

OHIO UNIVERSITY
ATHENS, OHIO 45701

BOARD OF TRUSTEES

March 1, 1978

To: Those listed below*

From: Robert E. Mahn, Secretary, Board of Trustees



Subject: Minutes of February 11, 1978, Meeting of the Board

Enclosed for your file is a copy of the February 11 minutes. This draft will be presented for approval at the next regular meeting of the Board.

REM:csb

Enclosure

* Chairman and Members of the Board

Mr. Johnson

Mr. Aspengren

Dr. Ping

✓ Mr. Mahn (2)

Dr. Bucklew

Mr. Peebles

Mr. Kurlinski

Dr. Harter

Mr. Kennard

Archivist (2)

Resident Auditor

Mr. Burns

MINUTES OF THE MEETING OF
THE BOARD OF TRUSTEES OF OHIO UNIVERSITY

Saturday, February 11, 1978, 9:00 a.m.
Room 319, Vernon R. Alden Library
Athens, Ohio

I. ROLL CALL

Members present were Mrs. Dorothy S. Johns, Chairman, G. Kenner Bush, Charles E. Holzer, Jr., J. Grant Keys, William A. Lavelle, Mrs. J. Wallace Phillips, Donald A. Spencer, and Milton J. Taylor. This constituted a quorum. Dean W. Jeffers was unable to attend.

President Charles J. Ping and Secretary Robert E. Mahn also were present, as was Fred H. Johnson, Trustee Emeritus. Arthur E. Aspengren, who sits with the Board by invitation as President of the Ohio University Alumni Board of Directors, did not attend, but was represented by John M. Jones, Vice President of the Alumni Board.

II. APPROVAL OF MINUTES OF THE MEETINGS OF OCTOBER 1, 1977,
AND DECEMBER 16, 1977, (previously distributed)

Mrs. Johns, determining that there were no corrections or additions for the minutes, declared them approved as distributed.

III. COMMUNICATIONS, PETITIONS AND MEMORIALS

The Secretary stated that none had been received.

IV. ANNOUNCEMENTS

The Secretary stated that there were no announcements.

V. REPORTS

President Ping introduced Associate Provost Joseph B. Tucker for a report on the academic program review process at Ohio University, stating that this was an increasingly important subject. Dr. Tucker's remarks are summarized in a report he distributed, which appears as Attachment 1, page III.

VI. UNFINISHED BUSINESS

The Secretary reported no unfinished business.

VII. NEW BUSINESS

Mrs. Johns stated that agenda items had been discussed by the respective Board committees. She asked the respective chairmen to read or summarize the resolutions and report the recommendations of their committees for discussion and action.

A. BOARD-ADMINISTRATION COMMITTEE MATTERS

Mrs. Johns asked Vice Chairman Keys to present matters considered by the Committee and recommendations relative to them.

1. INTER-UNIVERSITY COUNCIL MEMBERSHIP

Mr. Keys moved approval of the resolution. Mrs. Phillips seconded the motion. Approval was unanimous.

RESOLUTION 1978--381

WHEREAS, a purpose of the Inter-University Council of Ohio is "to interrelate action among...participating... institutions in all matters of policy or practice which concerns more than one of the institutions," and

WHEREAS, continuity of membership to accomplish this and other purposes would be advantageous,

THEREFORE, BE IT RESOLVED that the one Board member who in accordance with IUC Bylaws serves with the President on the Council be named by the chairman of the Board to a three-year term.

Mrs. Johns stated that, in anticipation of favorable action on the resolution, she had asked Mr. Bush to serve, and that he had accepted.

B. BUDGET, FINANCE AND PHYSICAL PLANT COMMITTEE MATTERS

Mrs. Johns asked Committee Chairman Bush to present matters considered by the Committee and recommendations relative to them.

1. REFUNDING OF 1974 GENERAL RECEIPTS BONDS

Mr. Bush asked Mr. Taylor to present this, stating that many months of effort had gone into the matter. Mr. Taylor moved approval of the Series 1978 Resolution (Resolution Number 382) "providing for the authorization, issuance and sale of \$12,580,000 General Receipts Bonds, Series 1978, of the President and Trustees of the Ohio University, dated as of February 1, 1978." Mr. Keys seconded the motion.

President Ping described the preparations for the bond sale as incredibly complex and its results extremely important. He stated that the long-range plans for the dormitory and dining system would now fall into place.

On roll call the vote was as follows:

Bush	yes	Keys	yes
Holzer	yes	Phillips	yes
Lavelle	yes	Spencer	yes
Johns	yes	Taylor	yes

The motion was declared approved.

Final

FOURTH SUPPLEMENTAL TRUST AGREEMENT

Between

THE PRESIDENT AND TRUSTEES
OF THE OHIO UNIVERSITY.

And

THE OHIO NATIONAL BANK OF COLUMBUS
TRUSTEE

DATED AS OF
FEBRUARY 1, 1978

*SUPPLEMENTING TRUST AGREEMENT DATED AS OF JUNE 1, 1972;
First Supplemental Trust Agreement dated as of June 1, 1972;
Second Supplemental Trust Agreement dated as of December 1, 1974;
and
Third Supplemental Trust Agreement dated as of February 1, 1977*

Securing

GENERAL RECEIPTS BONDS, SERIES 1972;
GENERAL RECEIPTS BONDS, SERIES 1977;
GENERAL RECEIPTS BONDS, SERIES 1978;

AND

ADDITIONAL BONDS AS PROVIDED IN THE TRUST AGREEMENT

FOURTH SUPPLEMENTAL TRUST AGREEMENT

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FOURTH SUPPLEMENTAL TRUST AGREEMENT

with respect to

\$ 12,580,000 GENERAL RECEIPTS BONDS, SERIES 1978

This Fourth Supplemental Trust Agreement, dated as of the first day of February, 1978 (hereinafter called the "Supplement"), by and between The President and Trustees of the Ohio University and its Board of Trustees (hereinafter collectively called the "University"), a state university of the State of Ohio created and existing under and by virtue of Chapter 3337 of the Ohio Revised Code, and The Ohio National Bank of Columbus, a bank organized and existing under and by virtue of the laws of the United State of America and duly authorized to exercise corporate trust powers in the State of Ohio, with its principal place of business located in Columbus, Ohio (hereinafter, with any successors, called the "Trustee"), as Trustee under the Trust Agreement hereinafter mentioned,

WITNESSETH:

WHEREAS, the University, pursuant to the General Bond Resolution adopted by its Board of Trustees (hereinafter called the "Board") on April 14, 1972, has entered into a Trust Agreement dated as of June 1, 1972 (of which the General Bond Resolution constitutes a part) with the Trustee providing for the issuance from time to time of General Receipts Bonds of the University, each such issue to be authorized by a Series Resolution adopted by the Board pursuant to the Trust Agreement, which Series Resolution shall authorize a Supplemental Trust Agreement, supplementing such Trust Agreement, pertaining to such issue of Bonds; and

WHEREAS, the Board adopted on February 11, 1978, the Series Resolutuion, designated and hereinafter referred to as the "Series 1978 Resolution", providing for the herein described Series 1978 Bonds and this Supplement, which Series 1978 Resolution is incorporated herein, constitutes an integral part of this Supplement, and provides, in its entirety, as follows:

SERIES 1978 RESOLUTION

RESOLUTION 382

Providing for the authorization, issuance and sale of \$ 12,580,000 General Receipts Bonds, Series 1978, of The President and Trustees of the Ohio University, dated as of February 1, 1978.

WHEREAS, The President and Trustees of the Ohio University (herein called the "University"), a state university of the State of Ohio created and existing under Chapter 3337 of the Ohio Revised Code, by resolution adopted by its Board of Trustees (herein called the "Board") on April 14, 1972 (herein called the "General Bond Resolution") and by a Trust Agreement dated as of June 1, 1972, as supplemented (herein called the "Trust Agreement"), comprised in part of the General Bond Resolution, has provided for the issuance from time to time of General Receipts Bonds of the University, each such issue to be authorized by a Series Resolution adopted by the Board pursuant to the Trust Agreement; and

WHEREAS, the General Bond Resolution was adopted and the Trust Agreement was authorized by the Board pursuant to Sections 3345.11 and 3345.12 of the Ohio Revised Code, enacted by the General Assembly of Ohio under authority of the Constitution of Ohio, particularly Section 2i of Article VIII thereof, which authorizes the University to issue its Bonds to pay costs of certain capital facilities, defined as "auxiliary facilities" in Section 3345.12 of the Ohio Revised Code and called "University Facilities" in the General Bond Resolution and in this Series Resolution, to refund, fund or retire such Bonds or other obligations previously issued for such purpose, and to pay expenses necessary or incident to the financing of University Facilities; and

WHEREAS, the University has heretofore issued its General Receipts Bonds, Series 1972, in the original principal amount of \$24,700,000 (herein the "Series 1972 Bonds"), which are presently outstanding in the aggregate amount of \$23,955,000; its General Receipts Bonds, Series 1974, in the original principal amount of \$15,175,000 (herein the "Series 1974 Bonds"), which are presently outstanding in the aggregate amount of \$15,175,000; and its General Receipts Bonds, Series 1977, in the original principal amount of \$5,875,000 (herein the "Series 1977 Bonds"), which are presently outstanding in the aggregate amount of \$5,875,000; and

WHEREAS, the University does hereby determine that it is necessary to refund the Series 1974 Bonds, and to retire the same by call for redemption on December 1, 1984, for the purposes hereinafter set forth; and

WHEREAS, the University has determined to issue, as the fourth issue of Bonds under the Trust Agreement, \$ 12,580,000 principal amount of General Receipts Bonds, to be designated General Receipts Bonds, Series 1978, to retire the Series 1974 Bonds as aforesaid, and desires to provide therefor by this Resolution of its Board;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY, as follows:

Section 1. Definitions and Interpretations.

All words and terms defined in Section 1 of the General Bond Resolution and elsewhere in the Trust Agreement and all interpretations therein provided shall have the same meanings, respectively, and be subject to the same interpretations as therein provided where used in this Resolution, unless the context or use clearly indicates another or different meaning or intent, except that this Resolution is sometimes herein called and may be known as the "Series 1978 Resolution", the Bonds authorized by this Resolution are referred to herein and in the Fourth Supplemental Trust Agreement hereby authorized as the "Series 1978 Bonds", and the terms "hereof", "herein", "hereby", and "hereunder", and similar terms, mean this Resolution.

Section 2. Authority. This Resolution is adopted pursuant to the General Bond Resolution, the Trust Agreement, and the Act.

Section 3. Authorization, Designation and Purpose of Series 1978 Bonds. It is hereby declared to be necessary to, and the University shall, issue, sell and deliver, as provided and authorized herein, \$ 12,580,000 principal amount of General Receipts Bonds of the University, which shall be designated "General Receipts Bonds, Series 1978", for the purpose of refunding and retiring (together with lawfully available funds) the \$15,175,000 of Series 1974 Bonds presently outstanding and heretofore issued, in order to reduce the University's expenditures for debt service through 2011, and to pay expenses necessary or incident to the financing of University Facilities. For such purpose, the proceeds from the sale of the Series 1978 Bonds shall be allocated and deposited as provided in Section 6 hereof.

Section 4. Terms and Provisions Applicable to the Series 1978 Bonds.

(a) Form and Numbering. The Series 1978 Bonds shall be issued initially in the form of coupon Bonds registrable as to principal only or of fully registered Bonds, shall be exchangeable as between forms as provided in the Trust Agreement, and shall be numbered as determined by the Fiscal Officer.

(b) Denomination and Dates. The Series 1978 Bonds in coupon form shall be in the denomination of \$5,000 each, and shall be dated as of February 1, 1978. The Series 1978 Bonds in fully registered form shall be in the denomination of \$5,000 and any multiple thereof authorized by the Trust Agreement, and shall be dated as of the date of Series 1978 Bonds in coupon form if authenticated prior to the first interest payment date, and otherwise shall be dated as of the interest payment date next preceding the date of their authentication, except that if authenticated on an interest payment date they shall be dated as of such date of authentication; provided that if at the time of authentication, interest thereon is in default, they shall be dated as of the date to which interest has been paid. Each Series 1978 Bond shall have only one principal maturity date, except for interim certificates or receipts which may be issued pending preparation of definitive Bonds.

(c) Interest. The Series 1978 Bonds shall bear interest from their respective dates payable semiannually on June 1 and December 1, beginning June 1, 1978, at the respective rates per annum set forth in the schedule appearing in subsection (d) below.

(d) Maturity and Coupon Rates. The Series 1978 Bonds shall mature on December 1 in the years and in the principal amount set opposite the year, and shall bear interest as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Coupon Rate</u>
1978	\$ 140,000	4.25 %
1979	145,000	4.25
1980	150,000	4.50
1981	160,000	4.50
1982	160,000	4.75
1983	175,000	4.75
1984	180,000	5.00
1985	185,000	5.00
1986	200,000	5.00
1987	205,000	5.25
1988	220,000	5.25
1989	230,000	5.25
1990	240,000	5.50
1991	255,000	5.50
1992	270,000	5.50
1993	285,000	5.75
1994	300,000	5.75
1995	315,000	5.80
1996	335,000	6.00
1997	355,000	6.00
1998	385,000	6.00
2011	7,690,000	6.15

(e) Redemption Terms and Prices. The Series 1978 Bonds maturing on or before December 1, 1988, are not subject to redemption.

The Series 1978 Bonds maturing December 1, 2011, are subject to mandatory redemption, pursuant to the mandatory sinking fund requirements provided in Section 7a hereof, on December 1, 1999, and on each December 1 thereafter to and including December 1, 2010, at 100% of the principal amount thereof, plus accrued interest to the redemption date, in the years and in the principal amount set opposite the year as follows:

<u>Year of Redemption on December 1</u>	<u>Principal Amount to be Redeemed</u>
1999	\$ 410,000
2000	430,000
2001	455,000
2002	485,000
2003	510,000
2004	545,000
2005	580,000
2006	610,000
2007	650,000
2008	690,000
2009	735,000
2010	780,000

Series 1978 Bonds maturing on and after December 1, 1989, are further subject to call for redemption at the option of the University prior to their stated maturities, in whole or in part, on December 1, 1988, or on any interest payment date thereafter at redemption prices equal to the following percentages of the principal amount redeemed plus in each case accrued interest to the date fixed for redemption:

<u>Date Redeemed (Dates Inclusive)</u>	<u>Redemption Price</u>
December 1, 1988 through December 1, 1993 ...	103%
June 1, 1994 through December 1, 1999	102%
June 1, 2000 through December 1, 2005	101%
June 1, 2006 and thereafter	100%

If less than all of the outstanding Series 1978 Bonds are called for redemption at one time, they shall be called in inverse order of the maturities of the Series 1978 Bonds outstanding. If less than all of the outstanding Series 1978 Bonds of one maturity are to be called, the selection of such Series 1978 Bonds, or portions of fully registered Bonds, of such maturity to be called shall be made by lot in the manner provided in the Trust Agreement. If optional redemption at a redemption price exceeding 100% of the principal amount redeemed is to take place as of December 1 in any of the years 1999 to 2005, both inclusive, the Series 1978 Bonds to be so redeemed by optional redemption shall be selected prior to the selection of the Series 1978 Bonds to be redeemed on the same date by operation of the mandatory redemption provisions hereof. Notice of call for redemption of Series 1978 Bonds shall be given in the manner provided in the Trust Agreement.

(f) Place of Payment and Paying Agents. The Bond service charges, including principal, interest and any redemption premium, on the Series 1978 Bonds in coupon form, other than principal of or any redemption premium on coupon Bonds registered as to principal (except to bearer), shall be payable at the principal corporate trust office of the Trustee, or, at the option of the holder, at the principal corporate trust office of Citibank, N.A., New York, New York. The principal of and any redemption premium on registered Series 1978 Bonds (except coupon Bonds registered as to principal to bearer) shall be payable at the office of the Trustee and the interest on fully registered Series 1978 Bonds shall be payable by check or draft, as provided in the Trust Agreement.

(g) Execution. The Series 1978 Bonds and the coupons pertaining thereto shall be executed in the manner provided in the General Bond Resolution.

Section 5. Contract of Purchase with respect to Series 1978 Bonds. The President and Fiscal Officer of the University are hereby authorized to enter into a contract of purchase with respect to sale and delivery of the Series 1978 Bonds, in substantially the form before this Board at this meeting. Upon execution of such contract of purchase on behalf of McDonald & Company, Cleveland, Ohio (herein the "Original Purchaser"), the President and the Fiscal Officer of the University, or either of them, are hereby authorized and directed to take all action necessary and appropriate to effect delivery of the Series 1978 Bonds to the Original Purchaser and application of the proceeds of sale thereof in accordance with the provisions of this Resolution.

Section 6. Allocation of Proceeds of Series 1978 Bonds. All of the proceeds from the sale of the Series 1978 Bonds shall be received and receipted for by the Fiscal Officer, and shall be deposited and allocated as follows:

(a) To the Bond Service Account in the General Receipts Bond Service Fund, the portion of such proceeds representing accrued interest and premium, if any; and

(b) To the purchase of book-entry United States Treasury Certificates of Indebtedness, Notes or Bonds - State and Local Government Series (herein the "Book-Entry Obligations") from the United States of America, Department of the Treasury, Bureau of Public Debt, as shall be approved by

the Fiscal Officer and shall be satisfactory to the Trustee acting under the Trust Agreement and the Second Supplemental Trust Agreement with respect to the Series 1974 Bonds, sufficient together with the Book-Entry Obligations to be purchased from other funds pursuant to Section 8 hereof, without reinvestment, to pay the Bond service charges, including principal, interest and redemption premium due upon call for redemption on December 1, 1984, on the Series 1974 Bonds, for deposit in the Bond Purchase and Redemption Account in order to effect the satisfaction, discharge and cancellation of the Second Supplemental Trust Agreement except to the extent of (i) provision for payment of the Series 1974 Bonds and (ii) Section 3 thereof, relative to formal defects in the Trust Agreement. Such Book-Entry Obligations are hereby committed for such purpose in accordance with Section 10 of the General Bond Resolution. The Trustee is hereby requested to execute and deliver proper instruments acknowledging satisfaction of the Second Supplemental Trust Agreement to the extent aforestated; and

(c) To the payment of the expenses of issue of the Series 1978 Bonds.

Section 7. Additional Covenants.

(a) This Board hereby finds and determines that all of the proceeds from the sale of the Series 1978 Bonds (except accrued interest and premium, if any, as provided in Section 6(a) hereof) will be needed for the purposes described herein. This Board hereby covenants for and on behalf of the University, that it will restrict the use of the proceeds of the Series 1978 Bonds and of the funds described in Section 8 hereof in such manner and to such extent as may be necessary, in view of reasonable expectations at the time of issuance of the Series 1978 Bonds, so that the Series 1978 Bonds will not constitute "arbitrage bonds" under Section 103(c) of the Internal Revenue Code and regulations prescribed under such Section. The Fiscal Officer or any other officer of the University having responsibility with respect to issuance of the Series 1978 Bonds is hereby authorized and directed to give an appropriate certificate for inclusion in the transcript of proceedings with respect to the Series 1978 Bonds, setting forth the facts, estimates and reasonable expectations pertinent under said Section 103(c) and regulations prescribed under such Section.

(b) This Board covenants that so long as any Series 1978 Bonds are outstanding, it will adopt and enforce such lawful parietal and other rules, with reasonable

classifications and appropriate exceptions, as are necessary to assure maximum occupancy and use of its housing, dining and auxiliary facilities, including parking facilities, consistent with the maintenance of the University as an academic community and the economic viability of such facilities.

(c) The University hereby covenants that no notes or bonds will be issued under the resolution of the Board adopted January 5, 1966 (herein the "1966 Resolution"), relating to the then-contemplated "The Ohio University Student Facilities Revenue Bonds," and affirms that the lien upon "Pledged Receipts," as defined in and accorded by the 1966 Resolution, has been removed by payment in full as to principal and interest of all obligations of the University issued under the 1966 Resolution.

Section 7a. Mandatory Sinking Fund Requirements.

(a) Requirements. As and for the mandatory sinking fund requirements for the retirement, by mandatory redemption pursuant to Section 4 hereof, of the Series 1978 Bonds which mature on December 1, 2011, but subject to paragraph (b) below, the amounts required to be paid to the Bond Service Account, determined in accordance with Section 7 of the General Bond Resolution, shall include amounts sufficient to redeem (less the amount of any credit as provided in paragraph (b) below) on each December 1 as set forth below the following principal amounts of Series 1978 Bonds:

<u>Year of Redemption on December 1</u>	<u>Principal Amount to be Redeemed</u>
1999	\$ 410,000
2000	430,000
2001	455,000
2002	485,000
2003	510,000
2004	545,000
2005	580,000
2006	610,000
2007	650,000
2008	690,000
2009	735,000
2010	780,000

For the purpose of effecting the mandatory redemption of the Series 1978 Bonds maturing December 1, 2011, the Trustee, on behalf of the University and without necessity for further action by the University, shall cause to be redeemed on December 1 in each of the years from 1999 to 2010, both inclusive, in the manner provided in the General Bond Resolution such aggregate principal amount of the Series 1978 Bonds maturing December 1, 2011, as equals the mandatory sinking fund requirements, as provided in this Section, for the applicable year.

(b) Credits Against Mandatory Sinking Fund Requirements. At its option, to be exercised on or before the forty-fifth day next preceding any December 1 in the years from 1999 to 2010, both inclusive, the University may (i) deliver to the Trustee for cancellation Series 1978 Bonds maturing on December 1, 2011, in any aggregate principal amount desired, with, if coupon bonds, all unmatured coupons attached, or (ii) receive a credit in respect to the mandatory sinking fund requirement (and corresponding mandatory redemption obligation) of the University under paragraph (a) above for any Series 1978 Bonds maturing on December 1, 2011, which prior to such date have been redeemed (other than through the operation of the mandatory sinking fund requirements provided for in this Section) or purchased for cancellation and cancelled by the Trustee and not theretofore applied as a credit against any mandatory sinking fund requirement (and corresponding mandatory redemption obligation) under said paragraph (a). Each Series 1978 Bond maturing on December 1, 2011, so delivered or previously redeemed shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund requirement (and corresponding mandatory redemption obligation) of the University on such redemption date. If the University intends to avail itself in any year of the provisions of this paragraph (b), the University will on or before the forty-fifth day next preceding each December 1 of the applicable year furnish the Trustee with a certificate, signed by the Fiscal Officer, stating the extent to which the provisions of clauses (i) and (ii) of this paragraph (b) are to be availed of with respect to such mandatory sinking fund requirement (and corresponding mandatory redemption obligation); unless such certificate is so timely furnished by the University, the mandatory sinking fund requirement (and corresponding mandatory redemption obligation) provided for in paragraph (a) above for such year shall not be reduced.

Section 8. Disposition of Funds and Interest Thereon Appropriated to the University by the General Assembly of the State. The amount of \$5,787,000 appropriated by the General Assembly of the State for the purchase of certain University Facilities pursuant to Amended Substitute House Bill 618, and interest earned thereon to the date of delivery of and payment for the Series 1978 Bonds, shall be deposited and allocated as follows:

(a) To the purchase and deposit of Book-Entry Obligations in the same manner as prescribed by Section 6(b) hereof, in such amounts and with such terms as shall be sufficient (together with the Book-Entry Obligations purchased pursuant to Section 6(b) hereof) to effect the purpose stated in said Section 6(b); and

(b) To the credit of the Bond Service Reserve Account, such amount (if any) as shall be necessary fully to fund the Required Reserve necessitated by reason of the Series 1978 Bonds in accordance with clause 2(i) of Section 7(b) of the General Bond Resolution; and

(c) To the credit of the Bond Service Account, any balance remaining.

Section 9. Fourth Supplemental Trust Agreement. The Chairman of the Board, the President of the University, the Secretary of the Board, and the Fiscal Officer, or any one or more of them, are authorized and directed to execute, acknowledge and deliver to the Trustee, in the name of and on behalf of the University, a Fourth Supplemental Trust Agreement pursuant to the Trust Agreement, in connection with the issuance of the Series 1978 Bonds, in substantially the form submitted to this Board with such changes therein not substantially adverse to the University as may be permitted by the Act and the Trust Agreement and approved by the officer or officers executing the same on behalf of the University. The approval of such changes, and the fact that such changes are not substantially adverse to the University, shall be conclusively evidenced by the execution of the Fourth Supplemental Trust Agreement by such officer or officers.

Section 10. Official Statement. The President and Fiscal Officer of the University are hereby authorized and directed to execute and deliver an Official Statement with respect to the Series 1978 Bonds, in substantially the form before this meeting, for the purpose of making available to potential investors in said Series 1978 Bonds the information therein contained.

Section 11. Temporary Series 1978 Bonds. Pending the preparation of definitive Series 1978 Bonds the University may execute and the Trustee shall authenticate and deliver interim certificates (herein called "Temporary Series 1978 Bonds") in printed or typewritten form. Temporary Series 1978 Bonds shall be issuable in fully registered form, without coupons, of any denomination, and substantially in the form of the definitive Series 1978 Bonds but with such omissions, insertions and variations as may be appropriate for Temporary Series 1978 Bonds, all as may be determined by the Fiscal Officer. Every Temporary Series 1978 Bond shall be executed on behalf of the University, and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Series 1978 Bonds. If one or more Temporary Series 1978 Bonds are issued, then without unnecessary delay the University shall execute and furnish definitive Series 1978 Bonds and thereupon Temporary Series 1978 Bonds may be surrendered to the Trustee in exchange therefor without charge, and the Trustee shall authenticate and deliver in exchange for such Temporary Series 1978 Bonds an equal aggregate principal amount of definitive Series 1978 Bonds. Until so exchanged the Temporary Series 1978 Bonds shall be entitled to the same benefits under the Trust Agreement as definitive Series 1978 Bonds.

Section 12. Determinations. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal actions, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Adopted: February 11, 1978.

WHEREAS, the texts of the Series 1978 Bonds, the coupons to be attached thereto, the form of assignment of fully registered Bonds, the certificate of authentication of the Trustee to be endorsed thereon and other provisions to be included therein are to be substantially in the following forms with appropriate omissions, insertions and variations as in the Trust Agreement provided or permitted:

COUPON BOND FORM

United States of America
State of Ohio
The President and Trustees of the Ohio University
General Receipts Bond, Series 1978

No. \$5,000.

The President and Trustees of the Ohio University and its Board of Trustees (hereinafter collectively called the "University"), a state university of the State of Ohio created and existing pursuant to Chapter 3337 of the Ohio Revised Code, for value received, promises to pay to bearer, or, if this Bond be registered, to the registered holder hereof, from the sources and in the manner hereinafter referred to, the principal sum of

FIVE THOUSAND DOLLARS (\$5,000)

on December 1, , and to pay from said sources interest thereon from the date hereof at the rate of percentum (%) per annum semi-annually on June 1 and December 1 of each year, commencing June 1, 1978, as evidenced by the coupons hereto attached, until payment of such principal sum has been made or duly provided for. Principal and interest are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent, at the principal corporate trust office of the Trustee, presently The Ohio National Bank of Columbus, Columbus, Ohio 43215, or, at the option of the holder, at the principal corporate trust office of Citibank, N.A., New York, New York 10015 (such agents for payment including the Trustee being herein called the "Paying Agents"), upon presentation and surrender of this Bond and the coupons attached hereto as they respectively mature, provided that if this Bond is registered as to principal other than to bearer then the principal hereof is payable only at said office of the Trustee.

This Bond is one of the General Receipts Bonds (hereinafter collectively called the "Bonds") authorized and from time to time to be authorized in various series under and pursuant to Section 2i of Article VIII, Ohio Constitution, Sections 3345.11 and 3345.12 of the Ohio Revised Code, the General Bond Resolution (hereinafter called the "General Bond Resolution") adopted by the Board of Trustees of the University (hereinafter called the "Board") on April 14, 1972, a Series Resolution authorizing each issue, and the Agreement described below, for the purpose of paying costs of University Facilities (as defined in the General Bond Resolution) and to refund, fund or retire obligations issued for such purpose. As provided in and subject to said Agreement, the Bonds may be issued from time to time in one or more series, in various principal amounts, with different maturities and interest rates, and may otherwise vary. The aggregate principal amount of Bonds which may be issued is not limited except as provided in said Agreement or as may hereafter be provided by law, and all Bonds will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the said Agreement.

The Bonds are all to be issued under the Trust Agreement (of which the General Bond Resolution is a part) dated as of June 1, 1972, between the University and the above-named Trustee, as the same has been or may be supplemented or amended in accordance with its terms. Such Trust Agreement and amendments thereto and any applicable Supplemental Trust Agreement, including the Series Resolution constituting part thereof, are herein referred to collectively as the "Agreement". The term "Trustee" as used herein refers to said Trustee or any successor Trustee appointed pursuant to the Agreement. Reference is made to the Agreement for a more complete description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the University, the Trustee and the holders of the Bonds and coupons, and the terms and conditions upon which the Bonds are issued and secured, to all of the provisions of which Agreement each holder, by the acceptance hereof, assents.

This Bond is one of a series of the Bonds, designated General Receipts Bonds, Series 1978 (hereinafter called the "Series 1978 Bonds"), in the aggregate principal amount of \$ 12,580,000, authorized by and issued pursuant to the Series 1978 Resolution adopted by the Board on February 11, 1978 (hereinafter called the "Series 1978 Resolution") and

the Agreement, including the First Supplemental Trust Agreement thereto dated as of June 1, 1972, the Second Supplemental Trust Agreement thereto dated as of December 1, 1974, the Third Supplemental Trust Agreement thereto dated as of February 1, 1977, and the Fourth Supplemental Trust Agreement thereto dated as of February 1, 1978, of which the Series 1978 Resolution is a part, for the purpose of re-funding and retiring (together with lawfully available funds) \$15,175,000 of General Receipts Bonds, Series 1974, and to pay expenses necessary or incident to the financing of University Facilities, as defined in the Agreement.

The Series 1978 Bonds are issuable as coupon bonds, registrable as to principal, in the denomination of \$5,000, and as fully registered bonds in denominations of \$5,000 and any authorized multiple thereof. Coupon Bonds and fully registered Bonds are interchangeable in equal aggregate principal amounts and in authorized denominations at the aforesaid office of the Trustee, in the manner and subject to the limitations provided in the Agreement.

This Bond and appurtenant coupons are negotiable instruments but this Bond may be registered as to principal in accordance with the provisions endorsed hereon and the terms and conditions provided in the Agreement.

The Series 1978 Bonds maturing on or before December 1, 1988, are not subject to redemption. The Series 1978 Bonds maturing on December 1, 2011, are subject to mandatory redemption on December 1, 1999 and on each December 1 thereafter to and including December 1, 2010, pursuant to the terms of the mandatory sinking fund requirements and mandatory redemption obligations provided in the Series 1978 Resolution, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date; the Series 1978 Bonds maturing December 1, 2011 to be so redeemed shall be selected by lot in such manner as may be determined by the Trustee. Series 1978 Bonds maturing on and after December 1, 1989 are also subject to redemption, from funds other than those deposited in accordance with the foregoing mandatory sinking fund requirements, at the option of the University prior to stated maturity on December 1, 1988, or on any interest payment date thereafter, in whole or in part and in inverse order of their maturity (less than all of such Bonds of a single maturity to be selected by lot in such manner as may be determined by the Trustee), at the respective redemption prices (expressed as percentages of the principal amount redeemed) set forth below, plus accrued interest to the redemption date:

<u>Date Redeemed (Dates Inclusive)</u>	<u>Redemption Price</u>
December 1, 1988 through December 1, 1993	103%
June 1, 1994 through December 1, 1999	102%
June 1, 2000 through December 1, 2005	101%
June 1, 2006 and thereafter	100%

If such optional redemption is to take place as of December 1 in any of the years from 1998 to 2005, inclusive, the Series 1978 Bonds to be so redeemed shall be selected by lot prior to the selection by lot of Series 1978 Bonds to be redeemed on the same date by operation of the foregoing mandatory redemption provisions.

Such right of redemption shall be exercised by notice, specifying the Series 1978 Bonds to be called, the date fixed for redemption and the places where the amounts due upon such redemption are payable, which notice, subject to the provisions of the Agreement therefor, shall be published at least twice in a newspaper or financial journal of national circulation published in the City and State of New York, the first such publication to be not less than thirty days prior to the redemption date. Notice by mail of any redemption will also be provided to all registered holders of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Trustee as Bond Registrar, and to the holders of all other Bonds to be redeemed who have filed a written request with the Trustee or the University that their names be placed on a list of the last known holders of all Bonds payable to bearer, which request shall state the principal amount, series designation and identifying numbers of such Bonds. Failure to mail such notice, however, shall not affect in any respect the validity of the proceedings for such redemption. If Series 1978 Bonds are duly called for redemption and if on such redemption date moneys for the redemption thereof, together with interest thereon to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such date such Series 1978 Bonds shall cease to bear interest and any coupons for interest thereon maturing subsequently shall be void, and said Series 1978 Bonds and coupons shall not be deemed to be outstanding under the Agreement.

Principal, interest, and any redemption premium on the Bonds (hereinafter collectively called the "Bond service charges") are payable solely from, and such payment is secured by a pledge of and lien on, the gross amount of the General Receipts of the University and the Bond Pledge Fund and the Bond Service Fund, all as defined, and to the extent and in the manner provided, in the Agreement; provided, however, that nothing herein or in the Agreement shall be deemed to prohibit the University, of its own volition, from using to the extent lawfully authorized to do so any other resources for such payment. Such General Receipts are more particularly defined in the General Bond Resolution as all moneys received by the University including, among other receipts, all gross fees, deposits, charges, receipts and income from all or any part of the students of the University, whether designated as tuition, instructional fees, tuition surcharges, general fees, or other special purpose fees, or otherwise designated, and all gross income, revenues and receipts from University Facilities; and as excluding certain receipts as provided in the General Bond Resolution, among which are moneys raised by taxation and state appropriations until and unless the pledge thereof to the payment of Bond service charges is authorized by law and provided for by Supplemental Trust Agreement approved by the Board, and specified receipts pledged to secure other bonds of the University. The Bond Pledge Fund is a special trust fund held in the custody of the University into which the University shall pay at specified times in each fiscal year, as provided in the General Bond Resolution, from its collections of General Receipts, moneys sufficient in time and amount to meet all payments required to be made in such fiscal year to the Bond Service Fund. The Bond Service Fund, comprised in part of the Bond Service Account, the Bond Service Reserve Account, and the Bond Redemption and Purchase Account, is held in the custody of the Trustee, and is pledged to the payment of Bond service charges on all Bonds as provided in the Agreement, except to the extent committed for the retirement of and Bond service charges on specified Bonds. As required by the Agreement, the University shall make payments to the Bond Service Fund from the Bond Pledge Fund and, if necessary, from other General Receipts, of amounts sufficient to pay Bond service charges as they come due and to establish and maintain the Required Reserve in the Bond Service Reserve Account. The holders or owners of the Bonds or appertaining interest coupons shall have no right to have excises or taxes levied by the General Assembly of Ohio for the payment of Bond service charges.

Except as provided in the Agreement, the holders or registered holders of the Bonds are not entitled to enforce the provisions of the Agreement or to institute, appear in or defend any suit, action or proceeding to enforce any provisions of the Agreement or to take any action with respect to any event of default under the Agreement.

In addition to the provisions contained in the Agreement authorizing the University and the Trustee, without the consent of or notice to any Bondholder, to enter into Supplemental Trust Agreements not inconsistent with the Agreement and for certain purposes specified therein, the Agreement contains provisions authorizing such parties, with the consent of the holders of not less than 66-2/3% in aggregate principal amount of the Bonds at the time outstanding, exclusive of any Bonds then held or owned by the University, to enter into Supplemental Trust Agreements for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms and provisions of the Agreement; provided, however, that no such Supplemental Trust Agreement shall extend the maturity of the principal of or the interest on any Bond or reduce the principal amount of any Bond or the rate of interest or redemption premium thereon without the consent of the holder of each Bond so affected, or reduce the aggregate principal amount of the Bonds required for consent to such Supplemental Trust Agreement without the consent of the holders of all Bonds then outstanding.

If an event of default in payment of Bond service charges or other default shall occur, as defined in the Agreement, the principal of Bonds then outstanding may be declared due and payable in the manner and with the effect provided by the Agreement, but subject to waiver of such event of default or rescission of such declaration as provided in the Agreement.

This Bond shall not constitute the personal obligation, either jointly or severally, of the members or officers of the Board or the officers of the University.

Neither this Bond nor any of the appertaining coupons shall be entitled to any security or benefit under the Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee.

It is hereby certified and recited that all acts, conditions and things necessary to be done by the University precedent to and in the issuing of the Series 1978 Bonds in order to make them legal, valid and binding obligations of the University in accordance with their terms have been done and performed and have happened in regular and due form as required by law; that payment in full for the Series 1978 Bonds has been received; and that the Series 1978 Bonds do not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, The President and Trustees of the Ohio University and its Board of Trustees have caused this Bond to be executed by the facsimile signature of the President of the University, and by the facsimile signature of the Treasurer and Controller of the University, and the facsimile seal of the University to be imprinted hereon, and the interest coupons attached hereto to be executed by the facsimile signature of the Treasurer and Controller of the University, all as of February 1, 1978.

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

[Facsimile
Seal]

By: (facsimile signature of President)

(facsimile signature of
And by: Treasurer and Controller)

PROVISIONS FOR REGISTRATION

This Bond may be registered as to principal alone on the registration books of the University kept by the Trustee as Bond Registrar, upon presentation hereof to the Trustee which shall make notation of such registration in the registration blank below, and this Bond may thereafter be transferred only upon an assignment duly executed by the registered holder or his attorney in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such books and endorsed hereon. Such transfer may be to bearer, and thereby transferability by delivery shall be restored, subject, however, to successive registrations and transfers as before. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to or on the order of the registered holder or his attorney. Notwithstanding the registration of this Bond as to principal alone as aforesaid, the coupons will remain payable to bearer and shall continue to be transferable by delivery.

Date of Registration	Name of Registered Holder	Signature of Authorized Officer of Bond Registrar
_____	_____	_____
_____	_____	_____
_____	_____	_____

FORM OF INTEREST COUPON

No. _____ \$
 [Unless the Bond described below shall have been duly called for previous redemption and payment of the redemption price duly made or provided for,]* on June/December 1, The President and Trustees of the Ohio University and its Board of Trustees will pay to bearer, from the sources and in the manner provided in the Agreement referred to in the Bond described below, on presentation and surrender of this coupon at the principal corporate trust office of the Trustee, presently The Ohio National Bank of Columbus, Columbus, Ohio 43215, or at Citibank, N.A., New York, New York 10015, the amount shown hereon, being interest then due on its General Receipts Bond, Series 1978, dated February 1, 1978, No. _____

(facsimile signature of
 Treasurer and Controller)

*Bracketed clause appears on coupons maturing after the first call date shown on the Bond face.

SINGLE MATURITY FULLY REGISTERED BOND FORM

United States of America
State of Ohio
The President and Trustees of the Ohio University
General Receipts Bond, Series 1978

No. R-

\$

The President and Trustees of the Ohio University and its Board of Trustees (hereinafter collectively called the "University"), a state university of the State of Ohio created and existing pursuant to Chapter 3337 of the Ohio Revised Code, for value received, promises to pay to bearer, or, if this Bond be registered, to the registered holder hereof, from the sources and in the manner hereinafter referred to, the principal sum of

_____ DOLLARS (\$ _____)

on December 1, _____, and to pay from said sources interest thereon from the date hereof at the rate of _____ percentum (_____ %) per annum semi-annually on June 1 and December 1 of each year until payment of such principal sum has been made or duly provided for. Principal and interest are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent. Principal is payable upon presentation and surrender of this Bond at the principal corporate trust office of the Trustee, presently The Ohio National Bank of Columbus, Columbus, Ohio 43215. Interest on this Bond will be paid by check or draft mailed to the registered holder hereof at his address as it appears on the registration books of the University.

This Bond is one of the General Receipts Bonds (hereinafter collectively called the "Bonds") authorized and from time to time to be authorized in various series under and pursuant to Section 2i of Article VIII, Ohio Constitution, Sections 3345.11 and 3345.12 of the Ohio Revised Code, the General Bond Resolution (hereinafter called the "General Bond Resolution") adopted by the Board of Trustees of the University (hereinafter called the "Board") on April 14, 1972, a Series Resolution authorizing each issue, and the Agreement described below, for the purpose of paying costs of University Facilities (as defined in the General Bond Resolution) and to refund, fund or retire obligations issued for such purpose. As provided in and subject to said Agreement, the Bonds may be issued from time to time in one or more series, in

various principal amounts, with different maturities and interest rates, and may otherwise vary. The aggregate principal amount of Bonds which may be issued is not limited except as provided in said Agreement or as may hereafter be provided by law, and all Bonds will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the said Agreement.

The Bonds are all to be issued under the Trust Agreement (of which the General Bond Resolution is a part) dated as of June 1, 1972, between the University and the above-named Trustee, as the same has been or may be supplemented or amended in accordance with its terms. Such Trust Agreement and amendments thereto and any applicable Supplemental Trust Agreement, including the Series Resolution constituting part thereof, are herein referred to collectively as the "Agreement". The term "Trustee" as used herein refers to said Trustee or any successor Trustee appointed pursuant to the Agreement. Reference is made to the Agreement for a more complete description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the University, the Trustee and the holders of the Bonds and coupons, and the terms and conditions upon which the Bonds are issued and secured, to all of the provisions of which Agreement each holder, by the acceptance hereof, assents.

This Bond is one of a series of the Bonds, designated General Receipts Bonds, Series 1978 (hereinafter called the "Series 1978 Bonds"), in the aggregate principal amount of \$ 12,580,000, authorized by and issued pursuant to the Series 1978 Resolution adopted by the Board on February 11, 1978 (hereinafter called the "Series 1978 Resolution") and the Agreement, including the First Supplemental Trust Agreement thereto dated as of June 1, 1972, the Second Supplemental Trust Agreement thereto dated as of December 1, 1974, the Third Supplemental Trust Agreement thereto dated as of February 1, 1977, and the Fourth Supplemental Trust Agreement thereto dated as of February 1, 1978, of which the Series 1978 Resolution is a part, for the purpose of refunding and retiring (together with lawfully available funds) \$15,175,000 of General Receipts Bonds, Series 1974, and to pay expenses necessary or incident to the financing of University Facilities, as defined in the Agreement.

The Series 1978 Bonds are issuable as coupon bonds, registrable as to principal, in the denomination of \$5,000, and as fully registered bonds in denominations of \$5,000 and any authorized multiple thereof. Coupon Bonds and fully

registered Bonds are interchangeable in equal aggregate principal amounts and in authorized denominations at the aforesaid office of the Trustee, in the manner and subject to the limitations provided in the Agreement.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Trustee as Bond Registrar, upon presentation hereof to the Trustee, all subject to the terms and conditions provided in the Agreement.

The Series 1978 Bonds maturing on or before December 1, 1988, are not subject to redemption. The Series 1978 Bonds maturing on December 1, 2011, are subject to mandatory redemption on December 1, 1999 and on each December 1 thereafter to and including December 1, 2010, pursuant to the terms of the mandatory sinking fund requirements and mandatory redemption obligations provided in the Series 1978 Resolution, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date; the Series 1978 Bonds maturing December 1, 2011 to be so redeemed shall be selected by lot in such manner as may be determined by the Trustee. Series 1978 Bonds maturing on and after December 1, 1989 are also subject to redemption, from funds other than those deposited in accordance with the foregoing mandatory sinking fund requirements, at the option of the University prior to stated maturity on December 1, 1988, or on any interest payment date thereafter, in whole or in part and in inverse order of their maturity (less than all of such Bonds of a single maturity to be selected by lot in such manner as may be determined by the Trustee), at the respective redemption prices (expressed as percentages of the principal amount redeemed) set forth below, plus accrued interest to the redemption date:

<u>Date Redeemed (Dates Inclusive)</u>	<u>Redemption Price</u>
December 1, 1988 through December 1, 1993	103%
June 1, 1994 through December 1, 1999	102%
June 1, 2000 through December 1, 2005	101%
June 1, 2006 and thereafter	100%

If such optional redemption is to take place as of December 1 in any of the years from 1998 to 2005, inclusive, the Series 1978 Bonds to be so redeemed shall be selected by lot prior to the selection by lot of Series 1978 Bonds to be redeemed on the same date by operation of the foregoing mandatory redemption provisions.

Such right of redemption shall be exercised by notice, specifying the Series 1978 Bonds or portions of Series 1978 Bonds to be called, the date fixed for redemption and the places where the amounts due upon such redemption are payable, which notice, subject to the provisions of the Agreement therefor, shall be published at least twice in a newspaper or financial journal of national circulation published in the City and State of New York, the first such publication to be not less than thirty days prior to the redemption date. Notice by mail of any redemption will also be provided to all registered holders of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Trustee as Bond Registrar, and to the holders of all other Bonds to be redeemed who have filed a written request with the Trustee or the University that their names be placed on a list of the last known holders of all Bonds payable to bearer, which request shall state the principal amount, series designation and identifying numbers of such Bonds. Failure to mail such notice, however, shall not affect in any respect the validity of the proceedings for such redemption. If Series 1978 Bonds or portions of Series 1978 Bonds are duly called for redemption and if on such redemption date moneys for the redemption thereof, together with interest thereon to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such date such Series 1978 Bonds or portions of Series 1978 Bonds shall cease to bear interest and any coupons for interest thereon maturing subsequently shall be void, and said Series 1978 Bonds, portions of fully registered Series 1978 Bonds, and coupons shall not be deemed to be outstanding under the Agreement.

Principal, interest, and any redemption premium on the Bonds (hereinafter collectively called the "Bond service charges") are payable solely from, and such payment is secured by a pledge of and lien on, the gross amount of the General Receipts of the University and the Bond Pledge Fund and the Bond Service Fund, all as defined, and to the extent and in the manner provided, in the Agreement; provided, however, that nothing herein or in the Agreement shall be deemed to prohibit the University, of its own volition, from

using to the extent lawfully authorized to do so any other resources for such payment. Such General Receipts are more particularly defined in the General Bond Resolution as all moneys received by the University including, among other receipts, all gross fees, deposits, charges, receipts and income from all or any part of the students of the University, whether designated as tuition, instructional fees, tuition surcharges, general fees, or other special purpose fees, or otherwise designated, and all gross income, revenues and receipts from University Facilities; and as excluding certain receipts as provided in the General Bond Resolution, among which are moneys raised by taxation and state appropriations until and unless the pledge thereof to the payment of Bond service charges is authorized by law and provided for by Supplemental Trust Agreement approved by the Board, and specified receipts pledged to secure other bonds of the University. The Bond Pledge Fund is a special trust fund held in the custody of the University into which the University shall pay at specified times in each fiscal year, as provided in the General Bond Resolution, from its collections of General Receipts, moneys sufficient in time and amount to meet all payments required to be made in such fiscal year to the Bond Service Fund. The Bond Service Fund, comprised in part of the Bond Service Account, the Bond Service Reserve Account, and the Bond Redemption and Purchase Account, is held in the custody of the Trustee, and is pledged to the payment of Bond service charges on all Bonds as provided in the Agreement, except to the extent committed for the retirement of and Bond service charges on specified Bonds. As required by the Agreement, the University shall make payments to the Bond Service Fund from the Bond Pledge Fund and, if necessary, from other General Receipts, of amounts sufficient to pay Bond service charges as they come due and to establish and maintain the Required Reserve in the Bond Service Reserve Account. The holders or owners of the Bonds or appertaining interest coupons shall have no right to have excises or taxes levied by the General Assembly of Ohio for the payment of Bond service charges.

Except as provided in the Agreement, the holders or registered holders of the Bonds are not entitled to enforce the provisions of the Agreement or to institute, appear in or defend any suit, action or proceeding to enforce any provisions of the Agreement or to take any action with respect to any event of default under the Agreement.

In addition to the provisions contained in the Agreement authorizing the University and the Trustee, without the consent of or notice to any Bondholder, to enter into

Supplemental Trust Agreements not inconsistent with the Agreement and for certain purposes specified therein, the Agreement contains provisions authorizing such parties, with the consent of the holders of not less than 66-2/3% in aggregate principal amount of the Bonds at the time outstanding, exclusive of any Bonds then held or owned by the University, to enter into Supplemental Trust Agreements for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms and provisions of the Agreement; provided, however, that no such Supplemental Trust Agreement shall extend the maturity of the principal of or the interest on any Bond or reduce the principal amount of any Bond or the rate of interest or redemption premium thereon without the consent of the holder of each Bond so affected, or reduce the aggregate principal amount of the Bonds required for consent to such Supplemental Trust Agreement without the consent of the holders of all Bonds then outstanding.

If an event of default in payment of Bond service charges or other default shall occur, as defined in the Agreement, the principal of Bonds then outstanding may be declared due and payable in the manner and with the effect provided by the Agreement, but subject to waiver of such event of default or rescission of such declaration as provided in the Agreement.

This Bond shall not constitute the personal obligation, either jointly or severally, of the members or officers of the Board or the officers of the University.

Neither this Bond nor any of the appertaining coupons shall be entitled to any security or benefit under the Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee.

It is hereby certified and recited that all acts, conditions and things necessary to be done by the University precedent to and in the issuing of the Series 1978 Bonds in order to make them legal, valid and binding obligations of the University in accordance with their terms have been done and performed and have happened in regular and due form as required by law; that payment in full for the Series 1978 Bonds has been received; and that the Series 1978 Bonds do not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, The President and Trustees of the Ohio University and its Board of Trustees have caused this Bond to be executed by the facsimile signature of the President of the University, and by the facsimile signature of the Treasurer and Controller of the University, and the facsimile seal of the University to be imprinted hereon, all as of _____.

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

[Facsimile
Seal]

By: (facsimile signature of President)

(facsimile signature of
And by: Treasurer and Controller)

FORM OF ASSIGNMENT TO BE PRINTED ON
EACH FULLY REGISTERED BOND

ASSIGNMENT

For value received, the undersigned hereby sells,
assigns and transfers unto

the within Bond and does hereby irrevocably constitute and
appoint

attorney to transfer the said Bond on the books kept for
registration of the within Bond, with full power of sub-
stitution in the premises.

Dated: _____

In the presence of:

FORM OF TRUSTEE'S AUTHENTICATION
CERTIFICATE TO BE ENDORSED ON ALL
SERIES 1978 BONDS

This Bond is one of the Bonds issued under the
provisions of the within mentioned Agreement and Fourth
Supplemental Trust Agreement thereto.

THE OHIO NATIONAL BANK OF COLUMBUS,
Trustee

By _____
Authorized Officer

WHEREAS, the University has, or will have in all respects complied with the provisions of the Trust Agreement so as to be entitled to execute and to have authenticated and delivered by the Trustee \$ 12,580,000 General Receipts Bonds, Series 1978, being the fourth issue of Bonds pursuant to the Trust Agreement; and

WHEREAS, pursuant to the applicable provisions of Article VIII of the Agreement and particularly Section 8.01(vi) thereof, the University desires by this Supplement and the Series 1978 Resolution comprising part thereof to provide for the issuance pursuant to the Trust Agreement of the Series 1978 Bonds:

NOW, THEREFORE, THIS FOURTH SUPPLEMENTAL TRUST AGREEMENT, WITNESSETH that in order to secure the payment of the Bond service charges on the Series 1978 Bonds according to their true intent and meaning, and to secure the performance and observance of all covenants and conditions therein, herein, and in the Trust Agreement contained, and for and in consideration of the premises and of the purchase and acceptance of the Series 1978 Bonds by the holders thereof from time to time, and the acceptance by the Trustee of the further trusts hereby created, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the University has executed and delivered this Fourth Supplemental Trust Agreement.

IN TRUST, NEVERTHELESS, upon the terms and trusts in the Trust Agreement and particularly in this Supplement set forth for the security of all present and future holders of the Bonds and appurtenant coupons issued or to be issued under and secured by the Trust Agreement, without priority of any one Bond or coupon over any other by reason of series designation, number, date of authorization, issuance, sale, execution or delivery, date of the Bonds or of maturity, except as may be otherwise permitted by the General Bond Resolution.

Section 1. Incorporation of Resolution. The terms and provisions of the Series 1978 Resolution, as set forth in the preambles hereto, constitute part of this Supplement as if such terms and provisions were here set forth.

Section 2. Form, Execution and Delivery. The Series 1978 Bonds shall be executed, authenticated and delivered as provided herein and in the Trust Agreement, and said Series 1978 Bonds, the coupons to be attached thereto, the form of assignment of fully registered Bonds, and the certificate of authentication of the Trustee to be endorsed

thereon, shall be substantially in the forms provided in the preambles hereto with any necessary modifications to conform hereto.

Section 3. Redemption of Series 1974 Bonds.

In accordance with the Series 1978 Resolution, the Trustee is hereby irrevocably authorized and directed to call the Series 1974 Bonds for redemption on December 1, 1984, in accordance with the Trust Agreement, using for such purpose the proceeds of the Book-Entry Obligations deposited in the Bond Purchase and Redemption Account pursuant to Sections 6(b) and 8(a) of the Series 1978 Resolution.

Section 4. Concerning the Trustee. The Trustee hereby accepts the trusts hereby declared and provided and agrees to perform the same upon the terms and conditions in the Trust Agreement and particularly in this Supplement set forth.

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplement or the due execution thereof by the University, nor for or in respect of the recitals herein contained, all of which recitals are made by the University solely.

IN WITNESS WHEREOF, the University has caused this Fourth Supplemental Trust Agreement to be executed by its duly authorized officers and the seal of the University to be hereunto affixed, and The Ohio National Bank of Columbus, Columbus, Ohio, as Trustee, in token of its acceptance of the trusts created hereunder, has caused this Fourth Supplemental Trust Agreement to be executed in its name by its duly authorized officers and has caused its seal to be hereunto affixed, all as of the day and year first above written, but actually on the dates of the respective acknowledgments.

THE PRESIDENT AND TRUSTEES OF
THE OHIO UNIVERSITY

and

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

By _____
President of the University

By _____
Treasurer and Controller of the
University

[SEAL]

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THE OHIO NATIONAL BANK OF COLUMBUS,
Trustee

By _____

By _____
Trust Officer

[SEAL]

STATE OF OHIO
COUNTY OF ATHENS SS:

On this _____ day of February, 1978, before me, a Notary Public in and for said County and State, personally appeared Charles J. Ping and William L. Kennard, the President and Treasurer and Controller, respectively, of The President and Trustees of the Ohio University, and acknowledged the execution and ensembling of the foregoing instrument, and that the same is their voluntary act and deed on behalf of said University and the voluntary act and deed of said University.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal of the day and year aforesaid.

Notary Public

[SEAL]

STATE OF OHIO
COUNTY OF FRANKLIN SS:

On this _____ day of February, 1978, before me, a Notary Public in and for said County and State, personally appeared _____ and P. Joseph Sesler, _____ and Trust Officer, respectively, of The Ohio National Bank of Columbus, the bank which executed the foregoing instrument as Trustee, who acknowledged that the seal affixed to said instrument is the seal of said bank, that they did sign said instrument as such officers, respectively, for and on behalf of said bank and by authority granted in its rules and regulations and by its Board of Directors; that the same is their free act and deed as such officers, respectively, and the free act and deed of said The Ohio National Bank of Columbus.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

Notary Public

[SEAL]

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2. REVISED BUDGET FOR FISCAL YEAR 1977-78

Mr. Bush moved approval of the resolution, which Mr. Keys seconded. Approval was unanimous.

RESOLUTION 1978--383

WHEREAS, changes have occurred to anticipated unrestricted income during the first six months of the fiscal year, and

WHEREAS, adjustments are being made to expenditures resulting from the revised income estimates,

NOW, THEREFORE, BE IT RESOLVED that the revised budgets for unrestricted expected income and expenditures as presented in Exhibits I and II are hereby appropriated subject to the following provisions:

1. The Provost, with the approval of the President, may make adjustments in instructional and general operating expense allocations, providing the total of such expenditures does not exceed available unrestricted income.
2. The Treasurer shall report to the Chairman of the Budget, Finance and Physical Plant Committee on a quarterly basis changes to the expected unrestricted income and allocations of that income.

OHIO UNIVERSITY
ATHENS, OHIO 45701

OFFICE OF THE PRESIDENT

January 16, 1978

To: Budget, Finance and Physical Plant Committee
From: Charles J. Ping, President
Subject: Revised Budget For Fiscal Year 1977-78

You will recall from my memo of November 30, 1977 and our discussions on that date, we anticipated that our general program's fee income estimates for the year were too high. Off-setting expenditures or income increases reduced the fee income variance to \$475,000 which would be covered by expenditure reduction.

You will also recall that we had not been advised by the Board of Regents as to the amount of our subsidy. Since that time, we have been advised that our subsidy will be \$134,000 less than anticipated for general programs.

The proposed budget, which is enclosed, recognizes planned expenditure reductions to offset the reduced income. For the most part, the planned reduction in the expense budget recognizes vacant positions, savings on debt service payments for the Convocation Center which are due to the bond refunding, educational benefits for graduate students resulting from fewer graduate students than anticipated, planned non-academic group insurance rate increase which did not materialize plus other non-personnel expenditures.

The expense reductions did not result in a uniform or general rebudgeting process. Instead, the Provost worked out with each budget administrator as to where savings could be realized with minimum effect on their programs. For the most part, the reductions are "deferred expenditures".

OHIO UNIVERSITY
1977-78 BUDGET
UNRESTRICTED INCOME
ALL PROGRAMS

	<u>Budget</u> <u>October 1977</u>	<u>Proposed Budget</u> <u>January 1978</u>	<u>Change</u>
Income			
State Appropriation			
General University Programs	\$20,509,000	\$20,375,000	\$(134,000)
College of Medicine	3,172,000	3,172,000	-0-
Regional Higher Education	3,502,000	3,519,000	17,000
Total Appropriation	<u>27,183,000</u>	<u>27,066,000</u>	<u>(117,000)</u>
Student Fees			
General University	16,536,000	15,681,000	(855,000)
College of Medicine	137,000	124,000	(13,000)
Regional Higher Education	2,676,000	2,756,000	80,000
Total Student Fees	<u>19,349,000</u>	<u>18,561,000</u>	<u>(788,000)</u>
Other Income and Resources			
General University Programs	2,398,000	2,838,000	440,000
College of Medicine	40,000	40,000	-0-
Regional Higher Education	85,000	85,000	-0-
Total Other Income	<u>2,523,000</u>	<u>2,963,000</u>	<u>440,000</u>
Extension and Continuing Education	538,000	508,000	(30,000)
Workshops and Conferences	<u>1,272,000</u>	<u>1,272,000</u>	<u>-0-</u>
Total Income	50,865,000	50,370,000	(495,000)
Beginning Balance			
Allocated			
General University	134,000	134,000	-0-
College of Medicine	(57,000)	(57,000)	-0-
Regional Higher Education	46,000	46,000	-0-
Total Allocated	<u>123,000</u>	<u>123,000</u>	<u>-0-</u>
Unallocated	<u>14,000</u>	<u>14,000</u>	<u>-0-</u>
Total Income and Resources	<u>\$51,002,000</u>	<u>\$50,507,000</u>	<u>\$(495,000)</u>

OHIO UNIVERSITY
1977-78 BUDGET
UNRESTRICTED EXPENDITURES
ALL PROGRAMS

EXHIBIT II

	<u>Budget</u> <u>October 1977</u>	<u>Proposed Budget</u> <u>January 1978</u>	<u>Change</u>
I. President			
A. Office of President	\$ 254,000	\$ 254,000	\$ -0-
Board of Trustees			
University Memberships			
Equal Opportunity Office			
Legal Counsel			
Legislative Liaison			
 B. Institutional Reserve	 <u>133,000</u>	 <u>95,000</u>	 <u>(38,000)</u>
President Total	387,000	349,000	(38,000)
 II. Provost			
A. General	547,000	553,000	6,000
Office of Provost			
Summer Session Office			
Faculty Senate			
Ohio University Press			
Ohio University Review			
Legal Affairs			
Bookstore Coordinator			
Ombudsman			
Kennedy Lecture			
Reinstatement of Designated Funds			
 B. Academic Programs			
1. Afro-American Studies	262,000	247,000	(15,000)
2. Arts and Sciences	9,054,000	9,084,000	30,000
3. Business Administration	1,840,000	1,835,000	(5,000)
4. Communications	1,641,000	1,639,000	(2,000)
5. Education	3,165,000	3,051,000	(114,000)
6. Engineering	1,337,000	1,330,000	(7,000)
7. Fine Arts	2,493,000	2,444,000	(49,000)
8. Graduate College	2,052,000	2,042,000	(10,000)
9. Honors Tutorial	135,000	46,000	(89,000)
10. International Studies	174,000	173,000	(1,000)
11. Medicine	3,292,000	3,279,000	(13,000)
12. University College	255,000	239,000	(16,000)
Sub-Total	<u>25,700,000</u>	<u>25,409,000</u>	<u>(291,000)</u>
 C. Support and Services			
1. Library	1,711,000	1,693,000	(18,000)
2. Learning Resource Center	146,000	144,000	(2,000)
3. Information Systems, Analytical Research and Computer Services	<u>1,327,000</u>	<u>1,327,000</u>	<u>-0-</u>
Sub-Total	3,184,000	3,164,000	(20,000)
 D. Regional Higher Education			
1. Office of Vice Provost	115,000	195,000	80,000
2. Belmont Campus	945,000	945,000	-0-
3. Chillicothe Campus	1,155,000	1,091,000	(64,000)
4. Ironton Academic Center	414,000	385,000	(29,000)
5. Lancaster Campus	1,515,000	1,525,000	10,000
6. Zanesville Campus	1,208,000	1,208,000	-0-
7. Portsmouth Resident Credit Center	140,000	140,000	-0-

	<u>Budget</u> <u>October 1977</u>	<u>Proposed Budget</u> <u>January 1978</u>	<u>Change</u>
II. Provost, continued			
D. Regional Higher Education, continued			
8. Campus Services	\$ 711,000	\$ 781,000	\$ 70,000
9. Telecommunications	474,000	469,000	(5,000)
10. Extension and Continuing Education	979,000	979,000	-0-
11. Workshops and Conferences	937,000	937,000	-0-
Sub-Total	<u>8,593,000</u>	<u>8,655,000</u>	<u>62,000</u>
E. Intercollegiate Athletics	930,000	925,000	(5,000)
Provost Total	<u>38,954,000</u>	<u>38,706,000</u>	<u>(248,000)</u>
III. Vice President and Dean of Students			
A. General			
Office of the Vice President and Dean of Students	116,000	116,000	-0-
B. Residence and Dining Hall Auxiliary			
Residence and Dining Halls (A)			
Baker Center Food and Beverage	25,000	35,000	10,000
C. Student Services			
1. Admissions	345,000	345,000	-0-
2. Registration, Records & Scheduling	492,000	492,000	-0-
3. Financial Aid	745,000	808,000	63,000
4. Placement	139,000	139,000	-0-
Sub-Total	<u>1,721,000</u>	<u>1,784,000</u>	<u>63,000</u>
D. Unified Health Services			
	911,000	911,000	-0-
E. Student Organizations & Activities			
Student Life	457,000	457,000	-0-
Student Senate			
<u>The Post</u>			
Baker Center			
Lindley Hall Center			
Cultural Activities			
Student Activities Support			
F. Reduction To Be Distributed	<u>-0-</u>	<u>(47,000)</u>	<u>(47,000)</u>
Vice President and Dean of Students Total	3,230,000	3,256,000	26,000
NOTE: (A) Resident and Dining Hall Plan Reported Separately			
IV. Vice President for Operations			
A. General			
Office of Vice President for Operations	206,000	204,000	(2,000)
Facilities Planning			
Administrative Senate			
B. Fiscal Management			
1. Treasurer and Controller	709,000	717,000	8,000
Bureau of Inspection			
Insurance			
2. Purchasing	167,000	166,000	(1,000)
3. Stores and Receiving	150,000	151,000	1,000

	<u>Budget October 1977</u>	<u>Proposed Budget January 1978</u>	<u>Change</u>
IV. Vice President for Operations, continued			
B. Fiscal Management, continued			
4. Debt Service (Convo Center; Lindley Hall Rental)	\$ 655,000	\$ 435,000	\$(220,000)
Sub-Total	<u>1,681,000</u>	<u>1,469,000</u>	<u>(212,000)</u>
C. Physical Plant			
1. Physical Plant Operations	3,091,000	3,091,000	-0-
Administration			
Maintenance			
Housekeeping			
Utilities			
Grounds			
2. Capital Improvements	141,000	169,000	28,000
3. Rental Properties	41,000	43,000	2,000
4. Purchased Utilities	1,505,000	1,505,000	-0-
Sub-Total	<u>4,778,000</u>	<u>4,808,000</u>	<u>30,000</u>
D. Personnel			
1. Administration	154,000	127,000	(27,000)
President 1699			
Supplemental Retirement			
Medicare			
Retirees Sick Pay			
2. Unemployment Compensation	49,000	70,000	21,000
3. Faculty & Staff Educational			
Benefits	300,000	321,000	21,000
Sub-Total	<u>503,000</u>	<u>518,000</u>	<u>15,000</u>
E. Support and Service			
1. Security	496,000	496,000	-0-
2. Other Services	223,000	223,000	-0-
Airport			
Garage			
Mail Service			
Sub-Total	<u>719,000</u>	<u>719,000</u>	<u>-0-</u>
F. Reduction To Be Distributed	<u>-0-</u>	<u>(62,000)</u>	<u>(62,000)</u>
Vice President for Operations			
Total	7,887,000	7,656,000	(231,000)
V. Vice President for University Relations			
A. Office of Vice President for			
University Relations	52,000	52,000	-0-
B. Development	209,000	209,000	-0-
Alumni Affiars			
C. Publications	178,000	178,000	-0-
Graphics			
Cutler Service Center			
D. Public Information	105,000	105,000	-0-
Sports Information			
E. Reduction To Be Distributed	<u>-0-</u>	<u>(4,000)</u>	<u>(4,000)</u>
Vice President for University			
Relations Total	<u>544,000</u>	<u>540,000</u>	<u>(4,000)</u>
Total University	<u>\$51,002,000</u>	<u>\$50,507,000</u>	<u>\$(495,000)</u>

3. EASEMENT FOR WIDENING OF STATE ROUTE 37 ADJACENT
TO THE LANCASTER CAMPUS

Mr. Keys moved approval of the resolution, which Dr. Holzer seconded.
Approval was unanimous.

RESOLUTION 1978--384

WHEREAS, the Fairfield County Commissioners and the Ohio University Board of Trustees did construct, during the Fall of 1975, a joint access road which allowed for the logical development of each party's contiguous property, and

WHEREAS, the Fairfield County Commissioners through the Ohio Department of Transportation propose to widen State Route 37 where it connects with the joint access road in order to improve vehicular access and safety, and

WHEREAS, the widening of State Route 37 was discussed at the Lancaster Campus Regional Coordinating Council meeting of October 17, 1977, at which time the Council verbally agreed to support the widening project,

NOW, THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does hereby authorize the President to execute the appropriate easement agreements for the widening of State Route 37 with the Ohio Department of Transportation at a total compensation to Ohio University in the amount of \$1,375.00.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE November 18, 1977

TO Mr. Gene Peebles, Vice President for Operations

FROM Alan H. Geiger, University Facilities Planner and Director of Construction

SUBJECT Widening of State Route 37, Adjacent to the Ohio University Lancaster Campus

A. Geiger

The Ohio Department of Transportation has proposed to widen State Route 37 where it connects with the joint access road developed between Ohio University and the Fairfield County Commissioners. As I understand it, the widening of the road is being undertaken at the request of the County Commissioners to improve vehicular access to their mental health facility immediately north of the campus. I have discussed this matter with Dean Sarno, and we are of the mutual opinion that this widening project will also improve vehicular access to the Ohio University Lancaster Campus. Therefore, I recommend the granting of a temporary and permanent easement as requested by the Ohio Department of Transportation in their letter of November 10, 1977. (copy enclosed)

I have enclosed a proposed Resolution granting the easements, along with a sketch for the Board of Trustees information and action at their January 28, 1978, meeting.

Thank you.

AHG:flg

Enclosures

xc: Dr. James C. Bryant
Mr. John F. Burns
Dr. Edward F. Sarno

LANCASTER CAMPUS

FARFIELD COUNTY COMMISSION PROPERTY

OHIO UNIVERSITY, LANCASTER PROPERTY
BRIDGE BY COUNTY

MAINTENANCE BUILDING

FETERS RUN

EXISTING PARKING

HERFOLD HALL

PHYS. ED. ADDITION

BRACEE HALL

JOINT ACCESS ROAD
170 FOOT RIGHT OF WAY

ROAD WIDENING PROJECT
STATE ROUTE 37



NO. SCALE
8/24/77
U. F. P. O.



OHIO Department of TRANSPORTATION

James A. Rhodes/Governor
David L. Weir/Director
25 South Front Street
P. O. Box 899
Columbus, Ohio 43216

Southeast Regional Office
2829 W. Dublin-Granville Rd.
Worthington, Ohio 43085

Ohio University Planning
Building
300 Graduate Building
College Green
Athens, Ohio 45701

Re: Fai. Co. 37 12.54
Parcel No. 28 (Easement)
28T-Temporary Easement

Attn: Mr. Alan Geiger

Dear Sir:

Transmitted herewith is the Offer Letter along with the Instruments and a format for a Resolution of the action taken by the Board of Trustees.

After passage of the Resolution, the designated officers should sign and complete the enclosed Easements.

Please send the original instruments to this office and keep the copy for your file. Payments of the considerations will require 4 to 6 weeks after we receive the signed Easements.

Should you have any further questions, please feel free to contact this office at Worthington, Ohio. The telephone number is (614) 466-4500. Thank you for your cooperation in this matter.

Very truly yours,

K. S. Albrink, P.E.
Southeast Regional Mgr.

J. George Pfeffer
J. George Pfeffer,
Acquisition Supv.

Southeast Regional Office
Ohio Dept. of Transportation

KSA:JGP:sn

Encl:

cc: Parcel File

Received 11/16/77 446



Ohio Department of Transportation

25 South Front Street, P. O. Box 899

James A. Rhodes, Governor

S.E. Reg. Office

2829 W. Dublin-Granville Rd.

Worthington, Oh. Date:

Nov 10, 1977

Columbus, Ohio 43216

Richard D. Jackson, Director

Re: Fairfield Co. 37

Section 12.54.

Parcel No. -- Estate or Interests Acquired

Parcel No. -- 28 (Easement)

28T (Temporary Agreement)

Board of Trustees of
Ohio University
1570 Granville Pk.
Lancaster, Ohio 43130

Location of E. side of S.R. 37 across from
Property: County Infirmary.

Dear Sirs:

This letter is to inform you of the intent of the Department of Transportation to acquire property from you and the compensation you may expect to receive for its purchase.

With respect to the purchase of your property you will be compensated in an amount not less than the approved fair market value, which is based on appraisals using current market data obtained by qualified real estate appraisers. The appraisals do not reflect any decrease or increase in the fair market value caused by the project for which your property is being acquired.

If only part of your property is being purchased, the appraisals also considered the reduction in market value, if any, your remaining property may incur as a result of the State's acquisition. Should this remaining property leave you with an uneconomic remnant, the Department will offer to acquire the remnant. The Department has reviewed these appraisals in detail and has determined that the fair market value of the property to be acquired is apportioned as follows:

Land	\$ 1,350.00
Temporary Agreement	\$ 25.00
Damages to Residue	\$
Total Compensation	\$ 1,375.00

RE-D
Rev. 4-1-73
Vacant Land

You have the right to full payment of the fair market value of your property prior to surrendering possession, provided title is clear. On the reverse side of this letter you will find an explanation of certain rights and privileges you as a property owner have, based on State law and Department policy.

It is the intent of the Department to assist you in every way possible in conveying your property to the State. To this end I shall be available at your convenience to answer any further questions you may have and to offer our services where we may be of assistance to you.

Your cooperation in this needed highway improvement project is sincerely appreciated.

Very truly yours,

Carl Cooperrider

Carl Cooperrider, Negotiator
Southeast Regional Office

4/15/73

CC:sn

cc: Orig. - Owner
Par. File (2)
C.O. Control Log (1)

RE-D
Rev. 4-1-73
Vacant Land

APPROPRIATION PROCEDURE

Although it is the sincere desire of the Department of Transportation in purchasing right of way to arrive at a mutually satisfactory settlement with every property owner, it is not always possible to agree on acceptable terms during negotiations. When agreement cannot be reached, it becomes necessary for the State to proceed under the law to acquire the property for highway use pending determination by a jury of the compensation to be paid to the owner. This action assures that the owner's rights will be fully protected while at the same time permitting the construction of the highway to proceed for the benefit of all.

Upon the filing of an appropriation case, the law provides that the Director of Transportation shall determine the value of the property in question and shall deposit this amount with the court, and thereupon the Department gains the right to enter upon and use the land. The owner may agree to accept the deposited money as full payment and the case will be closed.

If the owner is not satisfied with the amount of the deposit he must file an answer or appeal with the Court in the manner and within the time specified on the summons which is served upon him by the Court, requesting the amount due him be determined according to law. He may also apply to the Court to withdraw the deposited money, and the Court shall permit such withdrawal subject to the rights of other parties in interest. Such withdrawal shall in no way interfere with the owner's right to have a jury determine the amount to be paid. Interest will not accrue on any money withdrawable under this procedure. If the money withdrawn from the Court should exceed the final award, the owner will be required to return the excess payment.

Should the condemnation proceeding be abandoned by the Department, the Court may order that the owner be reimbursed for his reasonable costs, disbursements, and expenses actually incurred because of the condemnation proceeding.

It is desired to emphasize that this is not an arbitrary action, but one designed to protect your legal right as a property owner to have the value of the property independently determined by a jury should you so desire.

4. ELECTRICAL EASEMENT, EAST STATE STREET

Mr. Taylor moved approval of the resolution, which Mr. Keys seconded. Approval was unanimous.

RESOLUTION 1978--385

WHEREAS, the Columbus and Southern Ohio Electric Company has requested a right-of-way easement over Ohio University lands developed as part of the Athens Mall Shopping Center, and

WHEREAS, the right-of-way easement is consistent with the future planning and development of the Athens Mall and will be beneficial to Ohio University,

NOW, THEREFORE, BE IT RESOLVED that the President and Board of Trustees hereby grants a right-of-way easement to the said electric company for a period of forty (40) years according to the terms set forth in the legal instrument granting the easement.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE January 11, 1978

TO The President and Board of Trustees

FROM John F. Burns, Director, Legal Affairs

SUBJECT Electrical Service easement at the Athens Mall Shopping Center

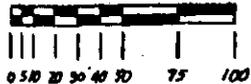
In accordance with the plans for development of the out-buildings at the Athens Mall the Columbus and Southern Ohio Electric Co. has requested a right-of-way easement for underground electrical service to the two out-buildings remaining to be developed.

The planning for the Mall provided for the underground electrical service and this request is consistent with the overall plans and specifications approved by the University and the State of Ohio.

If you have any questions please contact me.

xc: Gene Peebles, Vice President for Operations
Alan Geiger, University Planner

SCALE 1"=50'



OHIO UNIVERSITY



EXISTING EASEMENT

20'

S 44° 18' 17" W 75'

FUTURE
BLDG. A

N 83° 54' W 360'

FUTURE
BLDG. B

EAST STATE ST.

NO.	BY	DATE	REVISIONS

COLUMBUS AND SOUTHERN OHIO ELECTRIC COMPANY SOUTHERN DIVISION		R/W EXHIBIT B SERVICE TO FUTURE BLDGS A/B ARLEN SHOPPING CENTER		CITY OF ATHENS ATHENS CO.	
ORDER NOS.	JOB AM 77-75	SCALE 1"=50'	ROCKING	DISTRICT	
DRAWN <i>RA</i>	CHECKED <i>ell</i>	DATE 10-11-77	NO. 31262368	SHEET 1	TOTAL 1
TRACED	APPROVED <i>ELB</i>	DATE 10-11-77			

5. WATER WELLS EASEMENT

Mr. Bush moved approval of the resolution, which Mr. Taylor seconded. Approval was unanimous.

RESOLUTION 1978--386

WHEREAS, The Columbus and Southern Ohio Electric Company has requested a renewal of its easement over Ohio University lands to service the City of Athens Water Wells, and

WHEREAS, this easement to the said electric company is necessary for continued City services and is beneficial to Ohio University,

NOW, THEREFORE, BE IT RESOLVED that the President and Board of Trustees grants an easement of right-of-way to the said electric company for a period of fifteen (15) years according to the terms and conditions set forth in the legal instrument granting the easement.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE January 11, 1978

TO The President and Board of Trustees

FROM John F. Burns, Director, Legal Affairs

SUBJECT Renewal easement to Columbus and Southern Ohio Electric Co. for electric service to City of Athens Water Wells

In September of 1962 the then State Department of Mental Hygiene and Correction granted the Columbus and Southern Ohio Electric Co. an easement of right-of-way to service the City of Athens' Water Wells located on its land.

During the development of the West Green Convocation Center and relocation of the Hocking River these lands were transferred to Ohio University by the General Assembly and this past fall the easement expired.

The Electric Co. is now requesting a renewal of this easement, and attached are (1) the proposed easement we have prepared, (2) a drawing of the proposed facilities to be covered by the easement and (3) a resolution to be adopted by the Board granting a fifteen (15) year renewal of this easement.

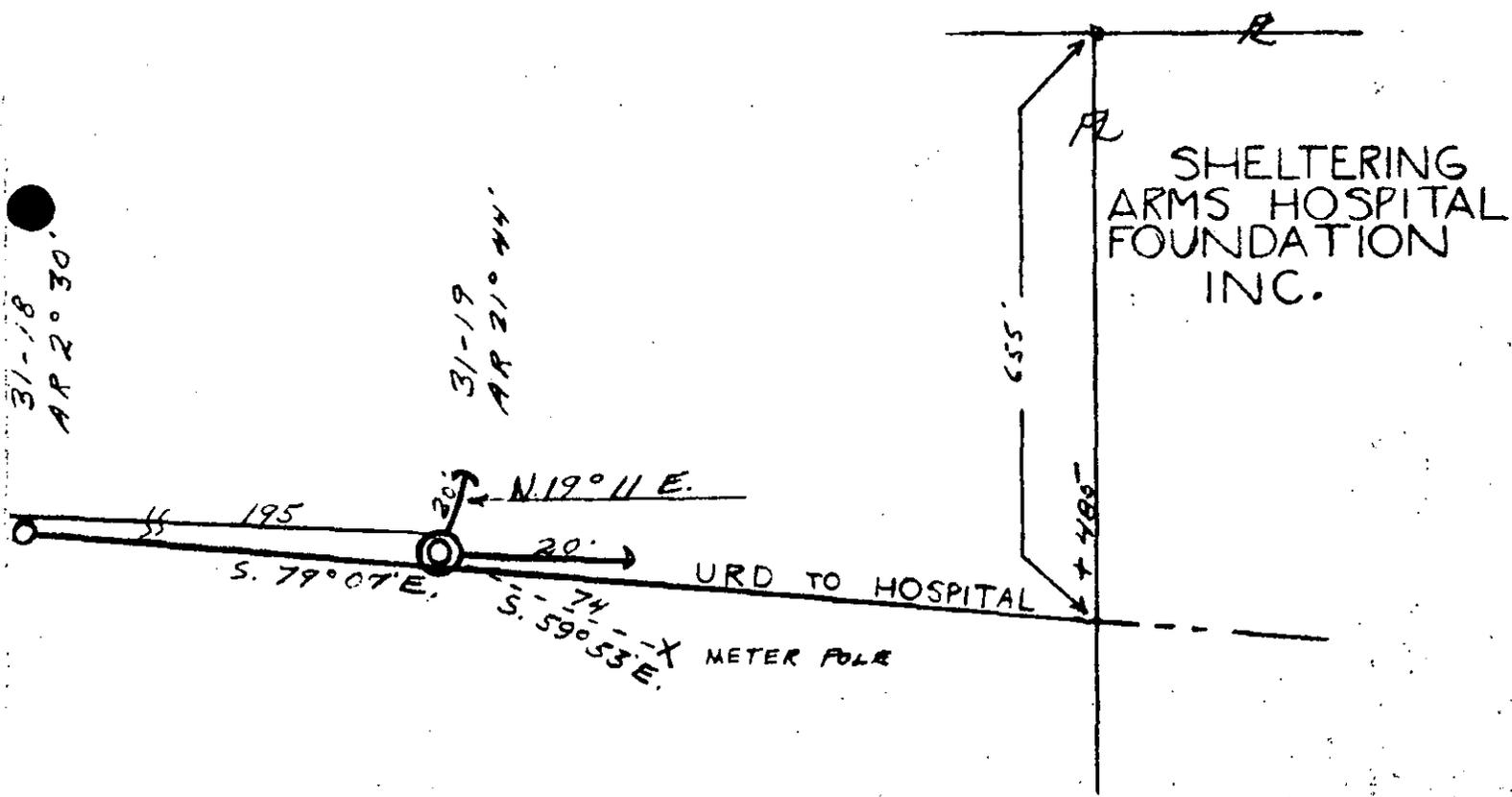
If you have any questions please contact me.

xc: Gene Peebles, Vice President for Operations
Alan Geiger, University Planner
W. Charles Culp, Director, Physical Plant

Y
ICY DIST.

31-18
AR 2° 30'

31-19
AR 21° 44'



CITY OF ATHENS

NO. A31262380	COLUMBUS AND SOUTHERN OHIO ELECTRIC COMPANY		R/W EXHIBIT - C&SOE LINES	
	SOUTHERN DIVISION		CITY WATER WELLS - ATHENS	
	ORDER NOS.		JOB	SCALE NONE
	DRAWN MR	CHECKED GH	DATE 10-25-77	EMERT
TRACED	APPROVED RL B	DATE 10-26-77	TOTAL 15	

B. 477 R. 3 & 4

6. RECOMMENDATION OF LANDSCAPE ARCHITECT FOR THE
COLLEGE OF OSTEOPATHIC MEDICINE SITE IMPROVEMENT PROJECT

Mr. Keys moved approval of the resolution, which Dr. Holzer seconded.
Approval was unanimous.

RESOLUTION 1978--387

WHEREAS, the 112th General Assembly did approve Amended Substitute House Bill 618, which appropriated \$250,000.00 for the purpose of the College of Osteopathic Medicine Site Improvement Project, and

WHEREAS, the purpose of said Site Improvement Project is to adapt and improve the physical quality of the West Green Area as it changes to accommodate the College of Osteopathic Medicine, and

WHEREAS, Mr. Raymond R. Kohli, Deputy Director, Division of Public Works, did on September 30, 1977, recommend the interviewing of landscape architects for the Site Improvement Project, said interviews held on the Athens Campus, October 26, 1977, and January 5, 1978,

NOW, THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does hereby recommend the firm of James Burkart, Associates, Columbus, Ohio, as project landscape architects for the College of Osteopathic Medicine Site Improvement Project, and do authorize administrative officials to proceed with the development of plans and specifications for the project.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE January 5, 1978

TO Mr. Gene Peebles, Vice President for Operations

FROM Alan H. Geiger, University Facilities Planner & Director of Construction

SUBJECT Recommendation of Landscape Architect for the College of Osteopathic
Medicine Site Improvement Project

A. Geiger

Mr. Raymond R. Kohli, Deputy Director, Division of Public Works, did on September 30, 1977, recommend the interviewing of three landscape architectural firms for the College of Medicine Site Improvement Project. The firms to be interviewed were: Labrenz Associates, Inc., Columbus, Ohio; Marion V. Packard and Associates, Hilliard, Ohio; and Tanner-Buchanan Associates, Worthington, Ohio. The interviews were conducted in my office on October 26, 1977, with you being present for two of the three interviews. Then Acting College of Medicine Dean, Gerald Faverman, was scheduled to be a part of the interviewing group, but was unable to attend.

Since the October 26, 1977, interviews, the firm of Labrenz Associates, Inc., Columbus, Ohio, has ceased to do business. The principal that we interviewed from the Labrenz firm, James Burkart, has now formed his own firm. After discussions with Mr. Carl E. Bentz, State Architect, and Mr. James I. Burkart, Mr. Burkart was re-interviewed on the campus on Thursday, January 5, 1978. I have had first-hand experience with all the landscape consulting firms interviewed, and all bring a particular expertise to the Site Improvement Project.

I feel that James Burkart, who was personally responsible for the landscape planning associated with the renovations to Grosvenor and Irvine Halls, brings to the project a special understanding of what we propose to do on the West Green. In addition, Mr. Burkart directed a major landscape development plan and project for Youngstown State University. The Youngstown State Project is compatible with the kind of project we want to undertake on the West Green.

I have discussed this matter personally with Mr. Burkart and have his concurrence to proceed as we wish. For purposes of Mr. Bentz's position, the firm of James Burkart, Associates, replaces that of Labrenz Associates, Inc.

Therefore, I recommend to you that the firm of James Burkart, Associates, be recommended to the Board of Trustees as Landscape Architects for the College of Osteopathic Medicine Site Improvement Project.

Mr. Gene Peebles, Vice President for Operations
Page Two

I have enclosed an appropriate Resolution for the Board's action and ask that it be placed on the Agenda for their January 28, 1978, meeting.

Thank you.

AHG:flg

Enclosure

7. FURTHER DEVELOPMENT OF EAST STATE STREET PROPERTY

Mr. Bush moved approval of the resolution, which Mrs. Phillips seconded. President Ping explained that this was an enabling resolution which would permit the University to enter into conversation with prospective developers.

Approval of the motion was unanimous.

RESOLUTION 1978-- 388

WHEREAS, The Ohio University Board of Trustees on May 29, 1970, resolved that, "the Trustees have determined the East State Street Airport (previous Airport property) will not be required after our aviation program is moved to the Albany Airport for the use of the University, nor will it be required for future use of the University", and further resolved that the administrative officers of the institution were empowered to advertise for development proposals for the land subject to the Board approval, and

WHEREAS, as a result of the 1970 action, the University administration did advertise the area for development, and following considerable discussion and negotiation with involved parties, did accept a development proposal on December 14, 1972, and

WHEREAS, the acceptable proposal called for the University to consider development of the East State Street property in three parcels: specifically Parcel 1 at approximately 12.6 acres for a motel and travel park; Parcel 2 with approximately 16 acres of the westerly portion of this section to be developed for a shopping mall area; and the remaining acreage designated here as Parcel 3 of approximately 42 acres (containing 12 acres contiguous to Parcel 2 with current lease restrictions) to be held for development at a later date, and

WHEREAS, development possibilities for Parcel 1 have not materialized to date, and several private businesses have expressed an interest in Parcel 3 for further commercial development during the past year, specifically to include a national department store facility, and

WHEREAS, this Board has given consideration to the best interests of the University, and in addition sees a positive benefit and impact upon the community.

NOW THEREFORE, BE IT RESOLVED that The Ohio University Board of Trustees takes the actions as described herein:

1. The Board reaffirms its previous statements that the Airport land is not required for the educational purposes of the University, and that the best interest of the University is served by further development of the remaining property.
2. The Board authorizes the President of the University, or his designee, to make the proper requests to the State of Ohio, according to legislative guidelines, giving notification of this resolution, and requesting the Department of Public Works to solicit proposals for further development of all or part of the East State Street land designated as Parcel 3.
3. The Board recognizes that in terms of finances, aesthetics, and other considerations, such as lease restrictions as agreed to for Parcel 2, Parcel 3 development can be most beneficial as it complements the facilities which exist in Parcel 2, and therefore requests that proposals for development take into consideration such factors as cooperative traffic movement, parking, building design, lease restrictions, etc.

4. Considering that current inquiries reflect an interest in a national department store, proposals should be solicited which include such a facility, in addition to other potential uses, and

BE IT FURTHER RESOLVED that the Board authorizes the President to give consideration to the need to change the proposed usage of Parcel 1 for other than a motel and travel park, if such change is considered in the University's best interest at this time. Consistent with earlier plans and development, the Board shall be kept informed as to the significant development activities through its Budget, Finance and Physical Plant Committee; and all plans for final development will be brought before the full Board for approval.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE January 4, 1978

TO Members of the Budget, Finance and Physical Plant Committee
of the Board of Trustees

FROM Charles J. Ping, President

SUBJECT East State Street Property - Further Development

The potential for further development of the East State Street property (previously Airport property), was discussed at the October 1, 1977 meeting of the Committee. It was agreed we would work toward a resolution for action for the January 28, 1978 Board meeting.

Enclosed is the recommended resolution and supporting informational documents for your consideration for the January 28, 1978 meeting.

CJP:eb

Vice President for Operations 614/594-5383



OHIO UNIVERSITY

Cutler Hall, Athens, Ohio 45701

~~January 11, 1978~~

DRAFT

Mr. Richard D. Jackson
Director of Administrative Services
30 East Broad Street
Columbus, Ohio 43215

Attention: Mr. Raymond Kohli, Deputy Director
Division of Public Works

Gentlemen:

Re: Land Development

Late in October Ivan Harper and John Burns of Ohio University visited with Mr. William French of your Bureau of Real Estate regarding the possibility of the University continuing its development of surplus property located on East State Street here in Athens. George Lord and Richard Szilagi, legal counselors, were also involved with these conversations, and suggested the proper procedures under which further development possibilities should be pursued.

Specifically, it was requested that the Ohio University Board of Trustees take action to again declare the property as unneeded for educational use. As you will note from the enclosed resolution, the Ohio University Board of Trustees has reaffirmed its previous action declaring the property as excess to our educational needs, and has provided authorization for the University administration to proceed through the State of Ohio to solicit development proposals. This letter formally requests your services in our behalf, as permitted by Section 123.77 of the Ohio Revised Code, with an announcement of proposal solicitation hopefully during the month of February.

You will note that because of prior development of other land adjacent to the property for which proposals are solicited, the Board's resolution also deals with several specific provisions which are desirable in a proposed lease. I have taken the liberty of enclosing a draft of a solicitation announcement which includes these special considerations, and respectfully request that such provisions be included in some fashion in your announcement.

We will, of course, be happy to discuss any changes in the announcement which you might consider appropriate. If possible, we desire to review the final announcement before it is released.

Mr. Jackson

2.

January 11, 1978

Ohio University appreciates your cooperation with us on this effort, and I trust if there is any problem with the procedure or material presented here, I will be notified promptly.

Sincerely,

Gene Peebles
Vice President for Operations

GP:eb
Attachments

xc: Mr. William French, Bureau of Real Estate
Mr. Robert Mahn, Secretary, Ohio University Board of Trustees

Advertisement Copy in 1971

LEASE OF STATE OWNED LAND IN CITY OF
ATHENS, OHIO

1. The State Division of Public Works will entertain proposals for the development and lease of Ohio University's surplus airport lands in the City of Athens, Ohio, as described below, pursuant to the provisions of Section 123.77 of the Ohio Revised Code.
2. Parcel 1: A tract of 12.7 acres -- on the east side of Home Street between the B. & O. R.R. and U. S. Highway 33.
3. Parcel 2: A tract of 51.45 acres -- between East State Street (U. S. Highway 50) and the B. & O. R.R., containing approximately 4,600 feet of frontage on East State Street easterly from a point opposite the northeast corner of Grand Park Boulevard and East State Street.
4. The Division contemplates leasing for a term of forty (40) years with a renewal option for a like or lesser term, for a net annual rate plus a net overage annual rental of a percentage of the average rents paid annually by sublessees, if any. A copy of the lease form as approved by the Attorney General of the State of Ohio and a plat of the area are available upon request.

Content Suggestions for 1978

LEASE OF STATE OWNED LAND IN CITY OF
ATHENS, OHIO

Opening statements per Division of Public Works announcing availability of land.

Proposals are requested for a tract of land designated as Parcel 3 containing approximately 42 acres, between East State Street and the B. & O. R.R. with approximately 3,605 feet of frontage on East State Street, easterly from a parcel previously developed as the Athens Mall (herein designated Parcel 2).

Previously leased land in the area includes: Parcel 1 of 12.7 acres, under lease for the development of a motel and travel park facility, located on East State Street from the east of Home Street between the B. & O. R.R. and U. S. Highway 33; Parcel 2 being a tract of about 16 acres developed as a shopping mall, including a supermarket, drug store, and discount department store and various small shops.

Division of Public Works statements regarding lease term, renewal and rents, probably in the form used previously:

Advertisement Copy in 1971

Content Suggestions for 1978

5. The lease shall be for the purpose of development of the land by construction of commercial, industrial, distribution, or research facilities. Any developer desiring to lease either or both parcels, or portions thereof, shall prepare and submit to the Division of Public Works, in duplicate, (1) a plan for development, which shall include provisions for roads, streets, sewers, waterlines, waste disposal, water supply, and similar matters to meet the requirements of state and local laws, (2) plans for financing the development, (3) details of the developer's financial responsibility, (4) provisions for protection of the property by insurance or otherwise, and (5) a firm lease proposal.

6. Letters of intent, stating the developer's intention to submit a proposal, must be received by the Division of Public Works, Property Services Section, 65 South Front Street, Columbus, Ohio 43215, no later than September 1, 1971. A reasonable time will be allowed for the preparation and submittal of the plan for development and related data.

All proposals are subject to negotiation. The Division of Public Works reserves the right to reject any and all proposals.

Proposals for Parcel 3 development may be for the construction of commercial, industrial, distribution or research facilities. The lease for Parcel 2, adjacent to Parcel 3 on the westerly boundary, prohibits the development of the 12 acres contiguous to Parcel 2 for use as a motel, retail supermarket, drug store or discount department store. It is the University's intention to cause development of Parcel 3 which will complement the existing lease for Parcel 2 facilities, and where possible to require development which permits safe and easy traffic movement, complementing building designs, and such other cooperative undertakings to best achieve beneficial development of both parcels. Commercial development proposals which provide for a department store facility are encouraged.

Public Works statements regarding procedures for submitting proposals, requirements, etc.

§ 123.76 Rules and regulations for recreational areas.

The department of public works shall make and enforce such rules and regulations pertaining to bodies of water and lands adjacent thereto, under the supervision of the department that are used by the general public for recreational purposes, as may be necessary for the proper control and management of such lands and bodies of water, and in accordance with sections 119.01 to 119.13, inclusive, of the Revised Code.

HISTORY: 126 v 1145, § 1. ER 10-6-55.

Penalty, RC § 123.99

Research Aids

- O-Jur2d
- Canals § 7
- Am-Jur2d
- Canals § 9

§ 123.77 Lease of university land.

The department of public works may lease land belonging to or under the control or jurisdiction of a state university, not required nor to be required for the use of the university, to a developer in accordance with this section. "Developer," as used in this section, means a person, partnership, association, corporation, or community improvement corporation established pursuant to Chapter 1724. of the Revised Code who or which submits a development plan to the department as provided in this section and requests the department to enter into a lease.

Such a lease of university land shall be for the purpose of development of the land by establishing, constructing, altering, repairing, expanding, and improving industrial, distribution, commercial, or research facilities. A developer desiring to lease land of the university for such development shall prepare and submit to the department of public works and to the board of trustees of the university a plan for such development. Plans shall include provisions for roads, streets, sewers, water lines, waste disposal, water supply, and similar matters to meet the requirements of state and local laws. The plans shall also include provision for protection of the property by insurance or otherwise and plans for financing the development, and shall set forth details of the developer's financial responsibility.

The department of public works may employ as employees or consultants, persons needed to assist it in reviewing the development plans. Such persons may include attorneys, financial experts, engineers, and other necessary experts. The department of public works shall review the development plans and may enter into a lease if it finds that:

(A) The best interests of the university will be promoted by entering into a lease with the developer.

(B) The development plans are satisfactory.

(C) The developer has established his financial responsibility and satisfactory plans for financing the development.

(D) The university board of trustees approves the lease.

A lease may be entered into pursuant to this section for an annual rent agreed to between the department and the developer for a maximum term of forty years and may be renewed for a like or lesser term. The lease shall contain a provision that construction of buildings, structures, roads, and other necessary facilities shall begin within one year after the date of the lease and shall proceed according to a schedule agreed to between the department and the developer or the lease will be terminated. Moneys received by the state pursuant to such leases shall be paid into the state treasury as an addition to the appropriation made to the university which has control or jurisdiction of the land or to which the land belongs.

HISTORY: 132 v H 226, § 1. ER 11-21-67.

Research Aids

- O-Jur2d
- Em. Dom. §§ 50, 51
- Am-Jur2d
- Canals §§ 8, 11

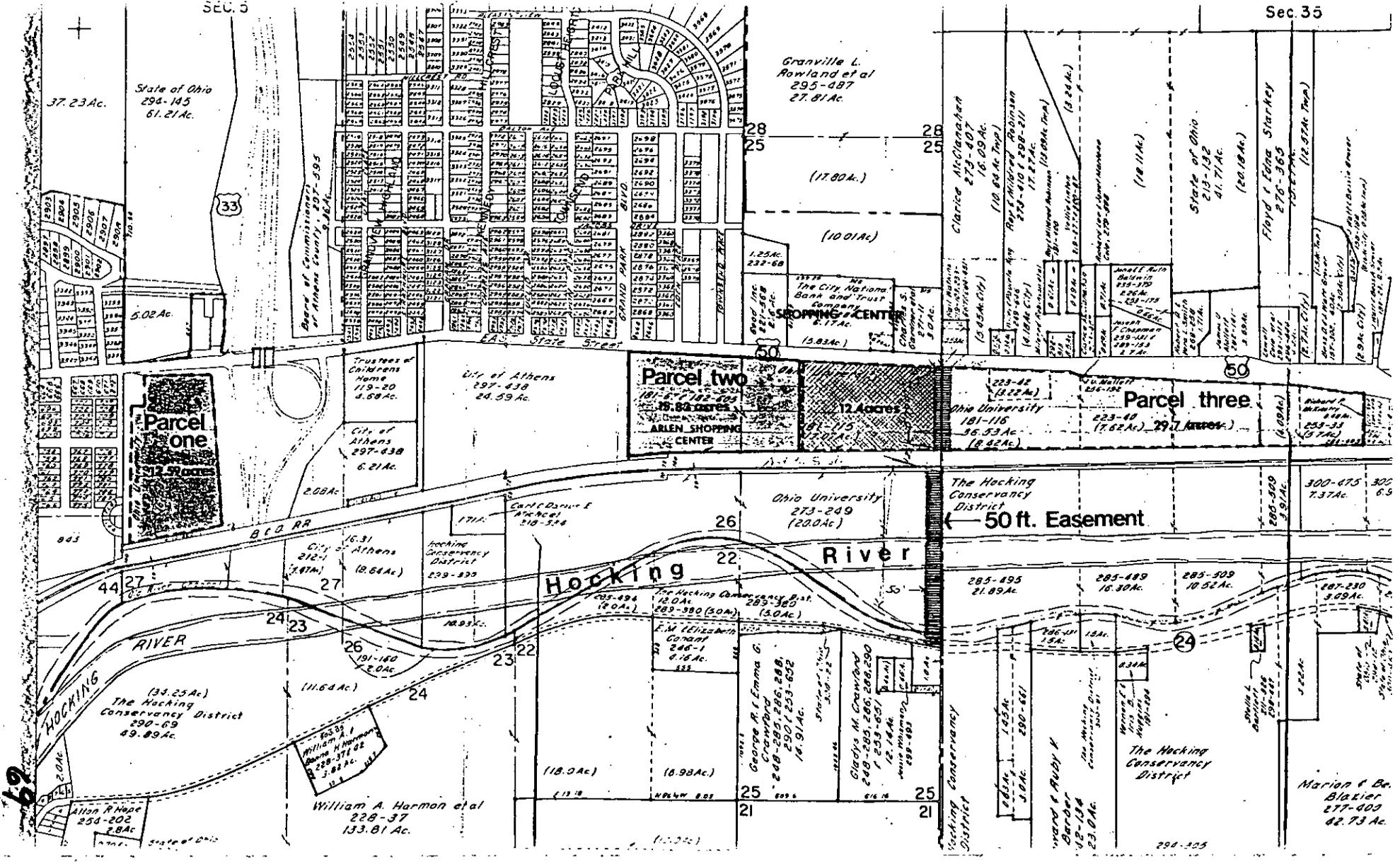
§ 123.99 Penalty.

(A) Whoever violates any rules or regulations established by the department of public works under the authority of section 123.76 of the Revised Code shall be fined not less than ten dollars nor more than one hundred dollars.

HISTORY: 126 v 1145 (1147), § 1. ER 10-6-55.

SEC. 5

Sec 35



37.23 Ac. State of Ohio 296-145 61.21 Ac.

Parcel one
12 Acres

Parcel two
15.82 Acres
ARLEN SHOPPING CENTER

Ohio University
181-116
36.53 Ac.
(8.25 Ac.)

Parcel three
29.7 Acres

Hocking River

The Hocking Conservancy District
← 50 ft. Easement

The Hocking Conservancy District
39.25 Ac.
290-69
89.89 Ac.

William A. Harmon et al
228-37
133.81 Ac.

(18.0 Ac.)

(6.98 Ac.)

George A. Emma G. Crawley
248-285, 286, 288, 289
250, 251, 253-252
14.91 Ac.

Clayton M. Crawley
248-285, 286, 288, 289
250, 251, 253-252
14.91 Ac.

Barbara
23.0 Ac.

The Hocking Conservancy District

Marion F. Blair
277-002
82.73 Ac.

Granville L. Rowland et al
295-887
27.81 Ac.

Clarice McClanahan
273-407
16.09 Ac.
(10.84 Ac. Trap)

State of Ohio
215-132
41.77 Ac.

Floyd & Iloa Starkey
276-363
20.87 Ac.
(14.91 Ac. Trap)

ARLEN SHOPPING CENTER

ARLEN SHOPPING CENTER

Parcel one

Parcel two

Parcel three

Parcel four

Parcel one

Parcel two

8. APPROVAL OF CONSULTING ENGINEER FOR THE LAUSCHE
HEATING PLANT EFFLUENT DISCHARGE AND COAL PILE STORAGE
WATER RUN-OFF PROJECT

Mr. Taylor moved approval of the resolution, which Mr. Keys seconded.
Approval was unanimous.

RESOLUTION 1978--389

WHEREAS, the 112th General Assembly did approve Amended Substitute House Bill 618 which appropriated \$2,426,000 to the Ohio Board of Regents for the purpose of providing improvements to meet Environmental Protection Agency standards at selected higher education institutions, and

WHEREAS, as a part of this appropriation Ohio University will receive approximately \$100,000 to meet boiler plant effluent discharge and coal pile storage water run-off problems associated with the operation of the Lausche Heating Plant, and

WHEREAS, the Ohio Board of Regents and the Department of Administrative Services in conjunction with the Ohio Environmental Protection Agency did request Ohio University to develop a project to correct the effluent and water run-off problems, and

WHEREAS, Mr. Carl E. Bentz, State Architect, did on November 18, 1977, recommend retaining the consulting engineering firm currently working on the Lausche Heating Plant Modification Project to serve as a consulting engineer for the effluent discharge and water run-off project,

NOW, THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does hereby approve the recommendation of the firm of Fosdick and Hilmer, Inc., of Cincinnati, Ohio, to serve as Consulting Engineers for the Lausche Heating Plant Discharge and Water Run-Off Project, and recommends to the Deputy Director, Ohio Division of Public Works, that the firm be retained to develop plans and specifications for the project.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE November 29, 1977

TO Mr. Gene Peebles, Vice President for Operations

FROM Alan H. Geiger, University Facilities Planner and Director of Construction

SUBJECT Approval of Consulting Engineer for the Lausche Heating Plant Effluent Discharge and Coal Pile Storage Water Run-Off Project

A. Geiger

The Ohio Board of Regents has, as a part of Amended Substitute House Bill 618, an appropriation to provide for "improvements to meet Environmental Protection Agency standards". As a part of this appropriation, Ohio University will receive approximately \$100,000 to meet Lausche Heating Plant boiler effluent discharge and coal pile storage water run-off problems. Following a recent meeting we had with members of the Ohio Board of Regents' staff, it was suggested that I write Mr. Carl E. Bentz, State Architect, and ask to proceed with the boiler effluent and coal pile storage water run-off problems as a capital project. As you know, these problems are most visible in the old river channel where one can see steam rising from the boiler effluent discharge and the turning of the small stream an orangey brown color from discharge from the coal pile storage water run-off.

I have enclosed a copy of my letter to Mr. Bentz and Mr. Bentz's reply of November 18, 1977. Mr. Bentz recommends that we proceed with the project and that we continue with the consulting engineering firm presently working on the air pollution problems associated with the Lausche Heating Plant. I concur with Mr. Bentz's recommendation that we continue with Fosdick and Hilmer, Inc., as Consulting Engineers, and have enclosed an appropriate resolution for the Board of Trustees consideration and action at their January 28, 1978, meeting.

AHG:flg

Enclosure

cc: Mr. William Charles Culp



Ohio Department of Administrative Services

30 EAST BROAD STREET
COLUMBUS, OHIO 43215

JAMES A. RHODES, Governor

RICHARD D. JACKSON, Director

November 18, 1977

Mr. Alan H. Geiger
University Facilities Planner and
Director of Construction
Ohio University
300 Wilson Hall - College Green
Athens, Ohio 45701

Re: Lausche Heating Plant Modification
Ohio University
Athens, Ohio

Dear Mr. Geiger:

This office has discussed your letter of November 14, 1977 with Mr. Jack Probasco of the Ohio Board of Regents and he indicates that the Regents' Appropriation did, in fact, contain \$100,000.00 to solve water pollution problems associated with the coal storage at subject plant.

When the estimates of cost were prepared for the Appropriation, a round-robin figure was established for each of the Universities and I would have to assume that the cost would vary, plant to plant, depending upon conditions.

Rather than selecting another Engineering firm for this project, we do recommend the use of Fosdick & Hilmer, Inc. for the contemplated design work.

The solution to the coal storage area will be discussed and approved with OEPA prior to finalization of the documents required for bidding purposes with the amount not to exceed \$100,000.00 or actual cost of a proper solution approved for the project.

Very truly yours,

RAYMOND R. KOHLI, P.E.
Deputy Director
Division of Public Works

CARL E. BENTZ
State Architect

CEB:ab

cc: Mr. Jack Probasco
Mr. Henry L. Whitcomb
Mr. Richard D. Jackson

received
11/23/77
72

November 14, 1977

Mr. Carl E. Bentz
State Architect
State Architect's Office
30 E. Broad Street
35th Floor
Columbus, Ohio 43215

Dear Mr. Bentz:

I recently had a discussion with Mr. Henry L. Whitcomb of the Ohio Board of Regents regarding the 1977-1979 Capital Appropriation Bill. The Ohio Board of Regents has an appropriation which is intended to abate air and water pollution problems at state supported universities. The Regents' appropriation, at the request of the Ohio Environmental Protection Agency, contains approximately \$100,000 to solve the water pollution problems associated with the storage of coal at the Ohio University Lausche Heating Plant.

May we begin a small project designed to handle the water pollution problems associated with the operation of the Lausche Heating Plant? Since part of this project was begun with funds available in the 1975-1977 biennium, can we use the firm of Fosdick and Hilmer, Inc., or do you wish us to interview new consultants for this part of the heating plant project?

I would be glad to come to your office to discuss this project further should you wish.

Thank you.

Sincerely,

Alan H. Geiger,
University Facilities
Planner & Director of
Construction

AHG:flg

9. APPROVAL OF PLANS AND SPECIFICATIONS AND RECOMMENDATION
OF CONTRACT AWARD FOR THE CHILLICOTHE CAMPUS PHYSICAL
EDUCATION BUILDING PROJECT

RESOLUTION 1978--390

WHEREAS, the 112th General Assembly did approve Amended Substitute House Bill 618, which appropriated \$2,000,000.00 for the purpose of constructing a Physical Education Facility on the Ohio University Chillicothe Campus, and

WHEREAS, the Ohio University Board of Trustees on April 16, 1977, did recommend the firm of Granzow and Guss Architects, Columbus, Ohio, to be project architects, and did instruct administrative officials to cause plans and specifications to be prepared for the project, and

WHEREAS, administrative officials did cause plans and specifications to be prepared in conjunction with members of the Ohio University Chillicothe Campus faculty and staff and Coordinating Council members, and

WHEREAS, the Chillicothe Campus Coordinating Council did on January 13, 1978, recommend approval of final plans and specifications for the Physical Education Building Project,

NOW, THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does hereby approve final plans and specifications, as prepared by Granzow and Guss Architects, for the Chillicothe Campus Physical Education Building Project.

BE IT FURTHER RESOLVED that the Ohio University Board of Trustees does hereby empower the President or his designee in consultation with the Budget, Finance and Physical Plant Committee to accept and recommend to the Deputy Director, Division of Public Works, construction bids received from the Ohio University Chillicothe Campus Physical Education Building Project, providing that total bids received do not exceed available funds.

Mr. Keys moved approval of the resolution, Mr. Bush seconded the motion.

Mr. Alan Geiger, University Planner and Dean E. Hunt Badger of the Chillicothe Campus were presented for elaboration of plans. Mr. Geiger outlined the effect of the new building on the physical development of the campus. Dean Badger emphasized the community value of the new building, in addition to its value to many campus programs.

Approval of the motion was unanimous.

Mrs. Phillips suggested that the Board honor Dean Badger's suggestion that it meet at the Chillicothe campus in connection with the dedication of the building.

10. Naming of Building, Chillicothe

Resolution 1978--391

WHEREAS, a building remains unnamed at the Chillicothe campus, and

WHEREAS, the Trustees desire that it be named for a person who has brought distinction to himself as well as to Ohio University, and

WHEREAS, the Regional Coordinating Council of the Chillicothe campus has recommended the name of a person for whom the building is to be named,

THEREFORE, BE IT RESOLVED that in recognition of his distinguished career and his direct and indirect contributions to Ohio University, that the third building at Chillicothe be named in honor of Myrl H. Shoemaker.

Mr. Keys moved approval of the resolution, which he said was a happy task for him. He described Mr. Shoemaker as a friend of Ohio University, stating that it was most appropriate for the building to be named for him. The motion was seconded by Mr. Bush. Approval was unanimous.

Biographical data-----State Rep. Myrl H. Shoemaker

Serves 88th District, Ross, Pickaway and part of Fayette counties.

State Representative nine terms

22 years, Clerk-Treasurer and member of School Board

Construction Superintendent, Twin Construction Company, Chillicothe, Ohio

Age; 63

Wife, Dorothy

Sons, Ronald, Michael, Keith, Kevin, Myrl Jr., Daughters, Kathy, Brenda and Debra.

Home: Bourneville, Ohio 45617

Member: Farm Bureau; Ross County Conservation League;

Kiwanis; Christian Union Church; Honorary Member, Clerk and Township Trustees Assn.

Rep. Shoemaker is chairman of the House Finance-Appropriations Committee, a member of the State Controlling Board and of the Emergency Board, as well as a member of the Legislative Budget Committee. He has served on many special committees appointed by either the Governor or the Speaker of the House (joint House-Senate committees)....

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE January 31, 1977

TO James C. Bryant

FROM John D. Herlihy, Vice Chairman, OU-C Regional Coordinating Council

SUBJECT Myrl H. Shoemaker Convocation Center

This memo is sent to you to reinforce our strong belief that the Phase III unit at the Chillicothe Campus be named after Representative Shoemaker. It has been through Mr. Shoemaker's initiative that this campus will receive the funds to complete this facility for our campus. We would like to express our appreciation by naming the Convocation Center after him. It would be a fitting token of appreciation for Mr. Shoemaker's many contributions to higher education and to Ohio University in particular.

EHB:dlk

11. REPORT ON AUDIT OF DORMITORY AND DINING SYSTEM

Mr. Taylor moved approval of the resolution, which Mr. Keys seconded. Approval was unanimous.

The report of Peat, Marwick, Mitchell & Co. is filed with the official minutes.

RESOLUTION 1978--392

WHEREAS, Peat, Marwick, Mitchell & Co. took no exceptions to the accounting records and financial statements for the period July 1, 1976 through June 30, 1977 applicable to the Dormitory and Dining Hall System,

BE IT RESOLVED, THEREFORE, that the Board of Trustees accepts the Peat, Marwick, Mitchell & Co. Audit Report and that the report is deposited with the Secretary.

12. TREASURER'S FINANCIAL STATEMENT FOR FISCAL 1976-77

Mr. Taylor moved approval of the resolution. Mr. Keys seconded the motion. Approval was unanimous.

RESOLUTION 1978--393

BE IT RESOLVED that the Board of Trustees accepts the Treasurer's Financial Statement for the Fiscal Year from July 1, 1976 to June 30, 1977, and that the Financial Statement is deposited with the Secretary.

The Treasurer's Financial Statement is filed with the official minutes.

13. RESIDENCE HALL FINANCIAL FORECAST AND PROPOSED ROOM AND BOARD RATES, 1978-1979

RESOLUTION 1978--394

see page 85 .

Mr. Bush moved approval of the resolution. Mr. Taylor seconded the motion. Approval was unanimous.

OHIO UNIVERSITY
INTER-OFFICE COMMUNICATION

DATE February 3, 1978

TO The Ohio University Board of Trustees and President Charles J. Ping

FROM Dr. Carol Harter, Vice President and Dean of Students

Carol Harter

SUBJECT Residence Hall Financial Forecast and Proposed Room and Board Rates, 1978-1979

Long and short-range financial and program planning for the Residence Hall system is progressing and the results to date are encouraging indeed. The refunding plan will reduce our annual debt significantly; programs developed and implemented this year will, for the most part, continue next year; and, cost savings accomplished by operating departments will be carried over in 1978-1979.

In the attached materials, we present for your consideration a financial forecast for 1978-1979 which projects slight increases in expenditures based largely on inflationary factors, such as utilities, food increases, and anticipated salary and benefit increases. Modest additional increases in residence life and capital improvement forecasts reflect our plans to introduce, on an experimental basis, a student security aide program and to increase our attention to improving the physical environment of our dormitories and dining halls.

In order to accommodate our expenditure projections, we are proposing a series of very modest increases in board rates, selected room rates, married student apartment charges, and in several miscellaneous service categories. The average increase for undergraduate room and board rates is 3%; this increase is far below anticipated inflationary increases and reflects our efforts to keep student charges at a minimum while we remain competitive with other institutions. At the same time, we will continue to maintain essential services and introduce new programs which will enhance residence hall living.

CH/pl

Attachments: Schedule A - Financial Premises
Schedule B - Tentative Financial Forecast
Schedule C - Resolution 1978

OHIO UNIVERSITY
Residence and Dining Hall
Current Auxiliary Fund
Financial Premises for 1978-79 Preliminary Budget
February 1, 1978

Rate Increases and Income Considerations:

The following tables represent rate increases which are prepared for Trustee approval. The rates have been assimilated into the 1978-79 preliminary budget (see attached) and average three percent (3%) in total.

Quarterly

Room Rates:

1977-78 Room Rates		Proposed Increase	1978-79 Room Rates
Single	\$340	\$ 0	\$340
Double (standard)	263	10	273
Double (New South)	305	0	305
Triple	215	10	225
Quad	245	10	255

Quarterly

Board Plans:

1977-78 Meal Plans		Proposed Increase	1978-79 Meal Plans
14-meal flexible plan	\$260	\$10	\$270
20-meal plan	280	10	290

Monthly

Married Student Apartment Rates:

1977-78 Rate		Proposed Increase	1978-79 Rate
Wolfe Street (52 units)			
Efficiency, furnished	\$120	\$12	\$132
One-bedroom	139	14	153
Bedroom-nursery.	153	15	168
Two-bedroom	170	17	187
Mill Street (193 units)			
One-bedroom, unfurn.	157	16	173
One-bedroom, furn.	176	18	194
Two-bedroom, unfurn.	185	19	204
Two-bedroom, furn.	204	20	224

Income Considerations:

In addition to the above proposed rate increases, certain other income categories have been increased slightly, including:

- A. Summer school and pre-college
- B. Guest room
- C. Linen service
- D. Workshop, snack bar and all other Food Service income

Income has also been adjusted to reflect differences between the 1977-78 budget and the most current financial forecast of actual income for this fiscal year.

Facility Utilization:

All residence halls will be operative for the 1978-79 academic year exclusive of those buildings purchased by the State of Ohio. The University will, however, designate James Hall as a guest housing facility.

Occupancy Levels - Student Residents:

	<u>Fall Quarter</u>	<u>Yearly Average</u>
1977-78 Budget	6170	5885
1978-79 Preliminary budget	6200	5891

Cost Containment Measures:

Consultants have been effectively utilized in the Food Service and Housekeeping Departments. The implementation of their recommendations has resulted in significant expense reduction.

Debt Service Requirements:

The preliminary 1978-79 budget reflects current planning on the refunding of bonds which includes the use of funds from the State of Ohio for the purchase of buildings.

Inflationary Considerations:

Careful analysis has been made regarding current consumer and wholesale price index increases which has been applied to the most current forecast of operating expenditures. The overall inflationary increase amounts to approximately 5.8%. Specific areas affected include utilities, raw food, wages and benefits (all categories), and all other operating supplies. No provision has been incorporated within the preliminary budget for a mandated legislative pay increase for classified employees. It should be understood that consideration will be given to selected rate increases within the Auxiliary if a pay-bill is acted upon by the Ohio General Assembly.

tl

OHIO UNIVERSITY
Residence and Dining Hall
Current Auxiliary Fund
Tentative Financial Forecast
February 1, 1978

	<u>1977-78</u>	<u>1978-79</u>
	<u>Budget</u>	Preliminary Budget 2/1/78
Income		
Residence halls	\$ 6,105,689	\$ 6,354,271
Dining halls	5,705,139	5,809,751
Total income	<u>11,810,828</u>	<u>12,164,022</u>
Operating expenditures		
Residence life	714,173	763,414
Director of residence services	86,922	81,841
Housing office	161,739	191,680
Upholstery and sewing shop	100,162	103,053
Laundry	135,645	135,796
Housekeeping	1,492,658	1,501,920
Food service	4,312,330	4,380,276
Direct maintenance	730,644	770,520
Purchased utilities	1,211,300	1,356,795
Capital improvements	116,886	172,146
Other administrative and legal	96,405	91,338
General fund allocations	737,913	764,587
Unemployment compensation	48,748	40,492
Consultant fees	59,525	104,827
Repair and replacement reserve	43,354	-
Other contingencies	35,000	43,650
Total operating expenditures	<u>10,083,404</u>	<u>10,502,335</u>
Net income from operations	1,727,424	1,661,687
Investment income from debt service reserve	<u>172,285</u>	<u>229,576</u>
Total net income before debt service	1,899,709	1,891,263
Debt service	<u>2,399,709</u>	<u>2,391,263</u>
Net income (deficit)	(500,000)	(500,000)
Beginning fund balance	-	-
Support from the general fund	-	-
Debt service state subsidy	<u>500,000</u>	<u>500,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>

RESOLUTION 1978 -394

WHEREAS continuing effort has been undertaken to develop plans and methods for Ohio University's dormitory and dining hall auxiliary in order to bring financial stability to the system and at the same time maintain a program of appropriate services for student residents, and

WHEREAS the dormitory and dining auxiliary is legally obliged to budget for all operating expenses and debt service obligations by means of fees which are collected from students who use the residential and dining hall facilities, and

WHEREAS the dormitory and dining hall auxiliary fund is experiencing additional expense due to inflation and service costs, a series of new rate structures has been developed for rooms, board, married student apartments, room rebilling, and other services which will generate additional revenue, and

WHEREAS the executive officers of the University have reviewed and evaluated the proposed increases in conjunction with a preliminary budget for the 1978-79 fiscal year, and have concluded that the rates are commensurate with projected costs of operation, they hereby recommend that the following quarterly rate changes be approved.

ROOM RATES

	<u>Current</u>	<u>Proposed</u>
Single	\$340	No change
Single staff	305	No change
Double - standard	263	\$273
Double - New South Green	305	No change
Triple	215	\$225
Quad	245	255

ROOM REBILLING RATE

	<u>1 Student Resident</u>	<u>2 Student Residents</u>	<u>3 Student Residents</u>	<u>4 Student Residents</u>
Standard single	\$340	N/A	N/A	N/A
New South double	390	\$305	N/A	N/A
Standard double	390	273	N/A	N/A
Quad	390	340	\$255	\$255
Triple	390	273	225	N/A

RESOLUTION 1978

BOARD RATES

	<u>Current</u>	<u>Proposed</u>
14-Meal flexible plan	\$260	\$270
20-Meal plan	280	290

MARRIED STUDENT APARTMENT RENTAL RATES

WOLFE STREET

<u>Apartment Type</u>	<u>Current Rate</u>	<u>10% Increase</u>	<u>Proposed Rate</u>
Efficiency, furnished	\$120	\$12	\$132
1 Bedroom, furnished	139	14	153
Bedroom, nursery, furnished	153	15	168
2 Bedroom, furnished	170	17	187

MILL STREET

<u>Apartment Type</u>	<u>Current Rate</u>	<u>10% Increase</u>	<u>Proposed Rate</u>
1 Bedroom, unfurnished	\$157	\$16	\$173
1 Bedroom, furnished	176	18	194
2 Bedroom, unfurnished	185	19	204
2 Bedroom, furnished	204	20	224

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Ohio University does hereby approve the rate increases heretofore outlined, and authorizes the President, or his designated representative, to place the new rates for room, board, room rebilling, and other services in effect at the beginning of the fall quarter of the 1978-79 academic year, and to make the new married student apartment monthly rates effective on July 1, 1978. Furthermore, the Board of Trustees authorizes the President, or his designee, to effect and distribute additional rate increases uniformly over room and board charges in the event that the Ohio General Assembly enacts legislation mandating wage and benefit increases for classified employees during the fiscal year 1978-79.

14. INVESTMENT POLICY

Mr. Bush stated that each Board member had had an opportunity to study the report of the ad hoc committee to study University investments. Committee members, he said, had presented the report (Attachment 2, page **113**) for discussion at the morning's Committee of the Whole session, and that it was now being recommended for Board approval by the Budget, Finance and Physical Plant Committee, which had discussed it at its afternoon session. He attested to the complexity of the issues involved, having been a member of the committee. He moved approval of a resolution which, he explained, resulted from the report of the ad hoc committee. Mrs. Phillips seconded the motion.

Meeting of February 11, 1978

WHEREAS, the President and Board of Trustees were sympathetic to the concerns of members of the University community "over the University's endowment investments in stocks of U.S. corporations doing business in the Republic of South Africa," and

WHEREAS, in response to these concerns, the President formed the "Ad Hoc Committee to consider University Investments," and gave the Committee two charges, with the option of addressing one or both of them:

(1) "Should Ohio University direct our investment advisor [Andrecom Advisors Corporation] to dispose of stocks in companies doing business in South Africa and to limit future investments to companies not identified as doing business in South Africa?"

(2) "Under what conditions, if any, should university policy on investments reflect social, political or moral objectives? If there are conditions or principles, can they be applied to South African investments?," and

WHEREAS, the Committee has deliberated in depth on the basic and the many related issues of each charge, has had input from the University community and other sources, and has made these recommendations:

Recommendation 1. That the Ohio University Board of Trustees retain its current policy of maintaining and nurturing its endowment funds solely for the support of the University's primary educational mission, and not for the purpose of influencing any social, economic, political, or moral cause.

Recommendation 2. That the Ohio University Board of Trustees make a strong statement on its own behalf in support of human rights and specifically against South African apartheid, and that it recommend the establishment of a separate scholarship fund for the education of one or more black South African students per year at Ohio University,

Meeting of February 11, 1978

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees expresses to the Committee appreciation for outstanding service in the cause of human rights and academic freedom and pledges itself to accept and apply Recommendation 1 judiciously and with dedication.

BE IT RESOLVED FURTHER that in respect to Recommendation 2 the Board of Trustees concurs in the judgment that the violation of human rights and the racial discrimination and segregation labeled "apartheid" in South Africa is abhorrent to free people everywhere. Further, that the Board of Trustees instructs the President to draw upon income from unrestricted funds in its endowment or to seek funds to support the scholarship recommended by the Committee.

Mrs. Johns stated that the Board would be glad to hear from committee members. Mr. Booth responded with the observation that this had been as hard working a committee as he had served on and that the issues had been complex, with the test of personal conscience having been heavy. Having changed his mind on the basic issue, he said he felt comfortable with the recommendations which addressed academic freedom and human rights.

Mrs. Johns recognized John Elliott, Student Senate Minorities and Womens Affairs Commission chairman, for a statement. He urged reconsideration of the recommendations.

Next, Mrs. Johns recognized a person who identified himself only as an international student. He expressed the feeling that the recommendation was an endorsement of government exploitation.

Bill Sell, President of Student Senate, was recognized. He restated the Senate's earlier resolution which called for withdrawal of investments from firms doing business in South Africa.

In response to followup questions by Mr. Lavelle on the Sell recommendation, Mr. Booth stated that the committee had had no direct discussions with Andrecom Investment Advisers. Therefore, he could not speculate on the difference a guideline to divest would make in our investment income. In respect to the effect a recommendation of divestiture would have on the major gifts campaign, he expressed the view that it would have no direct effect, although some universities felt that such a restriction would seriously affect corporate and individual giving.

President Ping, in reference to Mr. Lavelle's first question to Mr. Booth, stated that Andrecom had a set number of companies that met its criteria and that restrictions were such that it was unlikely that the University could at any one time be a major or even significant holder of the stock of an individual company doing business in South Africa.

Mr. Spencer stated that he was disappointed with the committee's recommendations. The University, he said, could not condone a condition at which at the same time it expressed abhorrence; that it had to represent what was just, whatever the economic consequences. The student members, he said, had stated that the majority of students would not support the committee's recommendations, and that if, as Board members had professed on other issues, student interests had to be the concern of the Board, they dared not be ignored in this instance. The Board, he said, dare never be complacent, and, as a trustee charged with policy concerns, he could not and would not vote in favor of a compromise, even though out of some bad things might come some good, as for example, the scholarships.

Mr. Keys stated that the Board owed the students, faculty and others who had served on the committee a debt of gratitude.

Dr. Holzer said that he recognized the hard work put in by committee members, and the agonizing they, Board members, and others had done over the issues. He said the first recommendation bothered him because it divorced the University from any responsibility for sources from which profits might come. He said he would have to vote against the proposed resolution.

Mrs. Johns summarized by stating that the Board was confronted with something to which there was no easy solution. Many points of view existed, she said, which members had had the opportunity of hearing.

Dr. Holzer moved to table the motion presented by Mr. Bush. Mr. Spencer seconded the motion.

Mr. Bush reminded members that Recommendation 1 stated that the present Board-approved investment policy should be retained. The Board, he said, could alter that policy.

The roll call vote on the motion to table was as follows:

Taylor	No	Phillips	No
Spencer	Yes	Holzer	Yes
Lavelle	Yes	Keys	Yes
Bush	No	Johns	No

There being a tie vote on the motion to table, the motion lost.

The roll call vote on the original motion also resulted in a tie, as follows:

Bush	Yes	Phillips	Yes
Holzer	No	Spencer	No
Lavelle	No	Taylor	Yes
Keys	No	Johns	Yes

Following the vote, Mr. Lavelle recommended returning the report to the ad hoc committee for further study. It was suggested and agreed that the committee had completed its assignment.

Meeting of February 11, 1978

Mrs. Johns stated that, since there had been no decisive vote, the report would be returned to the Budget, Finance and Physical Plant committee.

At this juncture Mr. Taylor excused himself from the meeting in order to keep an appointment.

E. OTHER BUSINESS

President Ping, expressing uncertainty over whether the matter he would present could be considered "other business," asked for instructions, in view of the fact that the Board had failed to act on the investment policy issue and had returned the report to the Budget, Finance and Physical Plant committee. There was need, he said, for further direction during the interval that the Budget and Finance committee would consider the issues. His earlier directions to Andrecom were not to increase holdings in firms doing business in South Africa. He said he would assume continuation of his directions to Andrecom unless otherwise instructed.

Mrs. Johns concurred in the President's assumption, stating that reconsideration of the ad hoc committee's report should be the first order of business for the Budget, Finance and Physical Plant committee.

Mr. Keys stated that he was glad to hear about the President's instructions to Andrecom. He observed that discretion could reduce or eliminate investments in a reasonable fashion during this review. With that in mind, he said, he wished to present a motion reflecting that view. Mr. Spencer said he wished to second the motion.

Mr. Bush urged a status quo stance relative to the Board-approved investment policy until after discussion led to consensus on the investment issue. Mrs. Phillips concurred, particularly since Mr. Taylor was no longer present.

Mr. Spencer expressed the feeling that the proposed resolution for the present would lay to rest the matter before the Board. Mr. Keys then called for and was granted a one minute recess, following which he dictated his motion, which Mr. Spencer seconded.

RESOLUTION 1978--401

BE IT RESOLVED that the Board commend the President for his earlier instructions to the investment counselor not to increase investments and funds [in firms doing business in South Africa].

BE IT RESOLVED FURTHER that the Board direct the President to instruct the counselor to, in a responsible manner, reduce our holdings in these companies without loss to the University until we have reduced the investment amount to zero.

Mr. Bush registered objection to proceeding with a vote on the motion since only two members of the Budget, Finance and Physical Plant Committee remained (Bush and Keys). He urged withholding action until all members could sit down together to review the entire investment policy and its impact.

The roll call vote on the resolution resulted in four favorable and three negative votes, which gave approval to the resolution:

Phillips	No	Spencer	Yes
Bush	No	Lavelle	Yes
Keys	Yes	Johns	No
Holzer	Yes		

C. EDUCATIONAL POLICIES COMMITTEE MATTERS

Mrs. Johns asked Committee Chairman Lavelle to present matters considered by the Committee.

1. FACULTY PRACTICE PLAN

RESOLUTION 1978--395

WHEREAS, The Board of Trustees desires to encourage successful development of an outstanding medical school, and recognizes the importance of attracting outstanding faculty as a necessary ingredient to the attainment of such success; and

WHEREAS, a faculty practice plan provides an opportunity to attract excellent faculty on a competitive basis, the means for furthering faculty professional skills, and a base for offering practical clinical experience to medical students under professional supervision.

NOW, THEREFORE, BE IT RESOLVED that faculty employees of the College of Osteopathic Medicine be and hereby are authorized to engage in the practice of medicine concurrent with faculty responsibilities as long as such practice is as an employee of the faculty practice plan;

FURTHER RESOLVED that the President be and hereby is authorized to enter into a clinical practice agreement with a professional association which will be incorporated by the Dean of the College of Osteopathic Medicine and organized to accomplish the objectives of a faculty practice plan;

FURTHER RESOLVED that the President be and hereby is authorized to negotiate such an agreement with the professional association as he deems appropriate to further the stated purposes of the faculty practice plan;

FURTHER RESOLVED that the President be and hereby is authorized to do such other acts as are necessary or appropriate to accomplish the foregoing.

Dr. Ping described the plan as distinctive, and one that would assure that the educational objectives of the College would be observed. Mr. Lavelle moved approval of the resolution, which Mrs. Phillips seconded. Approval was unanimous.

The Faculty Practice Plan, Code of Regulations of Ohio University Medical Associates, Inc., and Articles of Incorporation of Ohio University Medical Associates, Inc. are included with the official minutes.

2. ESTABLISHMENT OF OHIO COAL INSTITUTE

Mr. Spencer moved approval of the resolution, which Mrs. Phillips seconded. Approval was unanimous.

President Ping stated that this might well be one of the Board's most significant actions because of its many implications for the region and the coal industry.

RESOLUTION 1978--396

BE IT RESOLVED that the Board of Trustees of Ohio University approves the establishment of an Ohio Coal Institute at Ohio University.

BE IT FURTHER RESOLVED that the Board incorporate in this resolution "A Proposal for an Ohio Coal Institute at Ohio University" and approve it as the basic plan for the development of the Institute.

A PROPOSAL FOR AN OHIO COAL INSTITUTE AT OHIO UNIVERSITY

The solution of the technological, environmental and industrial application issues of coal utilization in Ohio are significant problems of public policy. Job retention and the maintaining of our industrial base while continuing our efforts to meet governmental standards for environmental quality are challenges that must be met for the benefit of the people of Ohio and the Nation. We recommend a coordinated unified effort by the establishment of an Ohio Coal Institute to work on applied research and design projects in close association with the mining industry and industrial consumers.

Coal Research Task Force

R. L. Savage, Professor of Chemical Engineering

G. W. Smith, Associate Professor of Geology

R. L. Williams, Professor of Industrial and
Systems Engineering

W. F. Dorrill, Dean of Arts and Sciences

R. S. Mayer, Dean of Engineering and Technology

I. PROPOSAL FOR AN OHIO COAL INSTITUTE

Ohio University recommends the establishment of an Ohio Coal Institute at Athens to take advantage of its location and the facilities and expertise already available. The programs at the Institute will be responsive to the priorities of Ohio and directed to exploration and characterization of energy reserves, mining technology, applied research on coal conversion technology and coal utilization. In addition, the Institute will be a single, comprehensive location for Ohio industry to get technical services and economic information about Ohio coal, current available technology on the mining, preparation, transportation, combustion, and conversion of coal and information about the effective handling of coal mine and power plant wastes. Support facilities at the Institute should include a computerized information service, comprehensive analytical services for coal and waste water, and demonstration facilities. As a special service, small research areas may be leased to Ohio industry to allow a small or medium company to try a new idea without having to build its own new research laboratory.

Specific areas of research should be:

- | | |
|--|---|
| 1. Coal geology and reserves | 6. Combustion |
| 2. Coal extraction | 7. Stack gas treatment |
| 3. Coal preparation | 8. Materials Selection and design |
| 4. Transportation | 9. Mine waste utilization |
| 5. Conversion of coal
(Gasification, liquefaction,
solvent refined coal) | 10. Studies of the physical and
chemical properties of
coal |

11. Current Technology Evaluations
12. Social, Economic, Marketing, and Labor Studies
13. Health, Safety and Environmental Research

II. PRIORITIES FOR THE OHIO COAL INSTITUTE

Based on the policy mandates in state and federal legislation and the requirements of state agencies, a priority list of projects should be established in areas of coal research and development. We recommend that the Ohio Coal Institute establish a broad representative advisory board composed of representatives of Ohio's manufacturing industries, public utilities, mining and extractive industries, transportation industries, and appropriate state agencies in order to be responsive to the needs of the energy industry in Ohio. Coal production and utilization is so complex and the economics so critical that even small improvements will return significant benefits.

The development of a partnership among a wide variety of disciplines, such as geology, engineering, chemistry, physics, environmental sciences, sociology, economics, marketing, labor relations, health and organizational and management sciences, working together on the many aspects of coal production and utilization at the Ohio Coal Institute will have a significant cost benefit advantage in returning greater tax revenues from economic expansion justifying the investment of developmental dollars.

III. IMPLEMENTATION

The implementation of these goals and objectives will require the careful development of staff, equipment and facilities in order for the Ohio Coal

Institute to meet its mandated requirements for research, development and service. Leadership, faculty and staff will have to be recruited. Appointments could be either full time or part time, drawing on the expertise of the University community and recruiting additional skills where needed.

Joint research projects with the coal industry and the utilities, cooperative training programs and on-site training programs should be encouraged by the Ohio Coal Institute.

The Ohio Coal Institute will cooperate with government, industry, and with other universities in Ohio and will participate in joint projects where special expertise is available. This approach will ensure the full utilization of the talent available at Ohio's universities while still retaining the coordinated effort needed to produce useful results in the shortest possible time. Scattered and unfocused efforts would not be nearly as productive as a well coordinated program.

3. Reaffirmation of Commitment to Regional Higher Education Concept
and Belmont County Campus

RESOLUTION 1978--397

WHEREAS, Ohio University pioneered in the development of regional campuses, has operated such campuses since 1946, and is firmly committed to a regional campus concept,

WHEREAS, Ohio University at its Belmont County Campus has served the communities of Harrison, Monroe and Belmont Counties in a competent manner for twenty years,

WHEREAS, Ohio University has a commitment to continue and expand its services to these communities,

WHEREAS, this commitment has been reaffirmed by the Belmont County Regional Coordinating Council and members of the community in addition to the faculty, staff and students,

WHEREAS, the Board of Trustees of Ohio University has investigated and discussed the recommendations of the Board of Regents approved at the November 17 meeting of that Board,

NOW, THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees renews its commitment to the regional campus concept in order to meet the needs of the southeastern Ohio area, including its Belmont County campus.

BE IT FURTHER RESOLVED that the resolution of the Ohio Board of Regents approved at the November 17 meeting of that Board which recommended the formation of a State Community College from the Ohio University Belmont County campus and Belmont Technical College is not recommended.

BE IT FURTHER RESOLVED that the Ohio University Board of Trustees respectfully rejects the counsel and advice of the Ohio Board of Regents contained in its November 17 resolution calling for the abandonment of the Ohio University program in the area and the denial of the expressed wishes of the citizens of the area.

BE IT FURTHER RESOLVED that the Ohio University Board of Trustees strongly recommends that Ohio University be given the opportunity to develop a pilot program incorporating Belmont Technical College into the Ohio University Belmont Campus. The newly-formed comprehensive branch campus would offer not only quality technical education, but would also provide the opportunity for citizens of the community to pursue their educational goals beyond the associate degree level.

Mr. Lavelle moved approval of the resolution, which Dr. Holzer seconded. President Ping invited Associate Provost for Regional Higher Education James Bryant and Dean of the Belmont Campus Eldred Bovenizer to comment.

Dr. Bryant reviewed the history of the movement by the Regents to create for the Belmont community a State Community College from the Ohio University Belmont County campus and Belmont Technical College. Dean Bovenizer expressed pleasure at the Board's reaffirmation stance. He stated that in his view it spoke to what the community wanted.

Approval of the motion was unanimous.

Mrs. Johns congratulated the Educational Policies committee for having turned the proposed motion from negative to positive by the addition of the final paragraph.

4. REVISION IN APPEALS PROCEDURE OF THE FACULTY IMPROVEMENT PROGRAM

RESOLUTION 1978--398

WHEREAS, experience has shown the need to revise the appeals procedure of the Faculty Improvement Program, and

WHEREAS, the Faculty Senate has recommended a revision,

NOW, THEREFORE, BE IT RESOLVED that Item 13 of the policy be amended to read:

If a faculty member believes that his leave proposal has been denied unjustly, he will have the right to appeal the decision to his chairman, to the dean, to the Provost, and then to an appeal board which shall be the Professional Relations Committee of the Faculty Senate. This committee will normally interview the faculty member, his chairman, and his dean, and then make recommendations to the Provost for final action. The grounds for the appeal may be allegations of (1) inadequate consideration, (2) denial of due process, or (3) personal bias or discrimination.

Dr. Holzer moved approval of the resolution, which Mr. Lavelle seconded. Approval was unanimous.

Mr. Keys stated that when, as a member, he was presented with an equitable appeals procedure, he would support it. This one, he said, met the requirement.

5. AWARD OF EMERITA STATUS

Mrs. Phillips moved approval of the resolution, which Mr. Lavelle seconded. Approval was unanimous.

RESOLUTION 1978--399

WHEREAS, the following individuals have rendered dedicated and outstanding service to Ohio University and whereas their colleagues and deans have recommended action to recognize this service,

NOW, THEREFORE, BE IT RESOLVED that emerita status be awarded to the following individuals:

Marye K. Keslar	Assistant Professor Emerita of English
Mary Elizabeth Stiers	Assistant Professor Emerita of Radio-Television (post- humous award)

Marye K. Keslar

Assistant Professor of English

MARYE K. KESLAR

Marye K. Keslar has distinguished herself in dedicated service to Ohio University. Mrs. Keslar began teaching in the early nineteen fifties when the campus was housed in Zanesville High School and staffed completely by part-time people. She taught consistently through the years and joined the permanent staff when the Newark Road facility was constructed in 1967. Mrs. Keslar was instrumental in the founding of the Southeastern Ohio Council of Teachers of English (SOCTE), and she served as its president. She originated and conducted a number of well received university study tours. One of the highlights was a Shakespeare Festival centered around a trip to Stratford, Ontario. The results of the conference were chosen for distribution by the National Council of Teachers of English (NCTE).

Mary Elizabeth Stiers

Assistant Professor of Radio-Television
(posthumous award)

MARY ELIZABETH STIERS

Mary Elizabeth Stiers distinguished herself at Ohio University in long service to the Zanesville campus. Mrs. Stiers founded the two-year associate degree program in radio-television at Zanesville, and she established its first theatre program as well. In the community she was a charter member and worked closely with the Zanesville Community Theatre. She also helped obtain the initial funding for the continuing and highly successful Zanesville City Parks and Recreation Summer Theatre Program. Mrs. Stiers was among the first full-time faculty at Zanesville; she served for many years prior to that on the part-time faculty.

6. APPOINTMENT TO CHILLICOTHE REGIONAL
COORDINATING COUNCIL

Dr. Holzer moved approval of the resolution, which Mr. Spencer seconded. Approval was unanimous.

RESOLUTION 1978--400

BE IT RESOLVED by the Board of Trustees of Ohio University that the recommendation by the President that the following person be appointed for a replacement term (unfilled portion of Nine Year Appointment, ending 1985) on the Regional Coordinating Council for Ohio University-Chillicothe is hereby approved.

DALE E. CARVER NINE YEAR APPOINTMENT

DALE E. CARVER

389 Shannon Drive
Chillicothe, Ohio 45601

Married; Wife's name, Delores. Three children; two married; one a senior at Kansas University.

Graduate of Akron University, 1950, B.S.B.A.

Employed by Goodyear since 1974. Presently, Assistant General Manager, Administration, Goodyear. Prior assignments; Akron, Valencia, Venezuela, and Topeka, Kansas.

O H I O U N I V E R S I T Y

INTER-OFFICE COMMUNICATION

DATE November 29, 1977

TO James C. Bryant

FROM Edwin Hunt Badger *Hunt*

SUBJECT Dale E. Carver - nomination

Request the election of Dale E. Carver by the Ohio University Board of Trustees to serve on the OU-C Regional Coordinating Council. Mr. Carver was nominated by the Coordinating Council on November 18, 1977. He is to fill the nine year term of the late Charles Tabor.

Mr. Carver's name was suggested to the Coordinating Council by Nathan H. Hurt, the present A Plant Manager.

:dlk
xc: John Blair
John Herlihy
Robert McKell
Robert Quinn
Warren Henricks

1 enclosure



OHIO UNIVERSITY - CHILICOTHE CAMPUS
BOX 629
CHILICOTHE, OHIO 45601

OFFICE OF THE DIRECTOR

November 29, 1977

Mr. Dale E. Carver
Assistant General Manager
Goodyear Atomic Corporation
P.O. Box 628
Piketon, OH 45661

Dear Mr. Carver,

On behalf of the University, I am delighted to accept your nomination by the Ohio University Coordinating Council and forward it for formal approval of the Ohio University Board of Trustees at their next scheduled meeting early in 1978.

I look forward to the opportunity of meeting you in the near future.

Inclosed you will find a copy of the By Laws for Ohio University's Coordinating Council. If you have any questions, I will be most happy to attempt to answer them.

At you convenience, we would appreciate receiving a glossy photograph and your home address and telephone number.

With best personal regards,

Cordially yours,

A handwritten signature in cursive script that reads "Edwin Hunt Badger".

Edwin Hunt Badger
Dean

:dlk
1 inclosure

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VIII. GENERAL DISCUSSION -- ROLL CALL OF MEMBERS

Mr. Lavelle suggested that the language of Mr. Keys' resolution could be interpreted in a way to not have a catastrophic effect on the investment policy. Not often, he said, did the Board divide on issues, but that it was beneficial to do so at times.

Mr. Keys said he concurred in Mr. Lavelle's statement. Furthermore, he said, the chairman had indicated that she was referring the matter to the Budget, Finance and Physical Plant committee and that it was therefore not a dead issue.

Dr. Holzer observed that the Keys resolution called for gradual reduction of investments and that, therefore, it would have no drastic effect.

Mr. Spencer, Mrs. Phillips and Mr. Bush had no additional comments.

Mr. Johnson and Mr. Jones offered no comments. President Ping referred to our two energy problems, coal and electricity, saying that policies changed daily. Coal, he said, was a problem over which we had some control, but that electricity was beyond our control. Contingency plans to maintain essential University activities with curtailed electricity, he said, had been developed and that the plan was to continue operating the University.

IX. ANNOUNCEMENT OF NEXT MEETING DATE AND SITE

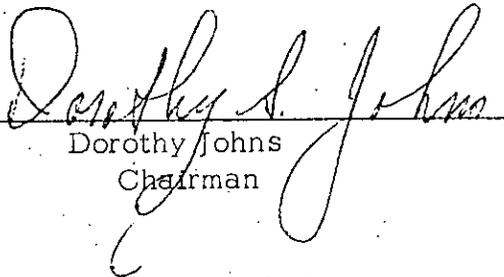
Mrs. Johns confirmed April 15, 1978, as the next regular meeting date, with the site still indefinite.

X. ADJOURNMENT

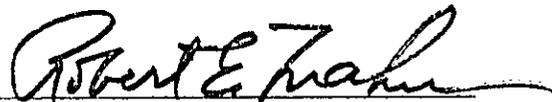
Mrs. Johns, determining that there was no further business to come before the Board, declared the meeting adjourned at 11:20 a.m.

XI. CERTIFICATION OF SECRETARY

Notice of this meeting and its conduct was in accordance with Resolution 1975--240 of the Board, which resolution was adopted in accordance with Section 121.22 (F) of the Ohio Revised Code and of the State Administrative Procedures Act.



Dorothy Johns
Chairman



Robert E. Mahn
Secretary

PROGRAM REVIEW AT OHIO UNIVERSITY

Introduction

There is a growing interest within the higher education community, both nationally and in Ohio, in the critical examination of academic programs. I think this interest grows out of the increasing costs associated with higher education programs, the growing realization that some programs are producing graduates for which there are very limited job possibilities, and a concern for maintaining quality as the competition for students increases.

The 1976 Ohio Master Plan for Higher Education issued by the Ohio Board of Regents states:

In the state system of higher education the Board of Regents helps assure quality through the process of program review. The Board believes that this process must become even more comprehensive in the future, with individual institutions assuming greater responsibility for evaluating, strengthening, adding and eliminating programs. Therefore, it recommends that each state institution of higher education begin a review of its programs on a five year cycle and reports its findings to the Board.

Program Review at Ohio University

Ohio University began the process of formal program review on a five year cycle in 1973. Actually, ad hoc reviews were undertaken in 1971 and 1972. At the end of this academic year, each of the University's programs will have been reviewed. The review process is under the direction of the Review Subcommittee of the University Curriculum Council; the University Curriculum Council is a major standing university committee which has recommending authority on all curricular matters to the Provost and President.

The focus of the reviews is on the quality and viability of the programs. The Subcommittee sends a questionnaire to each department under review requesting its goals as well as detailed information on staffing, faculty scholarship, student evaluations of teaching, student success in job placement and graduate school, etc. Deans are also requested to provide information about the department. Finally, Analytical Services provides centrally collected information on such things as student credit hours and cost ratios.

The Subcommittee, after consulting with the department, then prepares a report which assesses how well the department is achieving its goals with the resources available. The actions of the Subcommittee fall into three general categories. The most serious action the Review Subcommittee can take is to request that the Curriculum Committee of

the college in which the program is housed undertake an intensive review of the program in question. In such cases the Subcommittee lists a series of critical questions which should be answered by the intensive review. The second category of action is to find the program basically sound but, nonetheless, to raise some specific questions about it. Finally, the Review Subcommittee can, in effect, give the program a clean bill of health indicating it appears to be a quality operation.

In 1976-77 three programs were found acceptable, three programs had inquiries directed to them and two were requested to undertake intensive reviews. (Three reviews were continued into 1977-78.)

The crucial question, of course, is what impact does the review process actually have. In the first place, the very act of critically reviewing itself has benefit for the department. It becomes more aware of its strengths and is forced to face up to its weaknesses. The dean of the college in which the program is located is alerted to problems he might otherwise have been unaware of. He might be prompted to shift resources to strengthen a program which was singled out for intensive review. Finally, some programs can be eliminated or discontinued as a result of the review process.

Over the past several years the review process has resulted in: phasing out the Cutler Program and the Residential-Experimental College; eliminating Architecture, Regional Planning and the M.A. in Linguistics; imposing a moratorium on new graduate enrollments in Educational Administration during 1972-73; discontinuing the M.A. in Accounting and Ph.D. in Chemical Engineering; reducing graduate enrollments in English and Psychology.

J.B. Tucker
Office of the Provost
February, 1978

STATEMENT OF THE AD HOC COMMITTEE TO CONSIDER UNIVERSITY INVESTMENTS TO THE
OHIO UNIVERSITY BOARD OF TRUSTEES, JANUARY 27, 1978

I. INTRODUCTION

During Fall Quarter 1977, President Charles J. Ping, in response to numerous expressions of concern centered mainly among Ohio University students over the University's endowment investments in stocks of U.S. corporations doing business in the Republic of South Africa, formed the "Ad Hoc Committee to Consider University Investments." Its membership consisted of five individuals:

Alan R. Booth [Chairman], Professor of History

Seth Aronson, Ohio University student, and member of the
Student Senate

G. Kenner Bush, Ohio University Trustee, and Publisher of
The Athens Messenger

William A. Day, Associate Professor of Management

Judith K. Jones, Ohio University student, and member of
the Student Senate

A sixth member, a South African national, resigned after a dispute between the African Students' Association and the Student Senate over the naming of the student membership to the Committee, and he was not replaced.

The Committee was convened by President Ping on November 3, 1977, and was given two charges ("Questions"), with the option of addressing one or both of them:

(1) "Should Ohio University direct our investment advisor [Andrecom Advisors Corporation] to dispose of stocks in companies doing business in South Africa and

to limit future investments to companies not identified as doing business in South Africa? Is this an effective action?"

(2) "Under what conditions, if any, should university policy on investments reflect social, political or moral objectives? If there are conditions or principles, can they be applied to South African investments?"

President Ping informed the Committee that, pending its report and recommendation to the Board of Trustees (hopefully by its Winter meeting), he had directed Andrecom to make no new investments in corporations doing business in South Africa. He also laid before the Committee the following information:

1. At its January 15, 1977, Meeting, the Board had set the following three goals for its endowment investments (amounting to approximately \$3.5 million, split roughly evenly between the University General Fund and the Ohio University Fund):

(a) "To outperform the popular stock market averages, such as the Dow Jones and Standard & Poors 500."

(b) "To generate annual total return (income plus appreciation) that equals or exceeds the growth in the rate of inflation or the prevailing interest rate on long term high quality fixed income securities."

(c) "To plan for minimum risk subject to the normal risks associated with equity investing."

2. Andrecom invests University endowment funds according to a formula (returns, price rise, dividends, plus additional variables), with no more than two per cent of any client's investments in any one company. Special instructions by any client as to any limitations on this formula would be likely to affect returns. Andrecom has complete discretion over the trading of the stocks in

its "universe" at all times, so that in any given period (excluding specific instructions) Ohio University might or might not be a significant stockholder in companies doing business in South Africa.

3. As of Summer 1977, University endowment funds, totalling approximately \$52,000 on a base of some \$3.5 million, were invested in the following companies doing business in South Africa:

Emery Air Freight

Getty Oil

ITT

Mobil Corporation

Monsanto

TRW

4. Ohio University is embarking on a \$14 million major gifts campaign over the next decade. The President asked the Committee to consider what, if any, effect alternative answers on Questions (1) and (2) might have on that campaign.

II. MEETINGS

The Committee held meetings to consider its charges and recommendations on November 3, 11, 17, and 22, 1977, and on January 5, 10, 19, 24, and 26, 1978. The January 10, 1978, meeting was an Open Hearing, to which all Ohio University students and faculty, plus other interested persons, were invited to air their views before the full Committee. In spite of the inclement weather, about 50 persons attended, and the discussion was spirited and wide-ranging.

III. INVESTIGATION

The Committee studied a vast amount of documentation, reports, statements, and newspaper articles/editorials on the general subject of American investments in the economy of the Republic of South Africa. It has received oral and written communications on a variety of related subjects from interested individuals. It has received, through the President's Office, such diverse information as the Ohio University Student Senate Statement [September 22, 1977]; Labor Practices of U.S. Corporations in South Africa (Investor Responsibility Research Center, 1976); a book, The Ethical Investor (Yale University Press, 1972); a lengthy statement from the South African Embassy on American investment policy in that country; statements from other colleges and universities which have addressed the same question; and statements from American corporations on investment and employment practices in the Republic of South Africa. Statements received from other colleges and universities include:

Oregon State Board of Regents	Amherst College
University of Minnesota	Smith College
Stanford University	University of Illinois
University of Wisconsin System	University of Massachusetts
Hampshire College	Carnegie Mellon University
Case Western Reserve University	University of Chicago
Massachusetts Institute of Technology	Howard University
University of Michigan	Northwestern University
Oberlin College	The Ohio State University
Princeton University	The University of Rochester
Washington University	Yale University

Dartmouth College

Harvard University

The University of Maryland

The University of Cincinnati

Policy statements received from American Corporations include:

American Home Products	Clark Equipment	Citibank
Burroughs	Coca-Cola	Dupont
Caterpillar Tractor	Exxon	Kodak
General Motors	Hewlett Packard	IBM
Johnson & Johnson	Merck & Co.	ITT
Motorola	Pfizer	MMM
Phillips Petroleum	Proctor & Gamble	NCR
Schering-Plough	Warner-Lambert	Xerox
Eli Lilly	Pepsico	TRW
Ashland Oil	Kimberely-Clark	Mobil Oil
Atlantic-Richfield	Englehard Industries	Carnation
Anderson Clayton	Deere & Company	Masonite
A.C. Nielsen International	Cheseborough-Pond's	Dow Chemical
Dart Industries	Nalco Chemical	Standard Brands
Dun & Bradstreet	Colgate-Palmolive	

IV. DELIBERATIONS

The Committee decided initially that it should spend no time on the details of the social/economic/political situation in the Republic of South Africa (referred to comprehensively as apartheid); that each Committee member considered apartheid so decidedly abhorrent as to be in the nature of a "given"; and that therefore both considerations of time and the importance of the issue dictated that the Committee address itself immediately to the question of action, cen-

tering on the President's charges. The Committee further decided at its second meeting that both President Ping's Questions (1) and (2) [page 1 above] must be addressed; that the question of South African investments had to be considered in the wider context of overall University investment policy. The Committee further decided that it was inappropriate for it to reach any conclusions until the University community (which was ultimately responsible for the Committee's establishment in the first place) had had ample opportunity to voice its opinion to the full Committee, particularly after the resignation and non-replacement of the African member. No attempt was made to reach a Committee consensus, therefore until after the Open Hearings of January 10, 1978.

V. RECOMMENDATIONS

The Committee has carefully and conscientiously deliberated on the questions placed before it by President Ping. Those questions are exceedingly complex: indeed, the more we studied the issues, the more wide-ranging and complicated they became, taking on implications affecting diverse constituencies both on this campus and far beyond.

It is not surprising, therefore, that while the enclosed Committee recommendations to the Board of Trustees are unanimous, each of us harbors some personal misgivings over various underlying issues. In fact, the entire Committee membership which agrees on our fundamental recommendation to the Board does so for somewhat differing reasons; the same is true of our second recommendation. And appended to this document is an individual statement by one of our number.

RECOMMENDATION 1. THAT THE OHIO UNIVERSITY BOARD OF TRUSTEES RETAIN ITS CURRENT POLICY OF MAINTAINING AND NURTURING ITS ENDOWMENT FUNDS SOLELY FOR THE SUPPORT OF THE UNIVERSITY'S PRIMARY EDUCATIONAL MISSION, AND NOT FOR THE PURPOSE OF INFLUENCING ANY SOCIAL, ECONOMIC, POLITICAL, OR MORAL CAUSE.

Rationale: (1) The primary mission of Ohio University (as redefined by the Board in 1977) is to provide the highest quality education possible for its students, making the maximum use of resources available toward that end. Basic to that mission is the University's undeviating adherence to the principles of academic freedom. The Committee feels that the utilization of the University's endowment funds toward the influencing of any social, political, economic, or moral cause would be inconsistent with the principles of academic freedom, and might harm the return on its investments (thereby weakening the University's educational quality).

(2) It is the Committee's opinion that those who would have us divest from American corporations doing business in South Africa, principally on the grounds that by not divesting we would be supporting apartheid and therefore acting immorally (i.e., standing against human rights), are in fact asking Ohio University to step aside from its primary (educational) mission and its commitment to academic freedom, in favor of setting itself up as a political force. As outlined below, we feel that this is inconsistent with the University's primary role.

(3) "Academic Freedom" is hard to define: but to the Committee it includes University support of freedom of speech, freedom of inquiry and the free publication of its results in many forms and forums, and maintaining its institutional neutrality on social, political, economic, or moral/ethical

issues, while at the same time providing a free forum for the expression of all points of view.

"Academic Freedom" does not imply to the Committee an institutional obligation -- or right -- to marshal its power and resources in behalf of, or against, any issue of the day, however compelling its merits or demerits may be, on whatever grounds -- unless the issue affects the quality of education at Ohio University. This is not to say that university presidents or boards do not have the right -- or even the obligation -- to speak out in behalf of themselves on such issues. But that is fundamentally different from wielding the power and the resources which they hold in trust for the university community, and for the taxpayers, toward influencing the outcomes of those issues. To do that would raise the question of the democratic rights and freedoms (academic and otherwise) of all those constituencies which the institution touches, and by which it is sustained.

(4) The Committee is unanimous in its abhorrence of South African apartheid, with all of its implications for the oppressed majority (and minorities) in that troubled land. It equally abhors the conditions of oppression which afflict the lives of millions of other human beings on every other continent of the world, including other parts of Africa, the Middle East, Europe, Asia, and the Americas. The Committee is of the opinion that the list of causes over which an argument could be made for endowment boycotts by universities and other institutions is virtually endless. The question then becomes one of where to draw the line; and the Committee judges that the absolute delineation must be constricted to preserving intact the institution's primary mission (the highest quality education possible), including the commitment of all of its

financial resources (actual and potential) toward that end; and, equally, to preserving its academic freedom. The risk involved in the country's (and world's) investment markets today is unprecedented; to increase that risk by limiting Andrecom's options and opportunities with our present (and hopefully greatly enhanced future) endowment is seen by the Committee as potentially injurious to the University's main mission.

(5) The Committee feels that those who would have us divest from American corporations doing business in South Africa are really asking Ohio University to take a political action under the guise of a moral gesture. This in the Committee's view is not an appropriate action for universities, as free (and vulnerable) institutions, to take. Governments, not universities, are the proper bodies to take such actions; it then falls to free institutions, and individuals or groups within those institutions, to judge those actions. Some on the Committee feel that it would be advisable for the President and the Board to publicly direct their views on the question of American investment in South Africa to the appropriate state and federal authorities. By so doing, proper moral pressure could be brought to bear on responsible political authorities, while the institution's main educational mission, and its academic freedom, would be preserved.

(6) There are several other, ancillary, considerations on which members of the Committee have deliberated in arriving at their recommendation. Some of the following views are held by a single member or two, some by a majority, some unanimously. But we wish the Board to know that we have fully and seriously considered them all.

(a) Some of us feel that a selective stock boycott by Ohio University

is inadvisable at a time when we are embarking on a multi-million dollar major gifts campaign. It is possible that some of the gifts offered would be boycotted stocks. Other potential major donors whose wealth was derived from private enterprise might be inhibited from making contributions to an institution which is engaging in a selective boycott against American businesses, for whatever reason. Conversely, there are some on the Committee who feel that there might be an equal number of potential donors who would make contributions because the University had divested. But both sides on the Committee are of the strong opinion that the University should refrain from taking (or not taking) any action with its endowment solely in order to attract dollars.

(b) Some of the Committee feel that the most effective way to combat South African apartheid would be to hold (or purchase) stocks in corporations doing business there, and then engaging actively in stockholder action aimed at forcing them to leave South Africa, or at least to become "Equal Opportunity Employers" there. But others on the Committee feel that this course would also be in violation of the principles of academic freedom.

(c) Some Committee members feel that the Board should constitute a standing committee for the purpose of overseeing all University investments, in order to ensure that the University is not embarrassed at some future date by finding itself a stockholder in a corporation which is operating de jure or de facto outside of the commonly accepted ethical or moral realm of corporate standards.

(d) Some Committee members argue that our proper course of action should be to continue to leave Andrecom free from any investment constraints, but to require from all companies in which we hold stock a pledge that they

adhere to the statement of intent known as the "Sullivan Principles" (drawn up under the aegis of Rev. Leon Sullivan, a member of the General Motors Board of Directors), which commit the corporation in South Africa to:

- "1. non-segregation of the races in all eating, comfort, and work facilities;
2. equal and fair employment practices for all employes;
3. equal pay for all employees doing equal or comparable work for the same period of time;
4. the initiation and development of training programs that will prepare, in substantial numbers, blacks and other non-whites for supervisory, administrative, clerical and technical jobs;
5. an increase in the number of blacks and other non-whites in management and supervisory positions; and
6. improvement in the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation, and health facilities."

Many U.S. corporations have already signed these principles,¹ indicating intent toward immediate or gradual compliance. There are some on the Committee who feel that the Sullivan statement is so full of loopholes, and so open to interpretation, as to be virtually meaningless.

(e) Some Committee members question the choice of method which is being suggested by individuals who would have Ohio University take meaningful action against those corporations which they see as aiding and abetting South

¹See The Chronicle of Higher Education (December 19, 1977), p. 5.

African apartheid. Some members suggest that a far more effective means by which to register our disfavor would be to boycott, for instance, the further purchase of all IBM office products, supplies, and computers, and to divest ourselves of those we now own. Others have mentioned the denial of interviewing space and rights on campus for those companies doing business in South Africa which are seeking to employ Ohio University graduates. These and other alternatives explored by the Committee were deemed unacceptable by the majority for various reasons.

(f) Several Committee members feel that adjusting the University's investment portfolio to respond to moral, political, or social pressures not only would detract from the institution's basic mission of education; it would also jeopardize its ability to use effectively the neutral mechanism of the stock market without having any discernible effect on the issues at stake. Further, they argue that Ohio University does not invest in South Africa. It invests in companies which may or may not do business in South Africa, and that there is a world of difference between the two concepts. In the latter case neither the company nor the Republic of South Africa receives any direct benefit from University endowment. It may be noted that any form of investment could probably be indicted to some degree as having direct or indirect ties with companies doing business in South Africa. To argue that the University should therefore avoid all such investments (which is the logical extension of suggesting stock disinvestment) is, in the minds of some members, to argue that it should seek little or no return on its endowment regardless of the effect on the educational mission.

RECOMMENDATION 2. THAT THE OHIO UNIVERSITY BOARD OF TRUSTEES MAKE A STRONG STATEMENT ON ITS OWN BEHALF IN SUPPORT OF HUMAN RIGHTS AND SPECIFICALLY AGAINST SOUTH AFRICAN APARTHEID, AND THAT IT RECOMMEND THE ESTABLISHMENT OF A SEPARATE SCHOLARSHIP FUND FOR THE EDUCATION OF ONE OR MORE BLACK SOUTH AFRICAN STUDENTS PER YEAR AT OHIO UNIVERSITY.

Rationale: (1) A Board statement in support of human rights generally, and against South African apartheid specifically, would be consistent with the American democratic tradition, with the original Ohio University Charter, and with current federal administration policy. It would in no way violate the principles of academic freedom. It would be a partial response to those in the Ohio University community who seek an institutional stance against South African apartheid.

(2) Establishment of a scholarship fund, using endowment resources, is seen by the Committee as a suitable means by which Ohio University could effectively demonstrate its commitment to the cause of human rights in South Africa, while still maintaining its adherence to its primary educational mission, and to the principles of academic freedom.

In one respect at least, the Republic of South Africa is no different from the 50-odd countries also occupying the continent: its majority population is woefully undereducated. In South Africa, government apartheid policy exacerbates this condition by deliberately limiting black access to higher education -- a particularly gothic dimension of an inhuman system which is universally decried. The establishment of such a separate scholarship fund through Board action would therefore appear especially suitable as a tangible expression of University commitment, both for symbolic and for practical purposes. Endowment funds --

even dividends from selected stocks -- could be used for such a purpose, a measure which would be wholly consistent with the primary institutional mission. Ohio University would thus be significantly involved in the education of the new leadership which will surely one day emerge in a democratic South Africa [Azania], which will then desperately need educated blacks to place in positions of the highest responsibility.

Administration of such a fund (we suggest one four-year scholarship to be implemented each year for the next four years) could be handled by the Office of Student Financial Aids in consultation with the African Studies Center. Likely candidates for scholarships could be identified through the African-American Institute, and through the U.S. Department of State. Ohio University's African Studies Center has ties with both organizations.

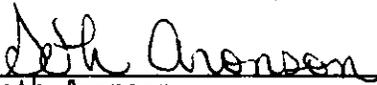
January 27, 1978

Respectfully Submitted:

The Ad Hoc Committee to Consider University Investments



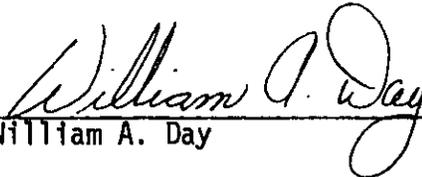
Alan R. Booth (Chairman)



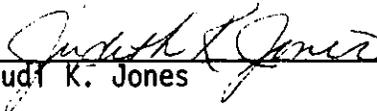
Seth Aronson



G. Kenner Bush



William A. Day



Judi K. Jones

cc: President Charles J. Ping
Mr. Wayne Kurlinski, Vice President
for University Relations
Ohio University Student Senate
African Students' Association
The Post
WOUB
The Athens Messenger

SUPPLEMENT TO THE STATEMENT OF THE AD HOC COMMITTEE

TO CONSIDER UNIVERSITY INVESTMENTS

A PERSONAL STATEMENT

Judi Jones

January 27, 1978

Public protest has gained momentum and intensity concerning the current situation in South Africa. The highly structured method of controlling and exploiting black labor as a legal policy is undeniably atrocious. The complex and restrictive labor laws have enormous impact on employment practices, working conditions, political and educational opportunities; rights granted to us at birth as citizens of a free country.

The wave of moral outrage is just and in the wake of it, our Committee was established and given the task of preparing a recommendation to offer the Board of Trustees in terms of what Ohio University's role should be and all the implications of such a role. We soon became aware of several complex moral considerations that would have to be examined and discovered questions that would pose a challenge for anyone.

My entrance into this Committee was accompanied by unshakable moral convictions which I found other Committee members shared. Indeed we did not start with an impartial panel of people.

Our first charge was to determine what course of action we should direct our investment advisors to take concerning investments in corporations involved in South Africa. This was coupled with a subsequent charge of under what conditions, if any, university policy should reflect social, political or moral objectives. The Committee decided that both charges were so intrinsically linked that one could not be answered without thoroughly examining the other.

The first aspect we examined was the role of our multinationals in South Africa. U.S. corporations have been criticized as vehicles

for financing South Africa's industrial and agricultural development with cheap captive labor. This accusation has prompted a response from some companies that justifies their continued presence as a tool for instituting changes that would increase measures for equal rights. We read countless pages of documents from these corporations expounding their contributions and potential value for progressive action. Unfortunately it must be noted that these corporations face many obstacles in seeking to reform the rigidly controlled employment and educational practices. A foreign company can attempt to influence a host nation's policy but can expect realistically, a negative response. Debate could last interminably on exactly what role a corporation can play and how effective they would be. Meanwhile, disparity among black and white grows.

We next examined statements from other universities around the nation who because of political pressure formed advisory committees similar to ours, to study their investment policies. The results from numerous institutions were quite varying. The immense difficulty of the question was revealed by the diverse responses, none of which is perfect.

Ohio University's role in the issue was specifically regarded after long investigation into other aspects of the situation. The most challenging question we embarked upon was whether or not a university could wield its financial powers as a political tool to affect a social and moral issue.

My first stance on this particular aspect was an adamant affirmative; to employ any means to achieve a desired result. I was repulsed by the the thought of this institution producing platitudes, wrapping itself in moral rectitude and reflecting a weak commitment by a lack of action. After delving into this subject, I considered

some of the negative influences concerning a university as an instrument of political control. The implications were astounding and rather than reinforce my feelings, I found myself caught in a dilemma. Briefly I will give two examples which I personally found abhorrent.

- 1) In the 1950's the fear of communism reached such a proportion as to override the spirit of academic freedom, seen by the subsequent investigations and policy reforms of universities at that time.
- 2) More recently is the criticism some universities have received as a result of contracts negotiated with the Shah of Iran by those protesting the lack of human rights in Iran. Universities are being accused of being instruments of economic and political control.

The mission of an educational institution is clouded and tainted from such examples. Although it may be politically advantageous to respond to pressure, a university can not succumb to outside influence to wield its power without compromising its prestige. I could not condone it with a clear conscience; a reality which was unexpected.

Assumptions and theories we expound upon academic freedoms will be challenged. To some it will convey a lack of commitment to a particularly appalling issue. If so, the accusation must be weighed against the contribution of educational goals to an institution. One must realistically consider the question of whether or not a university can divest money out of all corporations who are supporting or associated with varying elements detrimental to the human condition. The list is endless which sadly reflects our world community and as individuals we should strive for justice. An academic institution must remain dedicated to its mission. My personal convictions to the

struggle in South Africa have not diminished in any way. As a Committee, these convictions are the only things we remained consistently unanimous upon and grew stronger even as the deliberations became more difficult.

It is therefore after a long struggle that I commit myself to this last decision. Our solution is not perfect but the recommendations are our attempt to enhance the educational opportunities of individual citizens of South Africa; an action I feel is an appropriate response from a university. We will not offer platitudes or ineffective policy statements, but perhaps an effective way to work toward the day when South African citizens, regardless of color, can freely participate in a society without discrimination.

Respectively submitted,



Judith K. Jones

ORIGINAL APPOINTMENT OF AGENT

The undersigned Incorporator of Ohio University Medical Associates, Inc. hereby appoints Frank W. Myers, D.O., an individual who resides in the county in which the corporation has its principal office, as the Agent upon whom any process, notice or demand required or permitted by statute to be served upon the corporation may be served. His complete address is 43 Strouts Run Road, Athens, Athens County, Ohio 45701.

Frank W. Myers, D.O.
(Incorporator)

Athens, Ohio

January __, 1978

Ohio University Medical Associates, Inc.

Gentlemen:

Frank W. Myers, D.O. hereby accepts appointment as Agent of your corporation upon whom any process, tax notice or demand may be served.

Frank W. Myers, D.O.

CODE OF REGULATIONS
OF
OHIO UNIVERSITY MEDICAL ASSOCIATES, INC.

ARTICLE I

Meetings of Shareholders

Section 1. Annual Meetings. The annual meeting of shareholders shall be held at such time and on such date in the month of January of each year (commencing in 1978) as may be fixed by the Board of Directors and stated in the notice of the meeting, for the election of directors, the consideration of reports to be laid before such meeting and the transaction of such other business as may properly come before the meeting.

Section 2. Special Meetings. Special meetings of the shareholders shall be called upon the written request of the president, the directors by action at a meeting, a majority of the directors acting without a meeting, or of the holder of shares entitling them to exercise twenty-five percent (25%) of the voting power of the Corporation entitled to vote thereat. Calls for such meetings shall specify the purposes thereof. No business other than that specified in the call shall be considered at any special meeting.

Section 3. Notices of Meetings. Unless waived, written notice of each annual or special meeting stating the time, place, and the purposes thereof shall be given by personal delivery or by mail to each shareholder of record entitled to vote at or entitled to notice of the meeting, not more than sixty (60) days nor less than seven (7) days before any such meeting. If mailed, such notice shall be directed to the shareholder at his address as the same appears upon the records of the Corporation. Any shareholder, either before or after any meeting, may waive any notice required to be given by law or under these Regulations.

Section 4. Place of Meetings. Meetings of shareholders shall be held at the principal office of the Corporation unless the Board of Directors determines that a meeting shall be held at some other place within or without the State of Ohio and causes the notice thereof to so state.

Section 5. Quorum. The holders of shares entitling them to exercise a majority of the voting power of the Corporation entitled to vote at any meeting, present in person or by proxy, shall constitute a quorum for the transaction of business to be considered at such meeting; provided, however, that no action required by law or by the Articles of Incorporation or these Regulations to be authorized or taken by the holders of a designated proportion of the shares of any particular class or of each class may be authorized or taken by a lesser proportion. The holders of a majority of the voting shares represented at a meeting, whether or not a quorum is present, may adjourn such meeting from time to time, until a quorum shall be present.

Section 6. Record Date. The Board of Directors may fix a record date for any lawful purpose, including without limiting the generality of the foregoing, the determination of shareholders entitled to (i) receive notice of or to vote at any meeting, (ii) receive payment of any dividend or distribution, (iii) receive or exercise rights of purchase of or subscription for, or exchange or conversion of, shares or other securities, subject to any contract right with respect thereto, or (iv) participate in the execution of written consents, waivers or releases. Said record date shall not be more than sixty (60) days preceding the date of such meeting, the date fixed for the payment of any dividend or distribution or the date fixed for the receipt or the exercise of rights, as the case may be.

If a record date shall not be fixed, the record date for the determination of shareholders who are entitled to notice of, or who are entitled to vote at, a meeting of shareholders, shall be the close of business on the date next preceding the day on which notice is given, or the close of business on the date next preceding the day on which the meeting is held, as the case may be.

Section 7. Proxies. A person who is entitled to attend a shareholders' meeting, to vote thereat, or to execute consents, waivers or releases, may be represented at such meeting or vote thereat, and execute consents, waivers and releases, and exercise any of his other rights, by proxy or proxies appointed by a writing signed by such person.

ARTICLE II

Directors

Section 1. Number and Qualification of Directors. The number of directors of the Corporation shall be five (5), which number may be increased or decreased by an amendment of these Regulations. No person shall be elected or shall serve as a director unless such a person has faculty rank at Ohio University. Anything to the contrary notwithstanding in these Regulations, the Board of Directors shall at all times contain the persons who are the President of Ohio University, the Dean of Ohio University College of Osteopathic Medicine (hereinafter "COM"), the Associate Dean for Administrative Affairs of COM, the Associate Dean for Clinical Affairs of COM and the Chairman of Department of Family Medicine of COM. The Dean of COM, in his capacity as a Director of this Corporation, shall be vested with the authority to review and approve, following consultation with the chief academic officer of Ohio University, all budgets for the operations of this Corporation and all compensation arrangements between the Corporation and its employees.

Section 2. Term of Office. Each director shall hold office until the annual meeting next succeeding his election and until his successor is elected and qualified, or until his earlier resignation, removal from office or death.

Section 3. Election of Directors. The directors shall be elected at each annual meeting of shareholders, but when the annual meeting is not held or directors are not elected thereat, they may be elected at a special meeting called and held for that purpose. Such election shall be by ballot whenever requested by any shareholder entitled to vote at such election; but, unless such request is made, the election may be conducted in any manner approved at such meeting. At each meeting of shareholders for the election of directors, the persons receiving the greatest number of votes shall be directors.

Section 4. Removal. All the directors, or all the directors of a particular class, or any individual director may be removed from office, without assigning any cause, by the vote of the holders of a majority of the voting power entitling them to elect directors in place of those to be removed, provided that unless all the directors, or all the directors of a particular class, are removed, no

individual director shall be removed in case the votes of a sufficient number of shares are cast against his removal which, if cumulatively voted at an election of all the directors, or all the directors of a particular class, as the case may be, would be sufficient to elect at least one director. In case of any such removal, a new director may be elected at the same meeting for the unexpired term of each director removed.

Section 5. Vacancies. Vacancies in the Board of Directors may be filled by a majority vote of the remaining directors until an election to fill such vacancies is had. Shareholders entitled to elect directors shall have the right to fill any vacancy in the board (whether the same has been temporarily filled by the remaining directors or not) at any meeting of the shareholders called for that purpose, and any directors elected at any such meeting of shareholders shall serve until the next annual election of directors and until their successors are elected and qualified.

Section 6. Quorum and Transaction of Business. A majority of the whole authorized number of directors shall constitute a quorum for the transaction of business, except that a majority of the directors in office shall constitute a quorum for filling a vacancy on the board. Whenever less than a quorum is present at the time and place appointed for any meeting of the board, a majority of those present may adjourn the meeting from time to time, until a quorum shall be present. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board.

Section 7. Annual Meeting. Annual meetings of the Board of Directors shall be held immediately following annual meetings of the shareholders, or as soon thereafter as is practicable. If no annual meeting of the shareholders is held, or if directors are not elected thereat, then the annual meeting of the Board of Directors shall be held immediately following any special meeting of the shareholders at which directors are elected, or as soon thereafter as is practicable. If such annual meeting of directors is held immediately following a meeting of the shareholders, it shall be held at the same place at which such shareholders' meeting was held.

Section 8. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places, within or without the State of Ohio, as the Board of

Directors may, by resolution or by-law, from time to time, determine. The secretary shall give notice of each such resolution or by-law to any director who was not present at the time the same was adopted, but no further notice of such regular meeting need be given.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the chairman of the board, the president, any vice president, or any two members of the Board of Directors, and shall be held at such times and places, within or without the State of Ohio, as may be specified in such call.

Section 10. Notice of Annual or Special Meetings. Notice of the time and place of each annual or special meeting shall be given to each director by the secretary or by the person or persons calling such meeting. Such notice need not specify the purpose or purposes of the meeting and may be given in any manner or method and at such time so that the director receiving it may have reasonable opportunity to participate in the meeting. Such notice shall, in all events, be deemed to have been properly and duly given if mailed at least forty-eight (48) hours prior to the meeting and directed to the residence of each director as shown upon the secretary's records and, in the event of a meeting to be held through the use of communications equipment, if the notice sets forth the telephone number at which each director may be reached for purposes of participation in the meeting as shown upon the secretary's records and states that the secretary must be notified if a director desires to be reached at a different telephone number. The giving of notice shall be deemed to have been waived by any director who shall participate in such meeting and may be waived, in a writing, by any director either before or after such meeting.

Section 11. Compensation. The directors, as such, shall be entitled to receive such reasonable compensation for their services as may be fixed from time to time by resolution of the board, and expenses of attendance, if any, may be allowed for attendance at each annual, regular or special meeting of the board. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of the executive committee or of any standing or special committee may by resolution of the board be allowed such compensation for their services as the board may deem reasonable, and additional compensation may be allowed to directors for special services rendered.

Section 12. By-laws. For the government of its actions, the Board of Directors may adopt by-laws consistent with the Articles of Incorporation and these Regulations.

ARTICLE III

Committees

Section 1. Executive Committee. The Board of Directors may from time to time, by resolution passed by a majority of the whole board, create an executive committee of three or more directors, the members of which shall be the President of Ohio University and such other directors elected by the Board of Directors to serve during the pleasure of the board. If the Board of Directors does not designate a chairman of the executive committee, the executive committee shall elect a chairman from its own number. Except as otherwise provided herein and in the resolution creating an executive committee, such committee shall, during the intervals between the meetings of the Board of Directors, possess and may exercise all of the powers of the Board of Directors in the management of the business and affairs of the Corporation, other than that of filling vacancies among the directors or in any committee of the directors. The executive committee shall keep full records and accounts of its proceedings and transactions. All action by the executive committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to control, revision and alteration by the Board of Directors, provided that no rights of third persons shall be prejudicially affected thereby. Vacancies in the executive committee shall be filled by the directors, and the directors may appoint one or more directors as alternate members of the committee who may take the place of any absent member or members at any meeting.

Section 2. Meetings of Executive Committee. Subject to the provisions of these Regulations, the executive committee shall fix its own rules of procedure and shall meet as provided by such rules or by resolutions of the Board of Directors, and it shall also meet at the call of the president, the chairman of the executive committee or any two members of the committee. Unless otherwise provided by such rules or by such resolutions, the provisions of Section 10 of Article II relating to the notice required to be given of meetings of the Board of Directors shall also

apply to meetings of the executive committee. A majority of the executive committee shall be necessary to constitute a quorum. The executive committee may act in a writing, or by telephone with written confirmation, without a meeting, but no such action of the executive committee shall be effective unless concurred in by all members of the committee.

Section 3. Other Committees. The Board of Directors may by resolution provide for such other standing or special committees as it deems desirable, and discontinue the same at pleasure. Each such committee shall have such powers and perform such duties, not inconsistent with law, as may be delegated to it by the Board of Directors. The members of such committees shall be elected by the Board of Directors to serve during the pleasure of the Board. The provisions of Section 1 and Section 2 of this Article shall govern the appointment and action of such committees so far as the same are consistent with such appointment and unless otherwise provided by the Board of Directors. Vacancies in such committees shall be filled by the Board of Directors or as the Board of Directors may provide.

ARTICLE IV

Officers

Section 1. General Provisions. The Board of Directors shall elect a president, such number of vice presidents as the board may from time to time determine, a secretary and a treasurer and, in its discretion, a chairman of the Board of Directors. The president, vice presidents and chairman of the board shall be physicians licensed to practice medicine or surgery in the State of Ohio. The Board of Directors may from time to time create such offices and appoint such other officers, subordinate officers and assistant officers as it may determine. The president, any vice president who succeeds to the office of the president, and the chairman of the board shall be, but the other officers need not be, chosen from among the members of the Board of Directors. Any two of such offices, other than that of president and vice president, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

Section 2. Term of Office. The officers of the Corporation shall hold office during the pleasure of the Board of Directors, and, unless sooner removed by the Board

of Directors, until the organization meeting of the Board of Directors following the date of their election and until their successors are chosen and qualified. The Board of Directors may remove any officer at any time, with or without cause. A vacancy in any office, however created, shall be filled by the Board of Directors.

ARTICLE V

Duties of Officers

Section 1. Chairman of the Board. The chairman of the board, if one be elected, shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may be prescribed by the Board of Directors.

Section 2. President. The president shall be the chief executive officer of the Corporation and shall exercise supervision over the business of the Corporation and over its several officers, subject, however, to the control of the Board of Directors. He shall preside at all meetings of shareholders, and, in the absence of the chairman of the board, or if a chairman of the board shall not have been elected, shall also preside at meetings of the Board of Directors. He shall have authority to sign all certificates for shares and all deeds, mortgages, bonds, agreements, notes, and other instruments requiring his signature; and shall have all the powers and duties prescribed by Chapter 1701 of the Revised Code of Ohio and such others as the Board of Directors may from time to time assign to him.

Section 3. Vice Presidents. The vice presidents shall have such powers and duties as may from time to time be assigned to them by the Board of Directors or the president. At the request of the president, or in the case of his absence or disability, the vice president designated by the president (or in the absence of such designation, the vice president designated by the board) shall perform all the duties of the president and, when so acting, shall have all the powers of the president. The authority of vice presidents to sign in the name of the Corporation certificates for shares and deeds, mortgages, bonds, agreements, notes and other instruments shall be coordinate with like authority of the president.

Section 4. Secretary. The secretary shall keep minutes of all the proceedings of the shareholders and Board of Directors and shall make proper record of the same, which

shall be attested by him; shall have authority to execute and deliver certificates as to any of such proceedings and any other records of the Corporation; shall have authority to sign all certificates for shares and all deeds, mortgages, bonds, agreements, notes and other instruments to be executed by the Corporation which require his signature; shall give notice of meetings of shareholders and directors; shall produce on request at each meeting of shareholders a certified list of shareholders arranged in alphabetical order; shall keep such books and records as may be required by law or by the Board of Directors; and, in general, shall perform all duties incident to the office of secretary and such other duties as may from time to time be assigned to him by the Board of Directors or the president.

Section 5. Treasurer. The treasurer shall have general supervision of all finances; he shall receive and have in charge all money, bills, notes, deeds, leases, mortgages and similar property belonging to the Corporation, and shall do with the same as may from time to time be required by the Board of Directors. He shall cause to be kept adequate and correct accounts of the business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, stated capital and shares, together with such other accounts as may be required, and upon the expiration of his term of office shall turn over to his successor or to the Board of Directors all property, books, papers and money of the Corporation in his hands; and shall have such other powers and duties as may from time to time be assigned to him by the Board of Directors or the president.

Section 6. Assistant and Subordinate Officers. The Board of Directors may appoint such assistant and subordinate officers as it may deem desirable. Each such officer shall hold office during the pleasure of the Board of Directors, and perform such duties as the Board of Directors or the president may prescribe.

The Board of Directors may, from time to time, authorize any officer to appoint and remove subordinate officers, to prescribe their authority and duties, and to fix their compensation.

Section 7. Duties of Officers May be Delegated. In the absence of any officer of the Corporation, or for any other reason the Board of Directors may deem sufficient, the Board of Directors may delegate, for the time being, the powers or duties, or any of them, of such officers to the other officer or to any director.

ARTICLE VI

Indemnification and Insurance

Section 1. Indemnification in Non-Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of no contest or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, he had reasonable cause to believe that his conduct was unlawful.

Section 2. Indemnification in Derivative Actions. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation,

except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless, and only to the extent that the Court of Common Pleas, or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the Court of Common Pleas or such court shall deem proper.

Section 3. Indemnification as Matter of Right.

To the extent that a director or officer has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 1 and 2 of this Article VI, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

Section 4. Determination of Conduct. Any indemnification under Sections 1 and 2 of this Article VI, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 1 and 2 of this Article VI. Such determination shall be made (a) by a majority vote of a quorum consisting of directors of the Corporation who were not and are not parties to or threatened with any such action, suit, or proceeding, or (b) if such a quorum is not obtainable or if a majority vote of a quorum of disinterested directors so directs, in a written opinion by independent legal counsel, other than an attorney or a firm having associated with it an attorney who has been retained by or who has performed services for the Corporation or any person to be indemnified within the past five years, or (c) by the shareholders, or (d) by the Court of Common Pleas or the court in which such action, suit or proceeding was brought. Any determination made by the disinterested directors under Section 4(a) or by independent legal counsel under Section 4(b) of this Article VI shall be promptly communicated to the person who threatened or brought the action or suit, by or in the right of the Corporation under Section 2 of this Article VI, and within ten days after receipt of such notification, such person shall have the right to petition the Court of Common Pleas or the court in which such action or suit was brought to review the reasonableness of such determination.

Section 5. Advance Payment of Expenses. Expenses, including attorneys' fees, incurred in defending any action, suit, or proceeding referred to in Sections 1 and 2 of this Article VI, may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the directors in the specific case upon receipt of an undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Article VI.

Section 6. Nonexclusivity. The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation or the Code of Regulations or any agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 7. Liability Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VI or of Chapter 1701 of the Ohio Revised Code.

ARTICLE VII

Certificates for Shares

Section 1. Form and Execution. Certificates for shares, certifying the number of fully paid shares owned, shall be issued to each shareholder in such form as shall be approved by the Board of Directors. Such certificates shall be signed by the president or a vice president and by the secretary or an assistant secretary or the treasurer or an

assistant treasurer; provided, however, that if such certificates are countersigned by a transfer agent and/or registrar, the signatures of any of said officers and the seal of the Corporation upon such certificates may be facsimiles, engraved, stamped or printed. If any officer or officers, who shall have signed, or whose facsimile signature shall have been used, printed or stamped on any certificate or certificates for shares, shall cease to be such officer or officers, because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates, if authenticated by the endorsement thereon of the signature of a transfer agent or registrar, shall nevertheless be conclusively deemed to have been adopted by the Corporation by the use and delivery thereof and shall be as effective in all respects as though signed by a duly elected, qualified and authorized officer or officers, and as though the person or persons who signed such certificate or certificates, or whose facsimile signature or signatures shall have been used thereon, had not ceased to be an officer or officers of the Corporation.

Section 2. Registration of Transfer. Any certificate for shares of the Corporation shall be transferable in person or by attorney upon the surrender thereof to the Corporation or any transfer agent therefor (for the class of shares represented by the certificate surrendered) properly endorsed for transfer and accompanied by such assurances as the Corporation or such transfer agent may require as to the genuineness and effectiveness of each necessary endorsement.

Section 3. Limited to Physicians. No share certificate shall be issued to any person unless the secretary is satisfied that such person is a physician duly licensed to practice medicine in the State of Ohio.

Section 4. Lost, Destroyed or Stolen Certificates. A new share certificate or certificates may be issued in place of any certificate theretofore issued by the Corporation which is alleged to have been lost, destroyed or wrongfully taken upon (i) the execution and delivery to the Corporation by the person claiming the certificate to have been lost, destroyed or wrongfully taken of an affidavit of that fact, specifying whether or not, at the time of such alleged loss, destruction or taking, the certificate was endorsed, and (ii) the furnishing to the Corporation of indemnity and other assurances satisfactory to the Corporation and to all transfer agents and registrars of the class of shares represented by the certificate against any and all losses,

damages, costs, expenses or liabilities to which they or any of them may be subjected by reason of the issue and delivery of such new certificate or certificates or in respect of the original certificate.

Section 5. Registered Shareholders. A person in whose name shares are of record on the books of the Corporation shall conclusively be deemed the unqualified owner and holder thereof for all purposes and to have capacity to exercise all rights of ownership. Neither the Corporation nor any transfer agent of the Corporation shall be bound to recognize any equitable interest in or claim to such shares on the part of any other person, whether disclosed upon such certificate or otherwise, nor shall they be obliged to see to the execution of any trust or obligation.

ARTICLE VIII

Restrictions on Transfer of Common Shares

Section 1. Restriction on Transfer and Offer to Dean or Acting Dean. Except as hereinafter provided in this Article VIII, no holder of Common Shares, of any class, of the Corporation shall sell, transfer or otherwise dispose of all or any part of the shares held by him without first offering the same to the individual who succeeds such person as Dean (including any Acting Dean) of COM for purchase at a price of \$5.00 per share. In accepting such offer, the Dean shall have the right to purchase all or any part of the shares offered to him. Said offer shall remain open for acceptance by the Dean for thirty (30) days after receipt thereof, unless within said period the Dean notifies the offering shareholder of his election not to purchase, in which case the right of the Dean shall expire on the date of such notice. In the event such offer is accepted in whole or in part, the purchase price shall be due and payable within sixty (60) days after such acceptance or as the parties may otherwise agree.

Section 2. Offer to Corporation. In the event and to the extent that the right to purchase referred to in Section 1 above is not exercised by the Dean, the shares owned by such shareholder proposed to be transferred shall be offered to the Corporation for purchase at the price said shares were offered to the Dean. In accepting such offer, the Corporation shall have the right to purchase all or any part of the shares offered to it. Said offer shall remain

open for acceptance by the Corporation for sixty (60) days after receipt thereof, unless within said period the Corporation notifies the offering shareholder of its election not to purchase, in which case the right of the Corporation shall expire on the date of such notice. In the event such offer is accepted in whole or in part, the purchase price shall be due and payable within sixty (60) days after such acceptance or as the parties may otherwise agree.

Section 3. Offer to Shareholders. In the event and to the extent that the rights to purchase referred to in Sections 1 and 2 above are not exercised by the Dean or the Corporation (whether for lack of legal authority or for any other reason), the shares owned by such shareholder proposed to be transferred shall be offered for sale to the remaining shareholders of the same class of Common Shares of the Corporation at the price said shares were offered to the Dean. Said offer shall remain open for a period of thirty (30) days after the Corporation's right has expired. Each remaining shareholder shall be entitled to purchase such shares ratably in proportion to his then existing holding of Common Shares of the Corporation, provided that any shareholder shall have the right to purchase less than all of the shares to which he may be entitled. In the event that all of the shares so offered to the remaining shareholders are not purchased, the remaining shareholders who purchased all of the shares to which they were entitled shall have the further right to purchase any of the offered shares not purchased by the other remaining shareholders in proportion to their existing holdings after the initial purchase. Comparable offers to purchase shall be made to such remaining shareholders until all of the shares are purchased or until no remaining shareholder desires to purchase any shares. In the event any offer is accepted by any or all of the remaining shareholders of the Corporation in whole or in part, the purchase price shall be due and payable within sixty (60) days after any such acceptance, or as the parties may otherwise agree.

Section 4. Death of Shareholder. In the event of the death of any holder of Common Shares, of any class, of the Corporation, the shares owned by such deceased shareholder shall be deemed to be offered for sale to the Dean (including Acting Dean) for purchase at \$5.00 a share as set forth in Section 1 hereof. Said offer shall remain open for acceptance by the Dean for a period of three (3) months after the date of the appointment of the executor or administrator of the estate of such deceased shareholder, unless prior to the expiration of such period, the Dean notifies such executor or administrator of its election not to purchase, in which case the right to purchase of the Dean shall

expire on the date of such notice. In the event the Dean elects not to purchase all or any part of the shares so offered, the shares shall be deemed offered to the remaining shareholders. Said offer shall remain open for acceptance for a period of one (1) month. In the event any of said offers are accepted in whole or in part, the purchase price shall be due and payable within sixty (60) days after such exercise, or as the parties may otherwise agree.

Section 5. Disqualification. In the event any holder of Common Shares, of any class, of the Corporation becomes no longer licensed to practice medicine in the State of Ohio, the shares owned by such disqualified shareholder shall be deemed to be offered for sale to the Corporation for purchase at \$5.00 per share as set forth in Section 2 hereof.

Section 6. Pledge or Other Hypothecation. In the event of a proposed pledge or other hypothecation of the Common Shares, of any class of the Corporation, the pledgee or other person proposed to acquire a security interest in said shares shall acknowledge in writing to the Corporation his receipt of a copy of the restrictions contained in this Article VIII and his agreement to comply therewith and be bound thereby. In the event no such acknowledgment is received by the Corporation, such pledge or other hypothecation shall not be made.

Section 7. Bankruptcy of Shareholder. In the event of the insolvency or the appointment of a receiver of any property of any shareholder, or an assignment for the benefit of creditors, filing of a petition of bankruptcy, or commencement of any proceedings under any bankruptcy or insolvency laws by or against any shareholder, the Common Shares, of any class, of the Corporation owned by such shareholder at the date of any such event shall be deemed to be offered for sale in the manner provided in Sections 1 and 2 at \$5.00 a share. The offer to the Dean shall remain open for acceptance for a period of six (6) months after the date of the appointment of the receiver or trustee in bankruptcy. In the event the Dean elects not to purchase all or any part of the shares so offered, the subsequent offer to the Corporation shall remain open for acceptance for an additional period of three (3) months. In the absence of any order of disposition by any court having such jurisdiction, such shares shall be and remain subject to the provisions and restrictions contained in this Article VIII.

Section 8. Termination of Shareholder's Employment or Position. In the event that any holder of shares subject to these restrictions shall (a) resign or otherwise cease to be an employee of the Corporation, or (b) resign or otherwise cease to be an employee of COM or (c) resign or otherwise cease to hold the positions of Dean or Acting Dean of COM any Common Shares, of any class, of the Corporation then owned by such holder shall be deemed to be offered for sale as set forth in Sections 1, 2, and 3 hereof.

Section 9: Certificate Legend. All Common Shares, of any class, of the Corporation shall be subject to the terms and provisions of this Article VIII, and the certificates for all such shares shall bear substantially the following legend:

"The shares represented by this certificate are issued and held subject to the rights of purchase and restrictions on transfer contained in the Code of Regulations of the Association on file at the office of the Association, and transfer of these shares cannot be made except upon compliance therewith, of which notice is hereby given. The Association will mail to any shareholder a copy of such rights and restrictions, without charge, within five (5) days after receipt of written request therefor.

"Shareholders shall have no pre-emptive right to subscribe to any or all additional issues of stock of this Association of any or all classes."

Section 10. Binding Nature of Provisions; Amendment. The provisions contained in this Article VIII shall be binding upon and inure to the benefit of each person now or hereafter becoming a holder of Common Shares, of any class, of the Corporation, and upon and to their respective executors, administrators, heirs, successors and assigns. Said provisions may not be altered, changed, modified or amended except by the unanimous consent of the holders of record of all of the outstanding Common Shares of the Corporation entitled to vote thereon.

ARTICLE IX

Fiscal Year

The fiscal year of the Corporation shall end on the 31st of January in each year, or on such other date as may be fixed from time to time by the Board of Directors.

ARTICLE X

Seal

The Board of Directors may provide a suitable seal containing the name of the Corporation. If deemed advisable by the Board of Directors, duplicate seals may be provided and kept for the purposes of the Corporation.

ARTICLE XI

Amendments

This Code of Regulations may be amended, or new regulations may be adopted, at any meeting of shareholders called for such purpose by the affirmative vote of, or without a meeting by the written consent of, the holders of shares entitling them to exercise two-thirds of the voting power of the Corporation on such proposal.

Copy: All members
and recipients
of Agenda

FACULTY PRACTICE PLAN OF
OHIO UNIVERSITY COLLEGE OF OSTEOPATHIC MEDICINE

Précis

The Ohio University College of Osteopathic Medicine (COM) has developed an organizational form through which its faculty members can provide clinical services to the general public. The most important objective for such an organization is to provide a vehicle which would:

1. improve the quality of patient care by providing clinical instructors with an opportunity to maintain their professional skills and, at the same time, providing a vehicle through which students of COM could further their education by participation in patient care under professional supervision;
2. provide a salary and fringe benefit package which will help make the Medical School competitive with other opportunities which may be offered to prospective faculty members;
3. enable COM to look to the patient care dollar to provide an extra source of revenue in addition to the University budgeted amounts for expenditures for the benefit of COM and the University, generally in areas where state funds are not available; and
4. provide a means of controlling the extent to which clinical faculty engage in private practice in order to maintain the highest quality educational program.

GENERAL DESCRIPTION

Following a careful analysis of alternative organizational forms, it was concluded that a professional association incorporated under Chapter 1785 of the Ohio Revised Code, would provide the most flexible means to enable the Medical School to meet its objectives. The professional association will be named "Ohio University Medical Associates, Inc." (Associates). Stock ownership will be limited to physicians licensed to practice medicine in Ohio who are affiliated with the Medical School. Through its governing instruments, a contract with the Dean of the Medical School and the University, employment agreements, and other legal arrangements, ultimate control of Associates will be retained by the Dean of the Medical School and the University. This arrangement is designed to assure operation consistent with the educational objectives of the Medical School.

ORGANIZATION OF ASSOCIATES

The legal existence of Associates will begin when the Articles of Incorporation and the Original Appointment of Agent are filed with the Secretary of the State of Ohio. The Articles fix the maximum authorized number of shares at 500, but shares initially will be issued only to the Dean of COM. In the future, additional shares may be issued to department chairmen or other participating faculty.

Once the procedural steps associated with the incorporation are complete, the shareholder will adopt a Code of Regulations which will provide the basic organizational structure for Associates. The board of directors of Associates will consist of five persons which will include the President of Ohio University and the Dean of the Medical School. Each director must meet certain qualifications in order to be elected. Associates will have a president, a secretary, a treasurer, and other officers as permitted under Ohio law. The Dean of the Medical School, in his capacity as a director, will have specific authority over certain budgetary matters of Associates.

OPERATION OF ASSOCIATES

COM and Associates will enter into a Clinical Practice Agreement. Through this document, funds will be established to be disbursed to or for the combined benefit of the University and COM.

The Associates and each physician/employee will enter into an employment agreement. The agreements will deal with the duties of the physicians, compensation and fringe benefits, malpractice insurance, and other topics incident to an employee arrangement. The employment agreements will be drafted to maintain a careful balance between clinical and educational activities of faculty members.

MEETING EDUCATIONAL OBJECTIVES

A medical school is only as good as its faculty and students. To attract the highest quality faculty, it is mandatory that the University be competitive not only financially but also in opportunities for continued growth of physicians through clinical practice both for advancement of clinical skills and as a base for continuing medical education.

Associates will assist the University to compete for outstanding physicians while maintaining a proper balance between the clinical and educational activities of its faculty. This balance can be maintained because of the legal relationship between the University and Associates. The flexibility of operating in corporate form, however, will permit Associates and the medical school to remain "relevant" and to meet the needs of this community, both today and in the future.

Copy: Lavelle
Halter
Phillips
Spencer

OHIO UNIVERSITY COLLEGE OF
OSTEOPATHIC MEDICINE
FACULTY PRACTICE PLAN

Prepared By:

Richard H. Leukart, II
Douglas M. Mancino
Baker, Hostetler & Patterson
Cleveland, Ohio
January 19, 1978

INTRODUCTION

The Ohio University College of Osteopathic Medicine (hereinafter "COM") has decided to develop an organizational form through which its faculty members can provide clinical services to the general public. Through correspondence and meetings with representatives of COM, several objectives were developed for such an organization. The most important objective was to provide a vehicle which would

1. improve the quality of patient care by giving clinical instructors an opportunity to maintain their professional skills and, at the same time, providing a vehicle through which students of COM could further their education by participation in patient care under professional supervision;
2. provide a salary and fringe benefit package which is competitive with other opportunities which may be offered to prospective faculty members;
3. enable COM to look to the patient care dollar to provide an extra source of revenue for the medical school in addition to the University budgeted amounts for expenditures for the benefit of COM and the University, generally in areas where state funds are not available; and
4. provide a means of controlling the extent to which the clinical faculty engages in private practice in order to maintain the highest quality educational program.

I. GENERAL DESCRIPTION OF PLAN

In preparing the initial description of alternatives which could be adopted by COM, it was recognized that any plan adopted by COM must be designed to meet as many of the foregoing objectives as possible. At the same time, however, State statutes and the Internal Revenue Code have made the attainment of all objectives more difficult. Following a careful analysis of alternative organizational forms, it was concluded that a professional association incorporated under Chapter 1785 of the Revised Code of Ohio would provide a flexible means to enable COM to meet most, if not all, of its objectives.

The professional association will be named "Ohio University Medical Associates, Inc.," (hereinafter "Associates"). The principal difference between Associates and a regular for-profit professional association will be that all of the shares will be issued to physicians licensed to practice medicine in Ohio who are affiliated with the College of Osteopathic Medicine. In addition, through its Code of Regulations, a contract with the Dean of COM and Ohio University, employment agreements, and other of legal arrangements, ultimate control will be retained by the Dean of COM and Ohio University.

II. ORGANIZATIONAL DOCUMENTS

A. Articles of Incorporation

The legal existence of Associates will begin when the Articles of Incorporation and Original Appointment of Agent are filed with the Secretary of the State of Ohio. Attached as Exhibit A to this Memorandum are proposed Articles of Incorporation.

In connection with the Articles several items should be noted:

1. Article Third states that the sole purpose for which Associates is formed is to render medical care, consultation, diagnosis and treatment through physicians and surgeons licensed to practice medicine in the State of Ohio. Under Ohio law, it appears to be permissible for osteopathic and allopathic physicians to practice within the same professional association. However, Chapter 1785 of the Revised Code will limit Associates' ability to engage in activities other than those which are necessary or proper in connection with the practice of medicine. This latter requirements may restrict the ability of Associates to provide other medically related services in the future. For instance, the provision of consulting services by basic scientists on the faculty through Associates may be limited in some instances; however,

under appropriate circumstances, it may be possible to have basic science faculty as employees of Associates. In addition, dentists on the faculty who wish to participate in a practice plan will have to organize a separate professional association, since only one profession may be practiced through a professional association.

2. Article Fourth establishes the maximum authorized number of shares at 500. This reason for the selection of the number 500 is quite simple. When the Articles of Incorporation and Appointment of Statutory Agent are finalized and signed by the incorporator, they must be filed with the Secretary of State in order to complete the legal formation of the professional association. In addition, these two documents must be accompanied by a filing fee which is based on the number of authorized shares of all classes as set forth in the Articles. Since the filing fee is at the rate of 10¢ per share if Associates is authorized to issue from one to 1,000 shares of all classes, but a minimum fee of \$50.00 must be paid, it is easier to authorize 500 shares at the time of incorporation (this being the number of shares which are paid for by the minimum fee). Regardless of the number of shares authorized by the Articles, not all of the shares have to be issued. Article Fourth merely authorizes the number of shares that could be issued presently or at any time in the future.

3. Article Sixth limits the issuance of stock to physicians duly licensed to practice medicine in the State of Ohio. This means, for example, that the President of Ohio University could not become a shareholder unless he also is a licensed physician.

4. Articles Seventh and Eighth give to the board of directors flexibility to issue additional stock and to redeem stock which is outstanding. Both articles will be useful if the College of Medicine wishes to increase or decrease the scope of stock ownership in Associates.

B. Procedures Following Incorporation

After the Articles are filed with the Secretary of State, the incorporator will have several duties to fulfill:

1. The shares of Associates cannot be issued or subscribed to prior to their being registered with the Ohio Division of Securities, unless the number of shareholders is so limited as to bring the shares within the so-called 3-0 exemption. Once the shares have been registered with the Ohio Division of Securities the books of subscription of Associates then can be opened. Initially, the subscription to shares will be open only to the Dean of COM who is a licensed physician and will constitute, in effect, a contract to purchase shares which should be discharged currently in payment in full for his shares. In the future, additional shares may be issued to department chairmen or other participating faculty.

2. Once the books of subscription are opened, the incorporator also allocates the subscription proceeds between capital and surplus, and adopts a Section 1244 small business stock plan. The Section 1244 stock plan provides favorable tax treatment to shareholders by giving ordinary loss rather than capital loss treatment for the original owners of the stock issued under the plan if the Section 1244 stock is sold or exchanged at a loss, or becomes worthless.

3. Following receipt of sufficient subscriptions by the incorporator, a time and place for the first meeting of shareholders will be designated. With that action, the incorporator will be relieved of further duties.

C. Code of Regulations.

The next step is to conduct the organizational meeting of the shareholders. The purposes of the meeting will be two-fold:

1. to adopt a Code of Regulations, and
2. to elect the initial directors of Associates.

Attached as Exhibit B is a draft Code of Regulations for Associates. The Code will provide the basic organizational structure for Associates.

Article I of the Code deals with the meetings of shareholders. It provides for the time, places and notices of meetings, quorum requirements, proxies, and numerous other items related to the conduct of meetings of shareholders.

Article II of the Code deals with the election and composition of the board of directors of Associates. The board shall consist of five (5) persons, including the President of Ohio University and the Dean of COM. Other directors must also have certain qualifications in order to be elected. The qualifications can, in appropriate cases, be modified.

We have considered the advisability of limiting membership on the board of directors solely to licensed physicians. Such a limitation would allay the risks of adverse tax and legal consequences that could arise if a question were raised by the Internal Revenue Service, by the State Attorney General, or by other physicians in the area.

The problem with having non-physicians on the board is that it is unclear under Ohio law that it is permissible to have such persons on the board. Under the Ohio Professional Association Act, the qualifications for shareholders of a professional association are precise. They require that each shareholder be a licensed physician. However, even though some states have similar provision limiting membership on the board of directors to licensed physicians, Ohio law does not. In the absence of such provision, it would appear that the directors do not have to be licensed physicians. However this is an area of ambiguity which no Ohio court has considered and does create some

element of risk that the presence of non-physicians on the board of directors would conceivably cause the Ohio Attorney General to conclude that Associates is not a properly organized professional association under Chapter 1785 of the Revised Code and direct the Secretary of State to withdraw its charter.

Nevertheless, while there is some small element of risk which has to be considered in having non-physician board members, the principal reason given for limiting the control to licensed physicians is usually to maintain the integrity and control over the professional practice of medicine in licensed physicians. Since this can be accomplished by having a majority of the board consist of licensed physicians, it is believed that it should be possible to circumvent this restriction and adequately meet all claims by having at least three licensed physicians as directors.

Article II, Section 2 of the proposed Code sets terms of directors at one (1) year. A short term was selected because it appears advisable to keep the term as short as possible until COM and Associates weather the first few years of operations. After the operations of both COM and Associates have become routine, it then may be advisable, for purposes of stability and uniformity, to increase the terms of directors to two or three years and to stagger the terms so that a portion of the directors' terms would expire each year.

Article III deals with board committees. The principal committee is, of course, the executive committee. However, Section 3 of Article III authorizes the creation of "such other standing or special committees" as the board deems desirable. This gives the board of directors the flexibility to create board committees such as a finance committee or a fringe benefits committee. The board may also create special advisory or operational committees which may consist, in whole or in part, of persons who are not directors. Such committees can provide advice to the board or be delegated authority over administrative aspects of Associates (e.g. purchasing).

Article IV provides for the officers. Under Ohio law, a corporation must have a president, a secretary and a treasurer. The officers are elected by the directors. Article IV, Section 1 provides that the president, vice-presidents and the chairman of the board must be licensed physicians. In addition, the president, any vice-president who succeeds to the office of the president, and the chairman of the board must be chosen from among the board of directors. This is an optional provision, since none of the officers other than the chairman of the board needs to be a director. However, it is advisable to have these three individuals as directors in order that they can participate actively in

board meetings and serve on committees of the board which act for the full board between meetings.

Article V is a standard provision which describes the duties of the officers.

Article VI deals with indemnification and the purchase of insurance. This article deals only with suits brought by or in the right of Associates or by third parties against officers, directors and other individuals for their acts on behalf of Associates. It does not deal with professional liability.

Article VII is a procedural article dealing with the form, registration and other requirements for the issuance of shares. Section 3 implements Article Sixth of the Articles of Incorporation and prohibits issuance of share certificates to any person unless the secretary is satisfied the person is licensed to practice medicine in Ohio.

Article VIII restricts the transfer of shares. It provides, essentially, that Associates, under any of the specified circumstances, has the right to purchase the shares from a shareholder at a fixed price of \$5.00 a share. It also may refuse to exercise its right of purchase. In the event Associates declines to exercise its rights to purchase such shares, the selling shareholder then must offer the shares for purchase by others in accordance with the restrictions on transfer.

III. OPERATIONAL DOCUMENTS AND OBJECTIVES

A. Clinical Practice Agreement

The principal document establishing the relationship between COM and Associates will be the Clinical Practice Agreement. Section IV(C) of the Ohio University Faculty Handbook indicates that members of the faculty are free to engage in outside work of a professional nature. Reports on the nature and extent of outside work are required. Except as indicated below, the only limitation is that outside employment must not interfere with specified regular University duties and effective service of the faculty member. Prior official approval from the dean of the College of Medicine appears to be necessary only when such work necessitates a reduction of teaching load and/or administrative responsibilities, or when the expenditure of University funds is involved.

It must be assumed that practice of medicine through Associates will involve the expenditure of University funds and, therefore, must be approved by the dean. The Clinical Practice Agreement will be drafted to implement this provision.

Implementation of Section IV(C) is most important from the standpoint of Associates. Faculty group practices conducted in the corporate form such as Associates are taxable as regular corporations. Accordingly, to the extent

that Associates' gross receipts from professional practice exceed the expenses of such practice, including salaries and fringe benefits, Associates' income will be subject to federal, state and local taxation. To minimize the impact of these taxes on it, the Clinical Practice Agreement will make it clear that if a physician wishes to engage in the practice of medicine he must do so through Associates. Faculty employment contracts will also be modified accordingly.

In return for the University's granting of this exclusive privilege to it, Associates will agree to pay part or all of its net earnings to COM directly or to funds established in the Ohio University Fund. Once the agreement has been prepared, a determination will be made whether to seek an advance ruling from Internal Revenue Service as to the deductibility of these payments. A recent private letter ruling indicates that a favorable ruling could be obtained.

B. Employment Agreement

An employment agreement will be entered into by Associates and each physician/employee. The employment agreement will deal with the duties of the physicians, compensation and fringe benefits, malpractice insurance, and other types incident to an employer/employee relationship. All employment agreements will be drafted to maintain a

careful balance between clinical and educational activities of faculty members.

C. Affiliation Agreements

One of the keys to the successful operation of Associates is that each physician be treated as an employee of the corporation with respect to his professional practice of medicine. It has been our experience that as university-affiliated group practices develop, demands for the services of individual faculty members increase. Therefore, from the outset, it will be necessary that all corporate formalities be observed in operating the professional corporation.

Service contracts between an employee and, for example, a hospital for specified services should be transferred to Associates or replaced by a new contract between the hospital and Associates. In addition, new agreements with potential affiliates such as satellite facilities or rural health clinics will be needed.

D. Educational Objectives

A medical school is only as good as its faculty and students. To attract the highest quality faculty, it is mandatory that Ohio University be competitive not only financially but also in opportunities for continued growth of physicians through clinical practice both for advancement of clinical skills and as a base for continuing medical education.

Associates will assist the University to compete for outstanding physicians while maintaining a proper balance between the clinical and educational activities of its faculty. This balance can be maintained because of the legal relationship between Ohio University and Associates. The flexibility of operating in corporate form, however, will permit Associates and COM to remain "relevant" and to meet the needs of the community, both today and in the future.

IV. EMPLOYMENT BENEFITS

As stated at the outset, one of the objectives in establishing Associates is to provide a salary and fringe benefit package which can be competitive with other monetary opportunities available to existing and prospective faculty members. Both current and deferred benefits should be involved in such a package.

A. Deferred Benefits

The principal type of deferred benefit should be a qualified retirement plan. Generally, tax qualified retirement plans are of two basic types: defined benefit pension plans, under which the dollar amount of a participant's benefit can be determined from a formula in the plan instrument; and defined contribution plans, under which a participant's benefit is determined by the balance credited to his individual account under the plan at the relevant time. Any

qualified retirement plan or plans established for employees of Associates should, at the appropriate time, be of the defined contribution type (i.e., profit sharing and/or money purchase pension).

There are several reasons for this recommendation. Defined contribution plans are not subject to the plan termination insurance provisions and certain funding requirements of the Employee Retirement Income Security Act of 1974 ("ERISA") which are applicable to defined benefit pension plans. Under ERISA, once a defined benefit pension plan has been in existence for a certain length of time, the Pension Benefit Guaranty Corporation ("PBGC") automatically guarantees the payment of benefits under the plan for retired and vested participants if the plan terminates without sufficient assets to pay all guaranteed benefits. The employer will be liable to the PBGC for the amount the PBGC pays to the participants and beneficiaries under the plan, up to 30% of the net worth of the employer. In addition, the Internal Revenue Code imposes certain funding requirements on defined benefit pension plans which provide for the imposition of non-deductible excise taxes on the employer if not satisfied. In addition, defined contribution plans could produce significant tax benefits for Associates and provide substantial benefits for participants but, as compared to defined benefit plans, are much more easily and economically established and administered, and are subject

to less extensive and less complex reporting and disclosure requirements.

The basic features of profit sharing and money purchase pension plans are described below and, where such features differ between profit sharing plans and money purchase pension plans, the differences are noted.

1. Company Contributions. Contributions by Associates would be made to a trust fund established under the plan. All contributions under the plan from Associates would be paid to the trustee of the trust and invested in such manner as the trustee deems proper, subject to the restrictions under ERISA and any limitations contained in the plan itself. All benefits under the plan are payable only from the trust fund.
 - a. Profit Sharing Plan - Under a profit sharing plan contributions from Associates could be made only from profits, either current net profits or accumulated profits. The plan may, but need not, contain a formula for determining Associates' annual contribution. If the plan does not contain a formula for fixing contributions, Associates' board of directors would determine the contribution for each year. The maximum deductible company contribution for any year under the

Internal Revenue Code is an amount equal to 15% of the aggregate compensation paid to the participants in the plan for the plan year. If in a particular plan year less than the maximum contribution is made, the tax laws generally would allow Associates to make up such contributions in a subsequent year, subject to certain limitations.

- b. Money Purchase Pension Plan - A money purchase pension plan is required to contain a formula for determining the amount of contributions Associates will make each year. When coupled with a profit sharing plan, this percentage should not be greater than 10%. Contributions to a money purchase pension plan are made without regard to whether Associates has a current net profits or accumulated profits. Thus, if a profit sharing plan and money purchase pension plan are established, the maximum deductible contribution which may be made in any year is 25% of the compensation otherwise paid to the plan participants during the plan year, assuming Associates has sufficient profits available to make the maximum contribution under the profit sharing plan.

2. Employees Eligible for Participation. The qualification requirements under the Internal Revenue Code for retirement plans require that the plan's coverage not discriminate in favor of employees who are officers, shareholders or "highly-compensated." Generally, this means that the plan must cover either 70% of the employees, or it must cover a fair cross section of employees. In addition, only very limited age and/or service requirements for participation are permitted under the qualification requirements.

3. Allocation of Company Contributions, Fund Depreciation and Forfeitures. Under both a profit sharing plan and a money purchase pension plan, Associates' contribution to the plan for a plan year would be allocated among the accounts of the participants in the plan who are active participants for the plan year. Generally, plans provide that this allocation is made according to the ratio which a particular participant's compensation for the year bears to the total compensation for the year of all participants entitled to share in the company's contribution for the year. All gains and losses realized on the investment of the trust fund assets of the plan are allocated proportionately among the accounts of all plan participants.

Forfeitures arising under a profit sharing plan as a result of the termination of employment of participants who are less than 100% vested are reallocated among the accounts of active participants for that plan year in the same manner as company contributions. In the case of a money purchase pension plan, the requirements for qualification require that such forfeitures be used to reduce Associate's contributions in the following year, rather than being reallocated among the accounts of other participants.

4. Benefits

- a. Normal Retirement Benefits - A participant who retires on or after his normal retirement date as specified in the plan will be entitled to a benefit equal to the amount credited to his account under the plan as of the date he retires. A plan may, but need not, provide that a participant will retire on his normal retirement date.
- b. Death Benefit - In the event of the death of a participant, the beneficiary designated by the participant will be entitled to receive a death benefit equal to the amount credited to

the participant's account on the date of his death.

- c. Disability Benefit - In the event of permanent total disability prior to retirement, the participant will be entitled to receive a disability benefit equal to the amount credited to his account as of the date he ceases to be employed.
- d. Other Termination of Employment (Deferred Vested Benefit) - A participant who ceases to be employed under circumstances which do not qualify him to receive a benefit under any other provision of the plan may be entitled to receive a deferred vested benefit equal to a percentage of his account balance at time of termination of employment, with such percentage depending upon the vesting schedule adopted under the plan. ERISA and the Internal Revenue Service impose minimum vesting standards.

- 5. Distribution of Benefits. Benefits are distributed to a retired or terminated vested participant in a lump sum payment and/or in equal monthly, quarterly, semi-annual or annual installment payments

over a specified period of time determined by the advisory committee appointed to administer the plan. Because of certain requirements of ERISA relating to qualified joint and survivor annuities, it is recommended that the plan (when adopted) not permit distribution of benefits in the form of a life annuity.

6. Administration of the Plan. The plan's day to day operations of the plan will be administered by a committee consisting of one or more members appointed by the board of directors of Associates. However, the ultimate responsibility for the administration of the plan is vested in Associates.

B. Current Benefits

In addition to qualified retirement plans, there are a number of other employee benefits which Associates may wish to consider establishing currently or at a later date. These are outlined as follows:

1. Life insurance
 - a. Group term insurance
 - b. "Split dollar" insurance
 - c. "Key man" insurance
2. Health and accident protection
 - a. Insured plans
 - b. Medical reimbursement plans
 - c. Section 501(c)(9) trust

3. Disability protection
4. Educational benefit trust for employees' children
5. Unfunded deferred compensation arrangements
6. Payment of educational and professional expenses of employees

All fringe and retirement plans will involve the expenditure of funds. Before any plan or benefit is adopted, cost analyses must be made and quotations obtained.

Richard H. Leukart, II
Douglas M. Mancino
Baker, Hostetler & Patterson
January 19, 1978

ARTICLES OF INCORPORATION
OF
OHIO UNIVERSITY MEDICAL ASSOCIATES, INC.

The undersigned, an individual licensed to practice medicine in the State of Ohio, desiring to form a professional association under Chapter 1785 of the Revised Code of Ohio for the purpose of organizing licensed physicians and surgeons who are faculty members of Ohio University College of Osteopathic Medicine into a multispecialty faculty group practice, does hereby certify:

FIRST, the name of the professional association shall be OHIO UNIVERSITY MEDICAL ASSOCIATES, INC.

SECOND, the place in Ohio where its principal office is to be located is City of Athens, County of Athens.

THIRD, the sole purpose for which this professional association is formed is to render medical care, consultation, diagnosis and treatment through physicians and surgeons licensed to practice medicine in the State of Ohio, and to do such things as are necessary or proper in connection therewith.

FOURTH, the maximum number of shares that the professional association is authorized to have outstanding

is five hundred (500) shares of common stock, each without par value.

FIFTH, the amount of capital with which the professional association will begin business is \$500.

SIXTH, no share of stock of this professional association shall be issued to any person who is not a physician duly licensed to practice medicine in the State of Ohio.

SEVENTH, shareholders shall have no pre-emptive right to subscribe to any or all additional issues of stock of this professional association of any or all classes.

EIGHTH, the professional association by its directors may purchase shares of any class issued by it either by redemption of such shares or by repurchase if and when any shareholder desires to, or on the happening of any event is required to, sell such shares.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation, this _____ day of _____, 1978.

Frank W. Myers, D.O.
(Incorporator)

FINANCIAL REPORT

*For The Fiscal Year
Ended June 30, 1977*



OHIO UNIVERSITY

ATHENS, OHIO



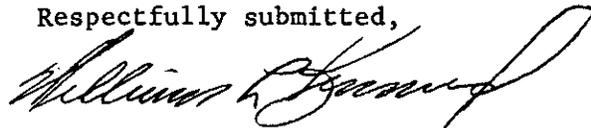
TO

THE PRESIDENT AND TRUSTEES OF

OHIO UNIVERSITY

I herewith tender the Financial
Statement of Ohio University for the
fiscal year from July 1, 1976 to
June 30, 1977.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "William L. Kennard".

William L. Kennard, Treasurer
and Controller



BOARD OF TRUSTEES

MEMBERS

MILTON J. TAYLOR, LANCASTER.....MAY 13, 1985
FRED H. JOHNSON, COLUMBUS.....MAY 13, 1977
DORTHY S. JOHNS, CLEVELAND.....MAY 13, 1978
J. WALLACE PHILLIPS, COLUMBUS.....MAY 13, 1979
DR. CHARLES E. HOLZER, JR. GALLIPOLIS.....MAY 13, 1980
WILLIAM A. LAVELLE, ATHENS.....MAY 13, 1981
J. GRANT KEYS, ELYRIA.....MAY 13, 1982
DONALD A. SPENCER, CINCINNATI.....MAY 13, 1983
G. KENNER BUSH, ATHENS.....MAY 13, 1984
JOHN W. GALBREATH, COLUMBUS.....HONORARY

OFFICERS

FRED H. JOHNSON.....CHAIRMAN
DORTHY S. JOHNS.....VICE CHAIRMAN
ROBERT E. MAHN.....SECRETARY

UNIVERSITY PRESIDENT

CHARLES J. PING



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OHIO UNIVERSITY

Accounting Principles - Financial Reporting

The accounts of Ohio University are maintained in accordance with the Uniform Manual of Accounts and Financial Reports for State-Assisted Colleges and Universities of Ohio published by the Auditor of the State of Ohio. Essentially, this manual follows the principles recommended by the American Council on Education.

Generally, accounts are maintained on an accrual basis. With the exception of unpaid pledges or unrestricted gifts or bequests, all substantial amounts receivable, payable, prepaid or accrued are included in the balance sheet and appropriate statements of income, expense and fund balances. Gifts and bequests are recognized when received. Generally, expenditures are charged when the University contractually commits itself to the receipt of goods or outside services.

All accounts are classified into the following balanced fund groups:

- Current Funds
- Loan Funds
- Endowments and Similar Funds
- Plant Funds
- Agency Funds

Current Funds

Included are all funds available for current operations, subdivided as follows:

Educational and General

Funds which are unrestricted and available for general operating purposes.

Auxiliary Enterprises

Funds which are available for the operation of the various enterprises operated primarily for students and staff.

Restricted

Funds which are available for current operating purposes but only in compliance with restrictions specified by the donors or grantors.



Loan Funds

Included are funds available for loans to students.

Loans granted are receivables of the fund until they are repaid. At that time, the money becomes available for new loans.

Additions to these funds are from endowment fund income, gifts, governmental grants, interest on loans outstanding and appropriations from other University Funds. Deductions are the result of notes cancelled or written off and certain administrative expenses related to loan programs.

Endowment and Similar Funds

Included are funds which are invested with only the investment income available for the purposes established by the donor or, in the case of funds functioning as endowments, by the University.

Plant Funds

Plant Funds are subgrouped into the following:

Unexpended - Funds to be used for the acquisition of long-lived assets for institutional purposes.

Renewals and replacements - Funds set aside for the renewal and replacement of institutional properties.

Retirement of indebtedness - Funds set aside for debt service charges and retirement of indebtedness on institutional plant.

Investment in plant - The cost of long-lived assets (other than those of endowment and similar funds) and the associated liabilities.

Sources of funds include appropriations and grants from governmental agencies, borrowings from external sources for plant purposes, borrowings by advances from other fund groups, donations and mandatory and nonmandatory transfers from other fund groups.

Mandatory transfers for retirement of indebtedness are in accordance with the 1972 Trust Agreement which requires that interest, principal and other reserve requirements are to be transferred from unrestricted funds. This mandatory transfer has been charged through Ohio University Board of Trustee action to the current auxiliary enterprises.

Agency Funds

Included are funds received by the University as custodian or fiscal agent for others. They are disbursed on instructions and in behalf of those from whom received. They are not assets of the University.

OHIO UNIVERSITY

Balance Sheet

June 30, 1977

Assets

	<u>June 30, 1977</u>	<u>June 30, 1976</u>
Current funds		
Unrestricted		
Educational and general		
Cash and certificates of deposit	\$ 1,746,800	\$ 1,390,412
Investments, at cost (market value \$2,075,111) (Schedule 1)	2,072,308	1,995,111
Accounts receivable, less allowance for doubtful accounts \$140,798	635,513	544,653
Accrued interest receivable	36,058	19,031
Inventories, at cost	874,002	789,115
Prepaid expenses and deferred charges	671,350	582,676
Due from auxiliary enterprises	151,323	53,874
Due from agency funds	-	10,708
Due from loan funds	10,000	381,287
Due from unexpended plant funds	169,172	169,002
Total educational and general	<u>6,366,526</u>	<u>5,935,869</u>
Auxiliary enterprises		
Cash and certificates of deposit	363,640	322,128
Investments, at cost (market value \$199,599) (Schedule 1)	198,268	199,403
Accounts receivable, less allowance for doubtful accounts \$73,727	58,301	58,055
Accrued interest receivable	1,757	-
Inventories, at cost	508,774	587,243
Prepaid expenses and deferred charges	42,297	26,734
Due from agency funds	467	348
Due from unexpended plant funds	1,603	-
Total auxiliary enterprises	<u>1,175,107</u>	<u>1,193,911</u>
Total unrestricted	<u>7,541,633</u>	<u>7,129,780</u>
Restricted		
Cash	-	57,466
Accounts receivable	717,871	445,915
Due from endowment funds	-	88,856
Due from loan funds	11,546	7,695
Due from educational and general	316,583	293,757
Total restricted	<u>1,046,000</u>	<u>893,689</u>
Total current funds	<u>8,587,633</u>	<u>8,023,469</u>

OHIO UNIVERSITY

Balance Sheet

June 30, 1977

Liabilities and Fund Balances

	<u>June 30, 1977</u>	<u>June 30, 1976</u>
Current funds		
Unrestricted		
Educational and general		
Accounts payable	\$ 267,890	\$ 210,427
Encumbrances payable	599,640	438,441
Accrued liabilities	3,403,658	3,272,022
Deposits	29,622	70,244
Deferred credits	1,442,036	1,322,272
Due to agency funds	61,242	-
Due to restricted funds	316,583	293,757
Fund balances		
Allocated (Exhibit E)	231,418	285,093
Unallocated (Exhibit B)	14,437	43,613
Total educational and general	<u>6,366,526</u>	<u>5,935,869</u>
Auxiliary enterprises		
Accounts payable	148,225	223,305
Encumbrances payable	33,684	-
Accrued liabilities	311,490	298,336
Deposits	287,667	264,538
Deferred credits	101,069	100,460
Due to educational and general	151,323	53,874
Due to plant funds-retirement of indebtedness	62,588	212,451
Fund balances		
Allocated (Exhibit E)	62,503	35,555
Unallocated (Exhibit B, Exhibit D)	16,558	5,392
Total auxiliary enterprises	<u>1,175,107</u>	<u>1,193,911</u>
Total unrestricted	<u>7,541,633</u>	<u>7,129,780</u>
Restricted		
Encumbrances payable	138,005	121,733
Due to endowment funds	33,855	-
Fund balances (Exhibit B)	874,140	771,956
Total restricted	<u>1,046,000</u>	<u>893,689</u>
Total current funds	<u>8,587,633</u>	<u>8,023,469</u>

OHIO UNIVERSITY

Balance Sheet, continued

Assets, continued

	<u>June 30, 1977</u>	<u>June 30, 1976</u>
Loan funds		
Cash	\$ 215,797	\$ 184,553
Notes receivable	3,918,120	3,618,012
Accounts receivable	18,154	50,418
	<u>4,152,071</u>	<u>3,852,983</u>
Endowment and similar funds		
Cash and certificates of deposit	49,844	234,394
Investments (Schedule 1)		
Marketable securities, at cost or contributed value (market value \$1,792,866)	1,885,240	1,760,898
Due from restricted funds	33,855	-
Total endowment and similar funds	<u>1,968,939</u>	<u>1,995,292</u>
Plant funds		
Unexpended		
Cash and certificates of deposit	278,394	183,159
Investments, at cost	-	452,471
State appropriations receivable	4,626,318	3,106,423
Accrued interest receivable	907	2,017
Federal grants receivable	177,890	177,890
	<u>5,083,509</u>	<u>3,921,960</u>
Retirement of indebtedness		
Deposits with trustees	2,978,411	2,879,656
State appropriation receivable	179,002	-
Due from auxiliary enterprises	62,588	212,451
Total retirement of indebtedness	<u>3,220,001</u>	<u>3,092,107</u>

OHIO UNIVERSITY
Balance Sheet, continued

Liabilities and Fund Balances, continued

	<u>June 30, 1977</u>	<u>June 30, 1976</u>
Loan funds		
Notes payable	\$ 7,500	\$ 7,500
Due to educational and general	10,000	381,287
Due to restricted funds	11,546	7,695
Fund balance (Exhibit B)		
National direct student loan fund	3,829,118	3,186,401
Other	293,907	270,100
Total loan funds	<u>4,152,071</u>	<u>3,852,983</u>
Endowment and similar funds		
Due to restricted funds	-	88,856
Fund balances (Exhibit B)		
Restricted	1,968,939	1,906,436
Total endowment and similar funds	<u>1,968,939</u>	<u>1,995,292</u>
Plant funds		
Unexpended		
Accounts payable	298,072	451,240
Due to educational and general	169,172	169,002
Due to auxiliary enterprises	1,603	-
Fund balances (Exhibit B)		
Restricted	82,096	1,133,798
Unrestricted - allocated	127,383	57,483
Unrestricted - unallocated	7,193	24,868
Allocated for encumbrances	4,397,990	2,085,569
Total unexpended	<u>5,083,509</u>	<u>3,921,960</u>
Retirement of indebtedness		
Fund balances (Exhibit B)		
Restricted	3,220,001	3,053,342
Unrestricted - allocated	-	38,765
Total retirement of indebtedness	<u>3,220,001</u>	<u>3,092,107</u>

OHIO UNIVERSITY
Balance Sheet, continued

Assets, continued

	<u>June 30, 1977</u>	<u>June 30, 1976</u>
Plant funds, continued		
Investment in plant		
Land	\$ 6,465,543	\$ 6,384,197
Improvements other than buildings	7,068,336	6,786,059
Buildings	124,821,000	122,102,332
Movable equipment, furniture and library books	19,773,346	19,291,734
Construction in progress	3,887,104	2,813,691
Total investment in plant	<u>162,015,329</u>	<u>157,378,013</u>
Total plant funds	<u>170,318,839</u>	<u>164,392,080</u>
Agency funds		
Cash	52,266	26,776
Investments, at cost (market value \$102,586) (Schedule 1)	102,586	100,000
Due from educational and general	61,242	-
Total agency funds	<u>\$ 216,094</u>	<u>\$ 126,776</u>

OHIO UNIVERSITY

Balance Sheet, continued

Liabilities and Fund Balances, continued

	<u>June 30, 1977</u>	<u>June 30, 1976</u>
Plant funds, continued		
Investment in plant		
Notes payable	\$ -	\$ 5,875,000
Bonds payable (Schedule 2)	45,205,000	39,520,000
Net investment in plant (Exhibit B)	116,810,329	111,983,013
Total investment in plant	<u>162,015,329</u>	<u>157,378,013</u>
Total plant funds	<u>170,318,839</u>	<u>164,392,080</u>
Agency funds		
Deposits held in custody for others	215,627	115,720
Due to educational and general	-	10,708
Due to auxiliary enterprises	467	348
Total agency funds	<u>\$ 216,094</u>	<u>\$ 126,776</u>

OHIO UNIVERSITY

Statement of Changes in Fund Balances

Year ended June 30, 1977

	Unrestricted	
	Educational and General	Auxiliary Enterprises
Revenues and other additions		
Unrestricted current fund revenues	\$45,545,222	\$11,783,570
State appropriations - restricted	-	-
Federal grants and contracts - restricted	-	-
State grants and contracts - restricted	-	-
Private gifts, grants, and contracts - restricted	-	-
Endowment income - restricted	-	-
Interest on loans receivable	-	-
Expended for plant facilities (includes \$503,737 charged to current fund expenditures)	-	-
Retirement of indebtedness	-	-
Investment income	-	-
Investment income - restricted	-	-
Land lease income	-	-
Sale of general receipts bonds - series 1977	-	-
Accrued interest received on sale of general receipts bonds	-	-
Temporary loan from general fund	-	-
Total revenues and other additions	<u>45,545,222</u>	<u>11,783,570</u>
Expenditures and other deductions		
Educational and general expenditures	43,933,809	-
Auxiliary enterprises expenditures	-	12,339,397
Indirect cost recovered	-	-
Realized loss on investment	-	-
Loan cancellations and write-offs	-	-
Administrative and collection costs	-	-
Expended for plant facilities (includes noncapitalized expenditures of \$664)	-	-
Retirement of indebtedness	-	-
Interest on indebtedness	-	-
Disposal and write-off of plant facilities	-	-
Total expenditures and other deductions	<u>43,933,809</u>	<u>12,339,397</u>
Transfers among funds - additions/(deductions)		
Mandatory		
Principal and interest	-	(717,599)
Loan funds	(412,724)	-

Current Funds

<u>Total</u> <u>Unrestricted</u>	<u>Educa</u> <u>a</u> <u>Ger</u>
-------------------------------------	--

\$57,328,792	\$ -
-	19
-	4,19
-	77
-	32
-	11

<u>57,328,792</u>	<u>5,5</u>
-------------------	------------

43,933,809	4,9
12,339,397	4

<u>56,273,206</u>	<u>5,3</u>
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(717,599)
(412,724)

OHIO UNIVERSITY

Statement of Changes in Fund Balances, Continued

	Unrestricted	
	Educational and General	Auxiliary Enterprises
Transfers among funds - additions/(deductions), continued		
Nonmandatory		
Current allocated fund balance - net (Exhibit E)	\$ 53,675	\$ (26,948)
Endowment unexpended income	-	-
Support to auxiliary enterprises	(1,311,540)	1,311,540
Educational and general	30,000	-
Total transfers	<u>(1,640,589)</u>	<u>566,993</u>
Net increase/(decrease) for the year	(29,176)	11,166
Fund balance at the beginning of year	43,613	5,392
Adjustments to beginning fund balance	-	-
Fund balance at end of year	<u>\$ 14,437</u>	<u>\$ 16,558</u>

Note A - Previously institutional matching funds for the National Direct Student Loan Program were classified as accounts receivable in the educational and general fund. These funds have been reclassified as mandatory transfers to loan funds and reported as notes receivable in the loan funds. Included in the transfer is \$381,287 previously reported as accounts receivable in the educational and general fund.

Note B - Due to changes in the Uniform Manual Of Accounting published by the Auditor of State, the June 30, 1976 balances for the Ohio Instructional Grant program \$31,718 and the Basic Education Opportunity Grant program \$54,997 have been reclassified as agency funds.

Note C - Interest expense on convocation center notes for June 1976 reported as accounts payable in the current fund.

Stat

Current Fund

<u>Total Unrestricted</u>	<u>Edu G</u>
\$ 26,727	\$
-	
30,000	
<u>(1,073,596)</u>	
(18,010)	
49,005	
-	
<u>\$ 30,995</u>	<u>\$</u>

OHIO UNIVERSITY

Statement of Current Funds Revenues, Expenditures and Other Changes

Year ended June 30, 1977

	Unrestricted	
	Educational and General	Auxiliary Enterprises
Revenues (Schedules 3, 8A-8G)		
Tuition, fees and other student charges	\$19,276,140	\$ -
State appropriations	23,910,289	-
Federal grants and contracts	464,631	-
State grants and contracts	22,754	-
Private gifts, grants, and contracts	118,618	-
Endowment income	7,646	-
Sales and services	1,168,710	11,696,143
Other sources	576,434	87,427
Total revenues	<u>45,545,222</u>	<u>11,783,570</u>
Expenditures and mandatory transfers		
Educational and general (Schedule 5)		
Instruction and departmental research	23,474,737	-
Separately budgeted research	307,403	-
Public service	974,089	-
Academic support	5,422,986	-
Student services	3,406,467	-
Institutional support	4,070,026	-
Operation and maintenance of plant	5,253,339	-
Scholarships and fellowships	1,024,762	-
Total educational and general expenditures	<u>43,933,809</u>	-
Auxiliary enterprises (Schedules 8A-8G)	-	12,339,397
Mandatory transfers for		
Principal and interest	-	717,599
Loan funds	412,724	-
Total expenditures and mandatory transfers	<u>44,346,533</u>	<u>13,056,996</u>
Nonmandatory transfers and additions/(deductions)		
Nonmandatory transfers for		
Current allocated fund balance - net (Exhibit E)	53,675	(26,948)
Support to auxiliary enterprises	(1,311,540)	1,311,540
Debt service reserve	-	-
Endowment unexpended income	-	-
Loan funds	-	-
Plant funds	30,000	-
Indirect costs recovered	-	-
Excess of restricted receipts over transfers to revenue	-	-
Refunded to grantor	-	-
Net increase/(decrease) in fund balances	<u>\$ (29,176)</u>	<u>\$ 11,166</u>

Note A - see page 11

OHIO UNIVERSITY

Statement of Current Funds Revenues, Expenditures and Other Changes

Year ended June 30, 1977

Total Unrestricted	Educational and General	Restricted		June 30, 1977 Total Current Funds	June 30, 1976 Total Current Funds
		Auxiliary Enterprises	Total Restricted		
\$19,276,140	\$ -	\$ -	\$ -	\$19,276,140	\$17,636,151
23,910,289	192,264	-	192,264	24,102,553	23,549,711
464,631	3,561,372	-	3,561,372	4,026,003	5,625,907
22,754	723,019	-	723,019	745,773	1,011,716
118,618	350,931	-	350,931	469,549	384,629
7,646	73,976	-	73,976	81,622	159,592
12,864,853	-	-	-	12,864,853	11,640,335
663,861	-	-	-	663,861	385,837
<u>57,328,792</u>	<u>4,901,562</u>	<u>-</u>	<u>4,901,562</u>	<u>62,230,354</u>	<u>60,393,878</u>
23,474,737	1,587,144	-	1,587,144	25,061,881	23,078,500
307,403	982,764	-	982,764	1,290,167	1,249,449
974,089	1,290,619	-	1,290,619	2,264,708	1,776,080
5,422,986	353,009	-	353,009	5,775,995	5,128,734
3,406,467	64,013	-	64,013	3,470,480	3,143,068
4,070,026	91,106	-	91,106	4,161,132	4,696,153
5,253,339	59,331	-	59,331	5,312,670	5,125,155
1,024,762	473,576	-	473,576	1,498,338	3,422,047
<u>43,933,809</u>	<u>4,901,562</u>	<u>-</u>	<u>4,901,562</u>	<u>48,835,371</u>	<u>47,619,186</u>
12,339,397	-	-	-	12,339,397	11,365,572
717,599	-	-	-	717,599	1,333,048
412,724	-	-	-	412,724-A	(4,026)
<u>57,403,529</u>	<u>4,901,562</u>	<u>-</u>	<u>4,901,562</u>	<u>62,305,091</u>	<u>60,313,780</u>
26,727	-	-	-	26,727	(147,593)
-	-	-	-	-	-
-	-	-	-	-	(38,765)
-	(33,855)	-	(33,855)	(33,855)	(119,556)
-	-	-	-	-	2,377
30,000	-	-	-	30,000	-
-	(475,079)	-	(475,079)	(475,079)	(420,275)
-	697,833	-	697,833	697,833	114,832
-	-	-	-	-	(31,982)
<u>\$ (18,010)</u>	<u>\$ 188,899</u>	<u>\$ -</u>	<u>\$ 188,899</u>	<u>\$ 170,889</u>	<u>\$ (560,864)</u>

OHIO UNIVERSITY

Statement of Changes in Auxiliary Enterprises Fund Balances

Year ended June 30, 1977

	<u>Residence halls</u>	<u>Dining halls</u>	<u>Student union</u>
Revenue	<u>\$5,729,480</u>	<u>\$5,155,517</u>	<u>\$407,201</u>
Expenditures	<u>5,238,594</u>	<u>4,887,350</u>	<u>656,585</u>
Transfers among funds-additions/ (deductions)			
Mandatory			
Principal and interest	(507,915)	(278,893)	-
Nonmandatory			
Current allocated fund balance - net (Exhibit E)	(37,674)	10,726	-
Support from current unrestricted funds	<u>55,000</u>	-	<u>249,384</u>
Total transfers	<u>(490,589)</u>	<u>(268,167)</u>	<u>249,384</u>
Net increase/(decrease) for the year	297	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 297</u>	<u>\$ -</u>	<u>\$ -</u>

OHIO UNIVERSITY

Statement of Changes in Auxiliary Enterprises Fund Balances

Year ended June 30, 1977

<u>Intercollegiate athletics</u>	<u>Airport</u>	<u>Convocation center</u>	<u>Golf course</u>	<u>Student art supply store</u>	<u>Total</u>
\$ 114,419	\$187,463	\$ -	\$29,548	\$159,942	\$11,783,570
<u>1,057,211</u>	<u>258,387</u>	<u>54,599</u>	<u>37,856</u>	<u>148,815</u>	<u>12,339,397</u>
-	-	69,209	-	-	(717,599)
-	-	-	-	-	(26,948)
942,792	70,924	-	-	(6,560)	1,311,540
<u>942,792</u>	<u>70,924</u>	<u>69,209</u>	<u>-</u>	<u>(6,560)</u>	<u>566,993</u>
-	-	14,610	(8,308)	4,567	11,166
-	-	-	(1,565)	6,957	5,392
<u>\$ -</u>	<u>\$ -</u>	<u>\$14,610</u>	<u>\$ (9,873)</u>	<u>\$ 11,524</u>	<u>\$ 16,558</u>



OHIO UNIVERSITY

Statement of Changes in Current Funds Allocated Fund Balances

Year ended June 30, 1977

	Educational and General	Auxiliary Enterprises		
	Reserve for Working Capital	Reserve for Working Capital	Reserve for Encumbrances	Total
Transfers (to) from				
Unallocated fund balance				
Transferred from the unallo- cated fund balance by action of the governing board for purposes designated	\$231,418	\$ -	\$62,503	\$62,503
Returned to the unallocated fund balance to support expenditures for purposes designated	(285,093)	(35,555)	-	(35,555)
Net increase/(decrease) for the year	(53,675)	(35,555)	62,503	26,948
Balance, July 1, 1976	285,093	35,555	-	35,555
Balance, June 30, 1977	<u>\$231,418</u>	<u>\$ -</u>	<u>\$62,503</u>	<u>\$62,503</u>
Balance consists of the following:				
Residence and dining hall:				
Capital improvements, equipment and repairs	-	-	44,126	-
Consulting services	-	-	7,800	-
Supplies and miscellaneous	-	-	10,577	-
Rotaries	108,889	-	-	-
Research	10,416	-	-	-
Overhead return policy	49,300	-	-	-
Library book purchases	40,077	-	-	-
Independent study through correspondence subsidy	46,360	-	-	-
College of osteopathic medicine	(57,456)	-	-	-
Outstanding administrator award	2,529	-	-	-
Nursery child care center	(8,979)	-	-	-
Accelerator laboratory	1,861	-	-	-
Electrical engineering lease	850	-	-	-
College of arts and sciences salary	19,929	-	-	-
Stores/receiving vehicle	6,500	-	-	-
Scientific equipment	6,000	-	-	-
Trisolini gallery art	5,000	-	-	-
Box office service	142	-	-	-
Balance June 30, 1977	<u>\$231,418</u>	<u>\$ -</u>	<u>\$62,503</u>	<u>\$62,503</u>



OHIO UNIVERSITY
Schedule of Investments

June 30, 1977

CURRENT FUNDS

<u>Description</u>	<u>Cost or contributed value</u>	<u>Market value</u>
Unrestricted:		
Educational and general		
Commercial paper	\$ 927,315	\$ 928,150
United States Agency	895,300	897,216
United States Treasury	249,693	249,745
Total marketable securities	<u>2,072,308</u>	<u>2,075,111</u>
Auxiliary enterprises		
United States Agency	<u>198,268</u>	<u>199,599</u>

ENDOWMENT AND SIMILAR FUNDS

United States Treasury	44,971	45,698
Commercial paper	73,000	73,000
Corporate bonds	1,299,331	1,186,964
Preferred stock	25,000	29,375
Common stock	442,938	457,829
Total marketable securities	<u>1,885,240</u>	<u>1,792,866</u>

AGENCY FUNDS

United States Agency	<u>102,586</u>	<u>102,586</u>
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OHIO UNIVERSITY

Schedule of Plant Indebtedness

June 30, 1977

	<u>Date assumed</u>	<u>Due date</u>	<u>Interest rate</u>
Notes payable:			
Convocation Center notes of 1976	May 14, 1976	May 12, 1977	7.25%
Total notes payable			
Bonds payable:			
General receipts bonds			
Series 1972	June 1, 1972	1974-2011	4.25-6.25
Series 1974	Dec. 3, 1974	1978-2011	7.25-8.25
Series 1977	March 3, 1977	1979-2008	5.90-7.90
Total bonds payable			
Total plant indebtedness			

Note A Initially issued Convocation Center notes in 1966 in the principal amount of \$7,000,000. The 1976 notes were retired from the proceeds of the sale of the 1977 general receipts bonds.

OHIO UNIVERSITY

Schedule of Plant Indebtedness

June 30, 1977

<u>Original indebtedness</u>	<u>To date</u>	<u>Current year</u>	<u>Outstanding indebtedness</u>
\$ 7,000,000-A <u>7,000,000</u>	\$ 7,000,000 <u>7,000,000</u>	\$5,875,000 <u>5,875,000</u>	\$ -0- <u>-0-</u>
24,700,000	545,000	190,000	24,155,000
15,175,000	-0-	-0-	15,175,000
5,875,000	-0-	-0-	5,875,000
<u>45,750,000</u>	<u>545,000</u>	<u>190,000</u>	<u>45,205,000</u>
<u>\$52,750,000</u>	<u>\$ 7,545,000</u>	<u>\$6,065,000</u>	<u>\$45,205,000</u>



OHIO UNIVERSITY

Schedule of Current Revenues - Educational and General
Central Campus and Branches

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Tuition, fees, and other student charges			
Instructional	\$12,585,105	\$ -	\$12,585,105
General	2,444,608	-	2,444,608
Nonresident surcharge	3,125,980	-	3,125,980
Noncredit instructional	587,411	-	587,411
Special course fee	39,377	-	39,377
Application and matriculation	271,244	-	271,244
Fines and penalties	30,774	-	30,774
Course change order	20,698	-	20,698
Parking lot	26,742	-	26,742
Diploma fee	58,554	-	58,554
Transcripts	57,891	-	57,891
Other	27,756	-	27,756
Total tuition, fees, and other student charges	<u>19,276,140</u>	<u>-</u>	<u>19,276,140</u>
State appropriations			
Instructional subsidy	22,766,346	-	22,766,346
Other through regents	1,143,943	192,264	1,336,207
Total state appropriations	<u>23,910,289</u>	<u>192,264</u>	<u>24,102,553</u>
Federal grants and contracts	<u>464,631</u>	<u>3,561,372</u>	<u>4,026,003</u>
State grants and contracts	<u>22,754</u>	<u>723,019</u>	<u>745,773</u>
Private gifts and grants	<u>118,618</u>	<u>350,931</u>	<u>469,549</u>
Endowment income	<u>7,646</u>	<u>73,976</u>	<u>81,622</u>
Sales and services of educational activities			
University press	202,487	-	202,487
Nursery child care center	70,785	-	70,785
Rotaries	844,521	-	844,521
Health services	50,917	-	50,917
Total sales and services of educational activities	<u>1,168,710</u>	<u>-</u>	<u>1,168,710</u>
Other sources			
Temporary investments	121,488	-	121,488
Rental income	54,330	-	54,330
Parking fines	67,494	-	67,494
Other	333,122	-	333,122
Total other sources	<u>576,434</u>	<u>-</u>	<u>576,434</u>
Total current revenues - unrestricted and restricted	<u>\$45,545,222</u>	<u>\$4,901,562</u>	<u>\$50,446,784</u>



OHIO UNIVERSITY

Schedule of Current Revenues - Educational and General
Central Campus Only

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Tuition, fees, and other student charges			
Instructional	\$10,402,821	\$ -	\$10,402,821
General	2,153,638	-	2,153,638
Nonresident surcharge	3,118,471	-	3,118,471
Noncredit instructional	459,841	-	459,841
Special course fee	39,377	-	39,377
Application and matriculation	223,873	-	223,873
Fines and penalties	28,982	-	28,982
Course change order	18,786	-	18,786
Parking lot	26,742	-	26,742
Diploma fee	58,554	-	58,554
Transcripts	57,892	-	57,892
Other	25,038	-	25,038
Total tuition, fees, and other student charges	<u>16,614,015</u>	<u>-</u>	<u>16,614,015</u>
State appropriations			
Instructional subsidy	19,650,362	-	19,650,362
Other through regents	1,143,943	160,368	1,304,311
Total state appropriations	<u>20,794,305</u>	<u>160,368</u>	<u>20,954,673</u>
Federal grants and contracts	<u>447,053</u>	<u>3,412,026</u>	<u>3,859,079</u>
State grants and contracts	<u>18,998</u>	<u>632,784</u>	<u>651,782</u>
Private gifts and grants	<u>118,618</u>	<u>350,267</u>	<u>468,885</u>
Endowment income	<u>7,646</u>	<u>68,996</u>	<u>76,642</u>
Sales and services of educational activities			
University press	202,487	-	202,487
Nursery child care	70,785	-	70,785
Rotaries	844,521	-	844,521
Health services	50,917	-	50,917
Total sales and services of educational activities	<u>1,168,710</u>	<u>-</u>	<u>1,168,710</u>
Other sources			
Temporary investments	121,488	-	121,488
Rental income	14,379	-	14,379
Parking fines	67,494	-	67,494
Other	326,787	-	326,787
Total other sources	<u>530,148</u>	<u>-</u>	<u>530,148</u>
Total current revenues - unrestricted and restricted	<u>\$39,699,493</u>	<u>\$4,624,441</u>	<u>\$44,323,934</u>

OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus and Branches

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Instruction and departmental research			
College of arts and sciences	\$10,599,936	\$ 193,138	\$10,793,074
College of business administration	1,916,813	165,961	2,082,774
College of communications	1,718,980	28,259	1,747,239
College of education	3,289,949	906,341	4,196,290
College of engineering	1,329,548	10,427	1,339,975
College of fine arts	2,675,167	78,947	2,754,114
College of medicine	295,229	-	295,229
International studies	90,357	91,227	181,584
Continuing education and credit workshops	891,051	-	891,051
Correspondence	383,555	10,967	394,522
Nursing-health	133,623	53,870	187,493
Engineering technology	48,666	-	48,666
Human services technology	-	48,007	48,007
Law enforcement technology	26,974	-	26,974
Library technology	20,092	-	20,092
Secretarial technology	64,853	-	64,853
Over accrual group insurance	(10,056)	-	(10,056)
Total instruction and departmental research	<u>23,474,737</u>	<u>1,587,144</u>	<u>25,061,881</u>
Separately budgeted research			
Research institute	78,515	445	78,960
Sponsored research	106,751	-	106,751
Faculty research projects	-	982,319	982,319
Computer services	94,712	-	94,712
Matching funds	27,425	-	27,425
Total separately budgeted research	<u>307,403</u>	<u>982,764</u>	<u>1,290,167</u>
Public service			
University press	294,737	232	294,969
Conferences and institutes	504,776	-	504,776
Noncredit instruction	137,330	6,730	144,060
Other	37,246	1,283,657	1,320,903
Total public service	<u>974,089</u>	<u>1,290,619</u>	<u>2,264,708</u>
Academic support			
Libraries	1,879,217	90,100	1,969,317
Audio visual services	1,128,925	82,561	1,211,486
Academic services	2,291,635	180,348	2,471,983
University nursery school	135,577	-	135,577
Over accrual group insurance	(12,368)	-	(12,368)
Total academic support	<u>5,422,986</u>	<u>353,009</u>	<u>5,775,995</u>

OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus and Branches

Year ended June 30, 1977

<u>Salaries and Wages</u>	<u>Staff Benefits</u>	<u>Equipment</u>	<u>Other</u>
\$ 8,581,844	\$1,647,921	\$ 74,171	\$ 489,138
1,717,334	259,471	5,044	100,925
1,375,384	283,783	13,820	74,252
3,248,505	486,007	13,045	448,733
1,020,360	186,819	18,717	114,079
2,143,405	409,861	21,591	179,257
247,719	30,651	12,439	4,420
126,416	9,926	23,704	21,538
691,799	65,926	2,675	130,651
267,040	38,353	260	88,869
153,539	18,514	5,395	10,045
39,274	4,447	350	4,595
37,965	4,594	3,400	2,048
23,464	2,954	-	556
17,033	2,314	-	745
53,183	6,655	-	5,015
-	(10,056)	-	-
<u>19,744,264</u>	<u>3,448,140</u>	<u>194,611</u>	<u>1,674,866</u>
46,350	7,264	6,829	18,517
54,105	7,040	5,661	39,945
641,957	67,465	69,349	203,548
44,515	6,630	4,735	38,832
-	27,425	-	-
<u>786,927</u>	<u>115,824</u>	<u>86,574</u>	<u>300,842</u>
104,161	11,011	-	179,797
161,158	18,738	200	324,680
120,502	7,711	-	15,847
906,858	84,877	10,362	318,806
<u>1,292,679</u>	<u>122,337</u>	<u>10,562</u>	<u>839,130</u>
1,140,124	171,625	494,046	163,522
803,369	114,823	27,372	265,922
1,735,111	311,642	78,025	347,205
108,926	18,482	305	7,864
-	(12,368)	-	-
<u>3,787,530</u>	<u>604,204</u>	<u>599,748</u>	<u>784,513</u>

OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus and Branches, Continued

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Student services			
Dean of students	97,815	1,576	99,391
Student health service	927,004	3,010	930,014
Counseling and career guidance	194,325	2,337	196,662
Admissions office	457,135	7,608	464,743
Registrar	470,144	2,516	472,660
Financial aid administration	275,298	27,561	302,859
Student activities	582,343	19,405	601,748
Intramural sports and recreation	63,646	-	63,646
Computer services	402,528	-	402,528
Over accrual group insurance	(9,398)	-	(9,398)
Auxiliaries indirect costs	(54,373)	-	(54,373)
Total student services	<u>3,406,467</u>	<u>64,013</u>	<u>3,470,480</u>
Institutional support			
Presidents office	- 144,442	-	144,442
Provost	220,467	4,766	225,233
Vice provost for regional higher education	112,392	-	112,392
Vice president for operations	109,098	978	110,076
Vice president university relations	31,515	-	31,515
Treasurer and controller	698,008	4,497	702,505
Personnel	199,935	866	200,801
Purchasing	180,187	898	181,085
Stores receiving	129,495	-	129,495
Publications	148,413	713	149,126
Resident examiners	39,056	-	39,056
Mail services	90,185	-	90,185
Security	465,354	-	465,354
Development office	166,212	2,484	168,696
Public information	79,618	5,058	84,676
Legislative liaison	9,010	-	9,010
University memberships	17,896	-	17,896
Director information services	56,505	273	56,778
Institutional research	43,663	283	43,946
Computer services	388,207	-	388,207
Legal service	77,452	1,772	79,224
Faculty senate	36,417	-	36,417
Sports information	21,261	-	21,261
Equal opportunity	38,283	3,481	41,764
Secretary to board and university	18,797	-	18,797
Unemployment compensation	79,229	-	79,229
Insurance (travel, crime, auto)	12,033	-	12,033
Payments to retired persons	21,860	-	21,860
University planning	82,459	811	83,270

OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus and Branches, Continued

<u>Salaries and Wages</u>	<u>Staff Benefits</u>	<u>Equipment</u>	<u>Other</u>
81,191	11,663	(8)	6,545
760,695	111,437	4,165	53,717
142,875	22,669	-	31,118
317,494	51,030	733	95,486
326,191	58,302	(3)	88,170
236,176	36,600	1,204	28,879
312,780	37,277	5,905	245,786
56,232	5,727	-	1,687
189,188	28,177	20,126	165,037
-	(9,398)	-	-
-	-	-	(54,373)
<u>2,422,822</u>	<u>353,484</u>	<u>32,122</u>	<u>662,052</u>
108,355	14,718	(4)	21,373
176,801	23,648	1,325	23,459
84,029	12,768	-	15,595
92,394	12,177	71	5,434
22,140	2,441	-	6,934
551,098	92,497	2,479	56,431
158,548	25,300	(8)	16,961
144,388	23,551	454	12,692
143,896	26,883	368	(41,652)
85,661	12,820	183	50,462
38,859	-	-	197
72,977	14,072	-	3,136
378,617	70,639	102	15,996
144,773	22,018	-	1,905
60,091	9,431	(15)	15,169
6,500	26	-	2,484
-	-	-	17,896
45,614	6,527	1,145	3,492
34,529	5,022	56	4,339
172,997	35,166	15,580	164,464
62,944	9,211	(5)	7,074
29,337	3,525	-	3,555
17,086	2,256	-	1,919
28,668	3,438	-	9,658
11,073	1,581	-	6,143
-	79,229	-	-
-	-	-	12,033
-	21,860	-	-
68,751	10,636	-	3,883

OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus and Branches, Continued

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Institutional support, continued			
Graphics reproduction	12,522	2,306	14,828
President local 1699	13,407	-	13,407
Monthly fee payment plan	11,691	-	11,691
Bad debt expense	17,884	-	17,884
Other	49,413	37,104	86,517
Trisolini art gallery	16,876	-	16,876
Deans, regional higher education	484,320	24,816	509,136
Over accrual group insurance	(12,954)	-	(12,954)
Auxiliaries indirect costs	(240,582)	-	(240,582)
Total institutional support	<u>4,070,026</u>	<u>91,106</u>	<u>4,161,132</u>
Operation and maintenance of plant			
Administration	866,965	9,331	876,296
Custodial services	1,156,777	-	1,156,777
Maintenance of buildings	860,416	-	860,416
Maintenance of grounds	313,345	-	313,345
Utilities	1,825,918	-	1,825,918
Motor vehicles	55,980	-	55,980
Capital improvements	170,797	-	170,797
Telephone operations	169,234	-	169,234
Rental properties	41,939	50,000	91,939
Over accrual group insurance	(21,284)	-	(21,284)
Auxiliaries indirect costs	(186,748)	-	(186,748)
Total operation and maintenance of plant	<u>5,253,339</u>	<u>59,331</u>	<u>5,312,670</u>
Scholarships and fellowships			
Scholarships			
Grant in aid	311,664	412,048	723,712
Prizes and awards	713,098	61,528	774,626
Total scholarships and fellowships	<u>1,024,762</u>	<u>473,576</u>	<u>1,498,338</u>
Total current expenditures - educational and general	<u>\$43,933,809</u>	<u>\$ 4,901,562</u>	<u>\$48,835,371</u>

OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus and Branches, Continued

<u>Salaries and Wages</u>	<u>Staff Benefits</u>	<u>Equipment</u>	<u>Other</u>
66,056	10,282	5,195	(66,705)
11,391	2,016	-	-
8,548	1,663	-	1,480
1,958	-	-	15,926
99,232	27,887	2,401	(43,003)
5,742	850	(105)	10,389
379,491	55,751	639	73,255
-	(12,954)	-	-
-	-	-	(240,582)
<u>3,312,544</u>	<u>626,935</u>	<u>29,861</u>	<u>191,792</u>
433,770	86,020	5,339	351,167
905,197	179,070	1,596	70,914
632,732	111,753	2,256	113,675
208,061	39,865	636	64,783
466,495	81,479	891	1,277,053
52,160	8,899	(932)	(4,147)
-	-	2,910	167,887
50,668	9,299	-	109,267
-	-	-	91,939
-	(21,284)	-	-
-	-	-	(186,748)
<u>2,749,083</u>	<u>495,101</u>	<u>12,696</u>	<u>2,055,790</u>
-	-	-	723,712
-	-	-	774,626
-	-	-	1,498,338
<u>\$34,095,849</u>	<u>\$ 5,766,025</u>	<u>\$ 966,174</u>	<u>\$ 8,007,323</u>



OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus Only

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Instruction and departmental research			
College of arts and science	\$ 9,138,261	\$ 193,138	\$ 9,331,399
College of business administration	1,608,490	165,961	1,774,451
College of communications	1,585,016	28,259	1,613,275
College of education	2,902,503	864,615	3,767,118
College of engineering	1,300,409	10,427	1,310,836
College of fine arts	2,524,216	78,947	2,603,163
College of medicine	295,229	-	295,229
International studies	90,357	91,227	181,584
Continuing education and credit workshops	730,428	-	730,428
Correspondence	383,555	10,967	394,522
Over accrual group insurance	(10,056)	-	(10,056)
Total instruction and departmental research	<u>20,548,408</u>	<u>1,443,541</u>	<u>21,991,949</u>
Separately budgeted research			
Research institute	78,515	445	78,960
Sponsored research	106,751	-	106,751
Faculty research projects	-	982,319	982,319
Computer services	94,712	-	94,712
Matching funds	27,425	-	27,425
Total separately budgeted research	<u>307,403</u>	<u>982,764</u>	<u>1,290,167</u>
Public service			
University press	294,737	232	294,969
Conferences and institutes	504,776	-	504,776
Noncredit instruction	48,669	6,730	55,399
Other	37,246	1,250,103	1,287,349
Total public service	<u>885,428</u>	<u>1,257,065</u>	<u>2,142,493</u>
Academic support			
Libraries	1,621,357	74,380	1,695,737
Audio visual services	1,128,925	82,561	1,211,486
Academic administration	2,291,635	180,348	2,471,983
University nursery school	135,577	-	135,577
Over accrual group insurance	(12,368)	-	(12,368)
Total academic support	<u>5,165,126</u>	<u>337,289</u>	<u>5,502,415</u>
Student services			
Dean of students	97,815	1,576	99,391
Student health service	927,004	3,010	930,014
Counseling and career guidance	194,325	2,337	196,662
Admissions office	341,155	7,608	348,763
Registrar	470,144	2,516	472,660
Financial aid administration	275,298	27,561	302,859



OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus Only, continued

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Student services, continued			
Student activities	\$ 396,362	\$ 12,552	\$ 408,914
Intramural sports and recreation	63,646	-	63,646
Computer services	402,528	-	402,528
Over accrual group insurance	(9,398)	-	(9,398)
Auxiliaries indirect costs	(54,373)	-	(54,373)
Total student services	<u>3,104,506</u>	<u>57,160</u>	<u>3,161,666</u>
Institutional support			
President's office	144,442	-	144,442
Provost	220,467	4,766	225,233
Vice president for operations	109,098	978	110,076
Vice president university relations	31,515	-	31,515
Treasurer and controller	698,008	4,497	702,505
Personnel	199,935	866	200,801
Purchasing	180,187	898	181,085
Stores receiving	129,495	-	129,495
Publications	148,413	713	149,126
Resident examiners	39,056	-	39,056
Mail services	90,185	-	90,185
Security	465,354	-	465,354
Development office	166,212	2,484	168,696
Public information	79,618	5,058	84,676
Legislative liaison	9,010	-	9,010
University memberships	17,896	-	17,896
Director information services	56,505	273	56,778
Institutional research	43,663	283	43,946
Computer services	388,207	-	388,207
Legal service	77,452	1,772	79,224
Faculty senate	36,417	-	36,417
Sports information	21,261	-	21,261
Equal opportunity	38,283	3,481	41,764
Secretary to board and university	18,797	-	18,797
Over accrual group insurance	(12,954)	-	(12,954)
Unemployment compensation	79,229	-	79,229
Insurance (travel, crime, auto)	12,033	-	12,033
Payments to retired persons	21,860	-	21,860
University planning	82,459	811	83,270
Graphics reproduction	12,522	2,306	14,828
President local 1699	13,407	-	13,407
Monthly fee payment plan	11,691	-	11,691
Branch campuses indirect costs	(809,500)	-	(809,500)
Bad debt expense	17,884	-	17,884
Other	49,413	37,104	86,517
Trisolini art gallery	16,876	-	16,876
Auxiliaries indirect costs	(240,582)	-	(240,582)
Total institutional support	<u>2,663,814</u>	<u>66,290</u>	<u>2,730,104</u>



OHIO UNIVERSITY

Schedule of Current Expenditures - Educational and General
Central Campus Only, continued

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Operation and maintenance of plant:			
Administration	\$ 166,285	\$ 9,331	\$ 175,616
Custodial services	1,156,777	-	1,156,777
Maintenance of buildings	860,416	-	860,416
Maintenance of grounds	313,345	-	313,345
Utilities	1,825,918	-	1,825,918
Motor vehicles	55,980	-	55,980
Capital improvements	170,797	-	170,797
Telephone operations	169,234	-	169,234
Rental properties	41,939	50,000	91,939
Over accrual group insurance	(21,284)	-	(21,284)
Auxiliaries indirect costs	(186,748)	-	(186,748)
Total operation and maintenance of plant	<u>4,552,659</u>	<u>59,331</u>	<u>4,611,990</u>
Scholarships and fellowships			
Scholarships			
Grant-in-aid	285,752	364,453	650,205
Prizes and awards	713,098	56,548	769,646
Total scholarships and fellowships	<u>998,850</u>	<u>421,001</u>	<u>1,419,851</u>
Total current expenditures - educational and general	<u>\$38,226,194</u>	<u>\$4,624,441</u>	<u>\$42,850,635</u>



OHIO UNIVERSITY

Schedule of Current Revenues, Expenditures, and Other Changes -
Educational and General - Branches, Off-Campus Instruction, and Academic Centers

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
Tuition, fees, and other student charges			
Instructional	\$2,182,284	\$ -	\$2,182,284
General	290,970	-	290,970
Nonresident surcharge	7,509	-	7,509
Noncredit instructional	127,570	-	127,570
Application and matriculation	47,370	-	47,370
Fines and penalties	1,792	-	1,792
Course change order	1,912	-	1,912
Other	2,718	-	2,718
Total tuition, fees and other student charges	<u>2,662,125</u>	-	<u>2,662,125</u>
State appropriations			
Instructional subsidy	3,115,984	-	3,115,984
Other through regents	-	31,896	31,896
Total state appropriations	<u>3,115,984</u>	<u>31,896</u>	<u>3,147,880</u>
Federal grants and contracts	17,578	149,346	166,924
State grants and contracts	3,756	90,235	93,991
Private gifts, grants, and contracts	-	664	664
Endowment income	-	4,980	4,980
Other sources			
Rentals	39,951	-	39,951
Other	6,335	-	6,335
Total other sources	<u>46,286</u>	<u>-</u>	<u>46,286</u>
Total revenues	<u>5,845,729</u>	<u>277,121</u>	<u>6,122,850</u>
Expenditures and mandatory transfers			
Educational and general			
Instruction and departmental research			
College of arts and sciences	1,461,675	-	1,461,675
College of business administration	308,323	-	308,323
College of communications	133,964	-	133,964
College of education	387,446	41,726	429,172
College of engineering	29,139	-	29,139
College of fine arts	150,951	-	150,951
Continuing education	160,623	-	160,623
Nursing-health	133,623	53,870	187,493
Engineering technology	48,666	-	48,666
Human services technology	-	48,007	48,007
Law enforcement technology	26,974	-	26,974



OHIO UNIVERSITY

Schedule of Current Revenues, Expenditures, and Other Changes - Educational and General - Branches, Off-Campus Instruction, and Academic Centers, continued

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Expenditures and mandatory transfers, continued			
Educational and general, continued			
Instruction and departmental research, continued			
Library technology	\$ 20,092	\$ -	\$ 20,092
Secretarial technology	64,853	-	64,853
Total instruction and departmental research	2,926,329	143,603	3,069,932
Public service			
Noncredit instruction	88,661	-	88,661
Other	-	33,554	33,554
Total public services	88,661	33,554	122,215
Academic support			
Libraries	257,860	15,720	273,580
Total academic support	257,860	15,720	273,580
Student services			
Admissions	115,980	-	115,980
Student activities	185,981	6,853	192,834
Total student services	301,961	6,853	308,814
Institutional support			
Vice provost regional higher education	112,392	-	112,392
Deans, regional higher education	484,320	24,816	509,136
Indirect costs from central campus	809,500	-	809,500
Total institutional support	1,406,212	24,816	1,431,028
Operation and maintenance of plant			
Administration	700,680	-	700,680
Total operation and maintenance of plant	700,680	-	700,680
Scholarships and fellowships			
Grant-in-aid	25,912	47,595	73,507
Prizes and awards	-	4,980	4,980
Total scholarships and fellowships	25,912	52,575	78,487
Total educational and general expenditures	5,707,615	277,121	5,984,736
Mandatory transfers for			
Loan fund matching grant	500	-	500
Total expenditures and mandatory transfers	5,708,115	277,121	5,985,236
Nonmandatory transfers and additions/(deductions)			
Excess of restricted receipts over transfers to revenue	-	(244)	(244)
Total decrease in fund balance	\$ 137,614	\$ (244)	\$ 137,370

OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other
Changes - Residence and Dining Halls

Year ended June 30, 1977

	Residence Halls	
	Unrestricted	Restricted
Revenues		
Student room rentals and meals	\$4,866,161	\$ -
Room rentals - other	204,694	-
Forfeited deposits	35,586	-
Apartment rentals	432,622	-
Garage and other facility rentals	102,980	-
Employee meals	-	-
Guest meals and snack bar sales	-	-
Special events	-	-
Food sales to public schools	-	-
Vending machine commissions	45,266	-
Other sources	42,171	-
Total revenue	<u>5,729,480</u>	<u>-</u>
Expenditures and mandatory transfers		
Administrative and general		
Salaries and wages	833,805	-
Staff benefits	245,673	-
Supplies and miscellaneous	56,235	-
Telephone	21,419	-
Student educational and social funds	30,117	-
Indirect costs from central campus	185,649	-
Total administrative and general	<u>1,372,898</u>	<u>-</u>
Room and food service		
Cost of food sold - dining halls	-	-
Cost of food sold - public schools	-	-
Salaries and wages	1,159,225	-
Staff benefits	257,719	-
Supplies and miscellansous	72,955	-
Telephone	228,802	-
Laundry and linens	139,082	-
Laundry allocation	(132,344)	-
Total room and food service	<u>1,725,439</u>	<u>-</u>

OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other
Changes - Residence and Dining Halls

Year ended June 30, 1977

<u>Dining Halls</u>		<u>Total</u>
<u>Unrestricted</u>	<u>Restricted</u>	
\$4,189,483	\$ -	\$ 9,055,644
-	-	204,694
-	-	35,586
-	-	432,622
-	-	102,980
75,710	-	75,710
167,722	-	167,722
254,131	-	254,131
394,298	-	394,298
53,877	-	99,143
20,296	-	62,467
<u>5,155,517</u>	<u>-</u>	<u>10,884,997</u>
84,998	-	918,803
10,888	-	256,561
4,097	-	60,332
3,244	-	24,663
-	-	30,117
<u>109,306</u>	<u>-</u>	<u>294,955</u>
212,533	-	1,585,431
1,583,911	-	1,583,911
374,928	-	374,928
1,702,367	-	2,861,592
302,295	-	560,014
95,226	-	168,181
-	-	228,802
42,298	-	181,380
-	-	(132,344)
<u>4,101,025</u>	<u>-</u>	<u>5,826,464</u>

OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other
Changes - Residence and Dining Halls, Continued

Year ended June 30, 1977

	<u>Residence Halls</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
Expenditures and mandatory transfers continued		
Operation and maintenance of plant		
Salaries and wages	\$ 440,848	\$ -
Staff benefits	88,511	-
Supplies and miscellaneous	16,771	-
Utilities	1,135,642	-
Waste collection	30,520	-
Laundry allocation	(21,775)	-
Equipment and capital improvements	79,636	-
Repairs	197,047	-
Other	35,029	-
Indirect costs from central campus	<u>138,028</u>	-
Total operation and maintenance of plant	2,140,257	-
Mandatory transfers for		
Principal and interest	<u>507,915</u>	-
Total expenditures and mandatory transfers	<u>5,746,509</u>	-
Nonmandatory transfers and additions/ (deductions)		
Nonmandatory transfer for		
Support from current unrestricted funds	55,000	-
Current allocated fund balance - net	<u>(37,674)</u>	-
Net increase in fund balance	<u>\$ 297</u>	<u>\$ -</u>

OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other
Changes - Residence and Dining Halls, Continued

Year ended June 30, 1977

<u>Dining Halls</u>		
<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
\$ 128,710	\$ -	\$ 569,558
26,500	-	115,011
3,215	-	19,986
235,264	-	1,370,906
26,741	-	57,261
-	-	(21,775)
12,836	-	92,472
67,465	-	264,512
24,341	-	59,370
<u>48,720</u>	<u>-</u>	<u>186,748</u>
573,792	-	2,714,049
<u>278,893</u>	<u>-</u>	<u>786,808</u>
<u>5,166,243</u>	<u>-</u>	<u>10,912,752</u>
-	-	55,000
<u>10,726</u>	<u>-</u>	<u>(26,948)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297</u>



OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other Changes - Student Union

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
Cafeteria	\$176,538	\$ -	\$176,538
Frontier room - (alcoholic beverage services)	113,425	-	113,425
Pizza parlor	58,787	-	58,787
Recreation room	44,345	-	44,345
Other services	14,106	-	14,106
Total revenue	<u>407,201</u>	<u>-</u>	<u>407,201</u>
Expenditures			
Administrative and general			
Salaries and wages	80,910	-	80,910
Staff benefits	9,751	-	9,751
Supplies and miscellaneous	6,137	-	6,137
Telephone	9,148	-	9,148
Total administrative and general	<u>105,946</u>	<u>-</u>	<u>105,946</u>
Student center activities			
Cafeteria	256,958	-	256,958
Frontier room - (alcoholic beverage service)	106,734	-	106,734
Pizza parlor	75,442	-	75,442
Recreation room	38,518	-	38,518
Total student center activities	<u>477,652</u>	<u>-</u>	<u>477,652</u>
Operation and maintenance of plant			
Salaries and wages	49,889	-	49,889
Staff benefits	9,504	-	9,504
Supplies and miscellaneous	5,861	-	5,861
Equipment	1,150	-	1,150
Repairs	6,583	-	6,583
Total operation and maintenance of plant	<u>72,987</u>	<u>-</u>	<u>72,987</u>
Total expenditures	<u>656,585</u>	<u>-</u>	<u>656,585</u>
Nonmandatory transfer for			
Support from current unrestricted funds	<u>249,384</u>	<u>-</u>	<u>249,384</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other Changes - Intercollegiate Athletics

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
Sports			
Football	\$ 42,171	\$ -	\$ 42,171
Basketball	32,057	-	32,057
Other	5,231	-	5,231
Private gifts and grants	10,000	-	10,000
Other sources	24,960	-	24,960
Total revenue	<u>114,419</u>	<u>-</u>	<u>114,419</u>
Expenditures			
Administrative and general			
Salaries and wages	155,875	-	155,875
Staff benefits	23,783	-	23,783
Supplies and miscellaneous	97,156	-	97,156
Telephone	7,903	-	7,903
Travel	12,336	-	12,336
Total administrative and general	<u>297,053</u>	<u>-</u>	<u>297,053</u>
Sports			
Football	374,275	-	374,275
Basketball	114,542	-	114,542
Other	271,341	-	271,341
Total sports	<u>760,158</u>	<u>-</u>	<u>760,158</u>
Total expenditures	<u>1,057,211</u>	<u>-</u>	<u>1,057,211</u>
Nonmandatory transfer for			
Support from current unrestricted funds	<u>942,792</u>	<u>-</u>	<u>942,792</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other Changes - Airport

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
University flights	\$ 50,355	\$ -	\$ 50,355
Aircraft rental - university flight training	75,084	-	75,084
Aircraft rental - other	14,588	-	14,588
Sale of fuel, lubricants, and maintenance service	40,011	-	40,011
Hangar rentals and tie down service	<u>7,425</u>	-	<u>7,425</u>
Total revenue	<u>187,463</u>	<u>-</u>	<u>187,463</u>
Expenditures			
Administrative and general			
Salaries and wages	126,709	-	126,709
Staff benefits	20,189	-	20,189
Office supplies and miscellaneous	7,131	-	7,131
Equipment	<u>4,158</u>	-	<u>4,158</u>
Total administrative and general	158,187	-	158,187
Cost of goods sold	24,941	-	24,941
Operation and maintenance of plant			
Supplies	71,620	-	71,620
Repairs	<u>3,639</u>	-	<u>3,639</u>
Total operation and maintenance of plant	<u>75,259</u>	<u>-</u>	<u>75,259</u>
Total expenditures	<u>258,387</u>	<u>-</u>	<u>258,387</u>
Nonmandatory transfer for			
Support from current unrestricted funds	<u>70,924</u>	<u>-</u>	<u>70,924</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other Changes - Convocation Center

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Expenditures and mandatory transfers			
Administrative and general			
Salaries and wages	\$ 49,219	\$ -	\$ 49,219
Supplies and miscellaneous	<u>5,380</u>	<u>-</u>	<u>5,380</u>
Total administrative and general	54,599	-	54,599
Mandatory transfers for			
Principal and interest	<u>(69,209)</u>	<u>-</u>	<u>(69,209)</u>
Total expenditures and mandatory transfers	<u>(14,610)</u>	<u>-</u>	<u>(14,610)</u>
Net increase in fund balance	<u>\$ 14,610</u>	<u>\$ -</u>	<u>\$ 14,610</u>



OHIO UNIVERSITY

Schedule of Revenues, Expenditures, and Other Changes - Golf Course

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
Sales	\$ 3,784	\$ -	\$ 3,784
Fees	<u>25,764</u>	<u>-</u>	<u>25,764</u>
Total revenue	<u>29,548</u>	<u>-</u>	<u>29,548</u>
Expenditures			
Cost of goods sold	3,108	-	3,108
Selling, general and administrative			
Salaries and wages	26,430	-	26,430
Staff benefits	1,449	-	1,449
Supplies and miscellaneous	<u>6,869</u>	<u>-</u>	<u>6,869</u>
Total selling, general and administrative	<u>34,748</u>	<u>-</u>	<u>34,748</u>
Total expenditures	<u>37,856</u>	<u>-</u>	<u>37,856</u>
Net decrease in fund balance	<u>\$ 8,308</u>	<u>\$ -</u>	<u>\$ 8,308</u>



OHIO UNIVERSITY

Schedules of Revenues, Expenditures, and Other Changes - Student Art Supply Store

Year ended June 30, 1977

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
Sales	\$159,942	\$ -	\$159,942
Total revenue	<u>159,942</u>	<u>-</u>	<u>159,942</u>
Expenditures			
Cost of goods sold	137,836	-	137,836
Selling, general and administrative			
Salaries and wages	9,982	-	9,982
Staff benefits	561	-	561
Supplies and miscellaneous	436	-	436
Total selling, general and administrative	<u>10,979</u>	<u>-</u>	<u>10,979</u>
Total expenditures	<u>148,815</u>	<u>-</u>	<u>148,815</u>
Nonmandatory transfer for			
Support to current unrestricted funds	<u>(6,560)</u>	<u>-</u>	<u>(6,560)</u>
Net increase in fund balance	<u>\$ 4,567</u>	<u>\$ -</u>	<u>\$ 4,567</u>

