net income of dormitory facilities during fiscal year ending June 30, 1971, excluding estimated annual net income for any dormitory facilities presently under construction or for which a full fiscal year's operating experience is not available, and estimated annual net income of dormitory facilities the cost of which is being financed by the sale of Series I and J Bonds	\$ 2,865,000
2.	Adjustment, if any, to reflect schedule of fees, rates or charges placed in effect since the beginning of said fiscal year ending June 30, 1971	\$ -0-
3.	Adjustment, if any, to reflect schedule of fees, rates or charges to become effective at the beginning of the next semester or other school period following June 30, 1971	\$ 804,000
4.	Adjustment for new fees, revenues or funds, if any, pledged by the resolution authorizing Series I and J adopted June 11, 1971	\$ -0-
5.	Adjustment, if any, for anticipated changes in operating and maintenance expenses of the dormitory facilities	\$ (1,018,000)
6.	TOTAL	\$ 2,651,000
7.	Estimated annual net income of dormitory facilities under construction and for which a full fiscal year's operating experience is not available	\$ 1,176,000
8.	Estimated annual net income of dormitory facilities, the cost of which is being financed in whole or in part by Series I and J Bonds	\$ 294,000
9.	Net income available for debt service (Total 6, 7, and 8)	\$ 4,121,000

10. Total of average annual debt service on each Series A, B, C, D, E, F, G, H, I, and J Bonds computed as to each series by taking the total of the principal and interest maturities of all bonds of a series for the fiscal year ending June 30, 1971 and for each subsequent fiscal year to and including the fiscal year in which occurs the final principal maturity of said series, excepting those bonds or portions of fully registered bonds which are to be redeemed or retired with the proceeds of such additional bonds, or with the proceeds of additional bonds heretofore issued or to be issued concurrently with the issuance of Series I and J Bonds, and subtracting therefrom any funds held and irrevocably committed to the payment of principal and interest on said bonds (or a pro rata portion of funds so held for all bonds, exclusive of the amount comprising the required reserve in the Bond and Interest Sinking Fund Account provided for in Section 7 of the Bond Resolution passed June 11, 1971 and dividing the resultant figure by the number of said years. (Aggregate average annual debt service requirement)

\$ 3,084,000

11. Ratio of net income available for debt service (Item 9) to aggregate average annual debt service requirement (Item 10)

1.34

The undersigned hereby certify:

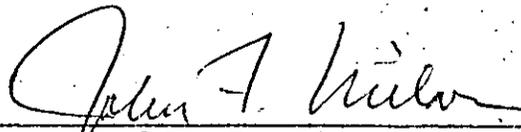
- A. That the foregoing facts and figures are true and accurate to the best of their knowledge and belief;
- B. That there was not included in the foregoing calculation of Net Income Available for Debt Service any receipts against which there is any prior claim other than the use thereof for the reasonable and proper operating and maintenance expense of the dormitory facilities;
- C. That the foregoing computation of estimated annual net income of dormitory facilities now under construction, or for which a full fiscal year's operating experience is not available, and of dormitory facilities to be financed by Series I and J Bonds, is based upon an assumed occupancy of not more than ninety per cent (90%) of capacity;

- D. That the foregoing net earnings of dormitory facilities does not include any net income from any dormitory facility which is to be abandoned or which is not suitable for continuous use as a dormitory facility for the term of Series I and J Bonds.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.



\_\_\_\_\_  
President of The President and Trustees  
of The Ohio University



\_\_\_\_\_  
Treasurer of The President and Trustees  
of The Ohio University

EXHIBIT "B"

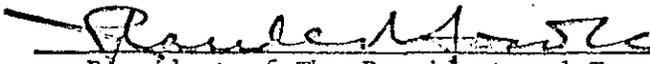
THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

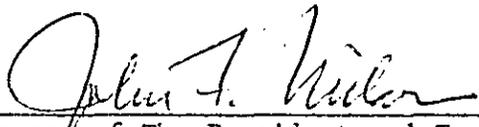
Certificate Required Under Section 2.03 (4) of  
Original Trust Agreement for Issuance of Housing  
and Dining Revenue Bonds, Series I and J

The undersigned, President and Treasurer of The President and  
Trustees of The Ohio University hereby certify:

- (a) That, in the opinion of the signers hereof, all conditions provided in the Original Trust Agreement and Supplements thereto precedent to the granting of the application for authentication of Series I and J Bonds have been complied with;
- (b) That the proceeds of the Series I and J Bonds will be sufficient to, and are necessary to, complete the project for which they are issued;
- (c) That since the beginning of the current fiscal year there has been no material change which would adversely affect the estimate set forth in the earnings coverage certificate required by Section 5 (b) of the Bond Resolution for issuance of Series I and J Bonds.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

  
 \_\_\_\_\_  
 President of The President and Trustees  
 of The Ohio University

  
 \_\_\_\_\_  
 Treasurer of The President and Trustees  
 of The Ohio University

On roll call, the following votes were recorded: Johnson, aye; Stocker, aye; Brown, aye; Crow, aye; Phillips, aye; Kennedy, aye; and Baxter, aye. The Chairman declared the resolution adopted.

Mr. Kennedy then submitted the following resolution for consideration. Mr. Kennedy moved, seconded by Mr. Brown that the resolution be adopted.

APPROVAL OF REVISIONS OF THE RESOLUTION  
AND SIXTH SUPPLEMENTAL TRUST AGREEMENT  
BETWEEN THE UNIVERSITY AND THE CITY NATIONAL  
BANK AND TRUST COMPANY OF COLUMBUS,  
COLUMBUS, OHIO, AUTHORIZING AND SECURING  
THE OHIO UNIVERSITY AND ITS BOARD OF TRUSTEES  
HOUSING AND DINING REVENUE BONDS, SERIES I AND J

WHEREAS, the Board, on August 25, 1967, duly adopted a resolution authorizing the issuance of \$18,400,000 The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series I and J and approved a Sixth Supplemental Trust Agreement to secure said Bonds under the Original Trust Agreement dated as of January 1, 1962; and

WHEREAS, the said Series I and J Bonds have not been issued and the Sixth Supplemental Trust Agreement has not been entered into by the University and the Trustees and, since the date of adoption of the aforesaid bond resolution on August 25, 1967, the Original Trust Agreement dated as of January 1, 1962, has been amended by a Fourth Supplemental Trust Agreement dated as of June 6, 1968; and

WHEREAS, the Board, by Resolution adopted September 5, 1969, increased the principal amount of said Series I and J Bonds to \$24,000,000 and included additional facilities in the project being financed by said bonds; and

WHEREAS, the Board by Resolution adopted September 3, 1970, increased the principal amount of said Series I and J Bonds to \$24,500,000; and

WHEREAS, it is necessary to adopt further revisions of said bond resolution and Sixth Supplemental Trust Agreement to provide for an increase in the principal amount of Series I Bonds from \$20,300,000 to \$20,600,000;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the President and Trustees of The Ohio University that the Sixth Supplemental Trust Agreement, including the Bond Resolution, is hereby revised and amended as follows:

(a) The principal amount of Series I Bonds is increased from \$20,300,000 to \$20,600,000;

(b) The aggregate principal amount of Series I and J Bonds is increased to \$24,800,000;

(c) That such Series I and Series J Bonds shall mature in thirty-eight (38) annual installments, which annual installments shall be in such principal amounts so as to provide for substantially equal annual installment payments of combined principal and interest during said period of maturity.

BE IT FURTHER RESOLVED, that all other terms, provisions and conditions of said Sixth Supplemental Trust Agreement, including as hereinabove provided be and the same are hereby adopted, ratified and confirmed.

BE IT FURTHER RESOLVED, that the Chairman of the Board of Trustees, the President of the University, and the Treasurer, and each of them, are hereby authorized to execute, acknowledge and deliver the same to The City National Bank and Trust Company of Columbus, Columbus, Ohio, as Trustee, as may be appropriate, and the Secretary of the Board of Trustees is authorized to seal and attest the same, all with such changes not unfavorable to the University as the officers acting shall deem advisable.

On roll call, the following votes were recorded: Johnson, aye; Stocker, aye; Brown, aye; Crow, aye; Phillips, aye; Kennedy, aye; and Baxter, aye. The Chairman declared the resolution adopted.

Provost Savage then reported that bids had been received on the animal research building that exceeded the architect's estimate. An appropriation had been made in House Bill 531, passed at the last session of the legislature, for this building. He also reported that the director of Public Works had recommended that these bids be

accepted in spite of the fact they exceeded the architect's estimate. There was a discussion of this proposal and Mr. Brown moved, seconded by Mr. Kennedy that the following resolution be adopted:

WHEREAS, the Ohio University Board of Trustees at their January 12, 1970 meeting passed a resolution authorizing appropriate administrative officers of Ohio University to proceed with the planning, including the hiring of associate architects to prepare detailed plans, for the Animal Research Facilities at an estimated cost of \$1,000,000, and;

WHEREAS, bids on the construction of the Animal Research Facilities were opened on May 27, 1971 and the lowest total bids were found to be \$990,822.05 which is \$108,212.05 over the estimated cost, and;

WHEREAS, the Director of the Department of Public Works of the State of Ohio, in a letter dated June 4, 1971, recommends acceptance of these bids because it is the opinion of his department that better bids would not be received if these items were readvertised, and;

WHEREAS, these bids will result in a total project cost of \$1,160,000, and;

WHEREAS, the amount of unencumbered funds available for the Animal Research Facilities total \$1,055,000, consisting of \$875,000 state money and \$180,000 federal money, and;

WHEREAS, the \$105,000 unfunded balance can be covered by utilization of a \$35,000 excess from the Library Phase II project and \$70,000 of local funds representing interest collected from funds held for other building projects and would require no use of general operating funds, and;

WHEREAS, the Animal Research Facilities projects previously have been delayed and there exists a need for these facilities to promote academic programs at Ohio University;

BE IT RESOLVED, that the transfer of \$35,000 from Library Phase II, and \$70,000 of local funds representing interest collected from funds held for other building projects, be transferred to this project, and;

BE IT FURTHER RESOLVED that the following contracts for construction of the Animal Research Facilities be recommended to the Director of Public Works totaling \$990,822.05.

<u>Contractors</u>	<u>Bid</u>	<u>Estimate</u>
B. G. Danis Company, Inc. 1801 E. First Street <u>Dayton, Ohio 45403</u>		
ITEM #1 - General Contract	\$479,000.00	\$428,610.00
Geiger Brothers, Inc. California and Ohio Avenue <u>Logan, Ohio 43138</u>		
ITEM #2 - Plumbing Contract	71,000.00	118,500.00
Geiger Brothers, Inc. California and Ohio Avenue <u>Logan, Ohio 43138</u>		
ITEM #3 - Heating and Air Conditioning Contract	256,800.00	152,500.00
Ball Electric Company 926 Florence Street <u>Belpre, Ohio 45714</u>		
ITEM #4 - Electrical Contract	128,982.05	126,000.00
Commercial Contract Sales Division Scioto Kitchen Sales, Inc. 3232 Allegheny Avenue <u>Columbus, Ohio 43209</u>		
ITEM #5 - Equipment Contract	<u>55,040.00</u>	<u>57,000.00</u>
TOTAL CONTRACTS RECOMMENDED	\$990,822.05	\$882,610.00

On roll call, the following votes were recorded: Johnson, aye; Stocker, aye; Brown, aye; Crow, aye; Phillips, aye; Kennedy, aye; and Baxter, aye. The Chairman declared the resolution adopted.

The Secretary presented a request from the Ohio Department of Highways for a temporary right-of-entry over a parcel of land owned by Ohio University. This right-of-entry is granted for the purpose of repairing a portion of State Highway 682. It was pointed out that a right-of-entry had previously been granted to the Hocking Conservancy District over this same land.

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After discussion, it was moved by Mr. Johnson, seconded by Mr. Brown and unanimously carried that the following right-of-entry be granted to the Ohio Department of Highways.

RIGHT OF ENTRY

Athens County S.R. 682  
Section 0.00

The State of Ohio, Ohio University, does hereby grant to the State of Ohio, Department of Highways, the right for its employees, authorized agent, or either of them, to enter upon the following described real estate for the purpose of correcting the slip thereon, or incidental facilities thereto, as follows:

Being a parcel of land lying on the right side of the centerline of Athens State Route 682 Section 0.00, commencing at a point, said point being near Station 35 + 00, thence Northerly to a point, said point being in or about Station 45 + 00.

Ohio University executes this Agreement on property subject to recorded Right-of-Entry to Hocking Conservancy District, for purpose of relocating Hocking River of record in Athens County Court House 11-13-68, Volume 285, Page 605 and shall not be held responsible for any claim of damage arising between Ohio Department of Highways and Hocking Conservancy District or their authorized agents. It is further understood this Right of Entry is not to interfere with the continued construction of the relocated Hocking River.

By acceptance of this Right-of-Entry, the Department of Highways, State of Ohio, acknowledges that Ohio University makes no commitment as to the amount of compensation to be awarded for the disturbance of its facility. The amount of compensation to be paid to Ohio University to be determined between the parties at the completion of work on said premises.

Date: \_\_\_\_\_

The Chairman then called for the election of officers. In the regular rotation of officers, Mr. C. Paul Stocker would ordinarily be elected as Chairman of the Board of Trustees for the coming year. However, due to Mr. Stocker's health, he has asked to be relieved of this responsibility.

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Mr. Brown then moved that Mr. Duncan M. Baxter be re-elected Chairman for the year ending June 30, 1972. Mrs. Phillips seconded this nomination. There being no further nominations, Mr. Baxter was unanimously elected Chairman of the Board of Trustees for the year ending June 30, 1972.

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Mr. Brown then nominated Edwin L. Kennedy as Vice Chairman for the year ending June 30, 1972. Mrs. Phillips seconded this nomination. There being no further nominations, Mr. Kennedy was unanimously elected Vice Chairman of the Board of Trustees for the year ending June 30, 1972.

Mr. Kennedy then nominated Robert E. Mahn as Secretary to the Board of Trustees for the year ending June 30, 1972. This nomination was seconded by Mr. Crow. There being no further nominations, Mr. Mahn was unanimously elected as Secretary to the Board of Trustees for the year ending June 30, 1972.

Mr. Kennedy nominated Claude R. Sowle to be President of Ohio University for the year ending June 30, 1972. This nomination was unanimously seconded and Claude R. Sowle was declared elected President of Ohio University for the year ending June 30, 1972. He will receive the same salary as received in 1970-71.

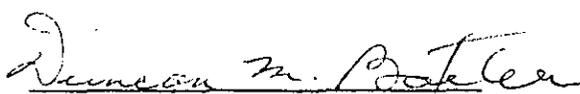
Then followed a discussion of the expense allowance for President Sowle. Mr. Kennedy pointed out that during the last year over 10,000 people have been entertained in the President's house and that his expense allowance did not cover this entertainment. After a further discussion of this, it was moved by Mr. Stocker, unanimously seconded and carried that the annual expense allowance allowed President Sowle be increased \$3,000 for the year 1971-72.

The Chairman then asked for suggestions for the next meeting of the Board of Trustees. It was determined that Monday, September 13, 1971 would be the date set for the next regular meeting of the Board of Trustees.

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The Chairman informed the Board that it may be necessary to call a special meeting during the summer and he hoped if this meeting was necessary that a quorum would be available.

There being no further business, the meeting adjourned.

  
Duncan M. Baxter, Chairman

  
Paul R. O'Brien, Secretary

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