

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

Friday, June 26 and Saturday, June 27, 1998

Ohio University, Athens Campus

THE OHIO UNIVERSITY BOARD OF TRUSTEES
MINUTES OF June 27, 1998 MEETING

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EXECUTIVE SESSION

11:45 a.m., Friday, June 26, 1998
McGuffey Hall Trustees Room
Ohio University, Athens Campus

On a motion by Mrs. Romer-Sensky, and a second by Mrs. Ong, the Ohio University Trustees resolved to hold an executive session to consider personnel matters under Section 121.22(G)(1), real estate matters under Section 121.22(G)(2), litigation or the threat thereof under Section 121.22(G)(3) and preparation for conducting bargaining sessions under Section 121.22 (G) (4) of the Ohio Revised Code on the 26th day of June 1998.

On a roll call vote, Dr. Ackerman, Mr. Brunner, Mr. Grover, Mr. Goodman, Mrs. Ong and Mrs. Romer-Sensky voted aye. This constituted a quorum. President Robert Glidden, Board Secretary Alan Geiger, Vice President and Treasurer Richard Siemer and Legal Counsel John Burns attended parts of the session. Sessions were held Friday and Saturday at the President's residence and McGuffey Hall respectively.

Personnel

President Glidden presented to Trustees individual evaluations of and compensation recommendations for deans and executive officers. Following adjournment of the Board of Trustees meeting, the Board Administration Committee acted on final compensation recommendations for these individuals, adding the president's contract and compensation to its final recommendation.

Real Estate

Vice President Siemer reviewed the status of developer interests in the university's 42 acres on East State Street.

Litigation

Counselor Burns responded to Trustees' questions regarding specific cases of litigation involving the University.

Collective Bargaining

The contract between the University and its Fraternal Order of Police has been negotiated and is to be ratified by the Trustees in formal session.

I. ROLL CALL

Six members were present: Chairman Brandon T. Grover; Gordon F. Brunner; Patricia A. Ackerman; N. Victor Goodman; M. Lee Ong, and Jacqueline Romer-Sensky. This constituted a quorum.

This was the first meeting for Trustees Mrs. Jacqueline Romer-Sensky and Ms. Michelle Miller. Mrs. Romer-Sensky replaces retiring Trustee Thomas Hodson, for a term ending May 13, 2007; and Ms. Miller replaces retiring student trustee K. C. Melnik, for a term ending May 13, 2000.

Trustee Emrick was not present due to major surgery on Thursday, June 26, 1998. Trustees Leonard and Walter were unable to attend given prior and urgent business requirements.

President Robert Glidden and Secretary Alan H. Geiger were present.

Michelle Miller and Erik Roush, student trustees, also attended.

II. APPROVAL OF THE MINUTES OF THE MEETING OF April 18, 1998 (Previously distributed)

Dr. Ackerman moved approval of the previously distributed minutes. Mr. Goodman seconded the motion. All voted aye.

III. COMMUNICATIONS, PETITIONS, AND MEMORIALS

Secretary Geiger reported the family of Joseph Dean sent a note thanking the Trustees for the naming of space in the Robert Wren Baseball Stadium in honor of their father and husband.

IV. ANNOUNCEMENTS

Secretary Geiger stated there were no announcements.

V. REPORTS

Student Trustee Eric Roush introduced David G. Baer, managing attorney, Center for Student Advocacy who provided a status report on the Center. Mr. Baer noted the Center has had 16 months of successfully serving students and went on to summarize the development of the Center since February 14, 1997. Mr. Baer described the activities of the Center as one of assisting students with conflicts. The major programs of the Center are education, consultation with a lawyer, legal representation and mediation. Mr. Baer indicated 80 percent of his time is spent on education. Trustee Ackerman noted she appreciated the fact that so much emphasis was given to educational aspects.

Mr. Baer thanked the Trustees for the opportunity to assist with the development of the Center and reminded them the effort is totally funded by students. He then asked Trustees to consider amending their original approval to allow for a "negative" checkoff for anyone with less than 90 credit hours earned. The sense of the Trustees' discussion on this task was that this could be agreed to and that it would be considered at the October meeting; and if approved go into effect Winter Quarter 1999. A complete copy of Mr. Baer's text is included with the official minutes.

VI. UNFINISHED BUSINESS

Secretary Geiger reported no unfinished business.

VII. NEW BUSINESS

Chairman Grover reported that Board committees had, at their respective meetings, discussed matters being presented to the Board. Items for action will be presented by the committee chairman or a committee member as designated by the chairman.

A. BUDGET, FINANCE, AND PHYSICAL PLANT COMMITTEE

Committee Chairman Goodman reported the committee received a report from Vice President North on Dysart Woods and that the University has filed an “unsuitability to mine” petition, based upon consultants’ recommendations, in order to protect the Woods. He noted individuals appearing before the committee continue to protest the University’s efforts to protect the Woods.

Mr. Goodman noted Vice President Siemer presented a proposal for the investment of non-endowment funds and that the committee asked for specific recommendations on the subject for consideration by the Trustees at the October meetings. (A copy of the proposal is included in the official minutes).

Committee members Brunner and Ong reviewed and then presented resolutions now before the Trustees.

On a motion by Mr. Goodman, seconded by Mrs. Ong, the Trustees voted aye to approve the following resolutions:

Chilled Water Loop System Program – Resolution 1998 – 1582
Facilities Management Performance Contract – Resolution 1998 – 1583



June 14, 1998

MEMORANDUM

To: Members of the Ohio University Board of Trustees

From: Dick Siemer 

Subject: Non-Endowment Invested Funds

Ohio University, as is typical for a university, has a significant amount of cash and pooled investments separate from its endowment funds. For the purposes of this discussion, we will use the term non-endowment investment funds. At points during the past year, these funds amounted to more than \$110 million. In broad strokes, these funds are comprised of monies that represent timing differences between income and expense (e.g., tuition comes in quarterly, but salaries are paid monthly), and working capital. Much of the working capital, but not all, represents accumulated reserves.

Working capital is the excess of the current assets of an organization over its current liabilities. In too brief a sentence, it is money you don't need to pay day-to-day bills. As of June 30, 1997, Ohio University's working capital was \$59 million. This number has remained relatively constant over the past three years. Of the four explanatory sheets that follow and identify the components of the University's working capital, the first is a summary lead sheet and the remainder, in order, represent the detail behind the fund balances in the unrestricted, plant and auxiliary funds. While the mix is dynamic, the overall total is stable and gradually growing – consistent with the general health and financial wellbeing of the University.

As with the regular endowment of the University, having an investment pool of this magnitude would suggest that there be an investment policy that maximizes the return consistent with demands on the funds (to pay bills or not) and uses for the return (investment income is a budgeted item). As with all investment management, asset allocation is the key ingredient for return.

I have asked some members of the University community with relevant experience to share their time and talents to develop a policy for the non-endowment invested funds. Our first draft is attached. This working group is composed of Trustee Chair Tad Grover; Professors Doug Adie, Art Marinelli, Ganas K. Rakes, and Rich Vedder; Nikki Dioguardi from the Counsel's Office; OU Alumnus Jim Coons; and Larry Corrigan who manages the treasury function in my office. I will have a few more handouts to facilitate the conversation at the Finance and Budget committee meeting, but the purpose of this meeting is to get the conversation started. My hope would be to approve at least an interim policy for non-endowment invested funds at the September Board meeting. During the summer we will model scenarios and outcomes from our June conversation.

SUBJECT

Statement of Objectives and Policies for Non-Endowment Invested Funds

PROCEDURE NO. 50.001	PAGE NO. 1 of 2
DATE ISSUED September 21, 1998	DATED APPROVED September 19, 1998
ISSUED BY Dick Siemer	APPROVED BY Board of Trustees

Purpose: The Board of Trustees of Ohio University is vested by statute with responsibility for the oversight of the University. This statement of investment objectives and policies governs the management of the University’s non-endowment invested funds. It is anticipated that this statement will be effective until modified as conditions warrant by the Board.

A. INVESTMENT OVERVIEW

- 1 The University has two primary pools of invested funds – cash and pooled investments (as shown on the balance sheet) and endowment funds. The primary objective for the cash and pooled investments is to enable the University to meet its financial obligations as they come due. A secondary objective is to achieve investment returns above that of money market instruments.
- 2 The endowment funds are governed by the Endowment Investment Policy and are administered in conjunction with the Ohio University Foundation Endowment funds. [Board Resolution dated 1/15/77]

B. INVESTMENT OBJECTIVE

The primary objectives, in priority order, of the University’s non-endowment investment activities shall be:

- 1 **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the University shall be undertaken in a manner that ensures, over time, the preservation of capital in the overall portfolio.
- 2 **Liquidity:** The University’s investment portfolio will remain sufficiently liquid to enable the University to meet all operating requirements. Portfolio liquidity is defined as the maturity or ability to sell a security on a short notice near the purchase price of the security. To help retain the desired liquidity, no issue shall be purchased that is likely to have few market makers or poor market bids. Additionally, liquidity shall be assured by keeping an adequate amount of short-term investments in the portfolio to accommodate the cash needs of the University.
- 3 **Return on Investments:** The University’s non-endowment investment portfolio shall be structured with the objective of attaining the highest possible “current income” for the investment portfolio while adhering to the restraints and obligations inherent in the current legal construct of a prudent fiduciary [Third Restatement of Trusts (1990) and the Uniform Prudent Investor Act of 1994].

C. INVESTMENT STRUCTURE

- 1 The cash and pooled investments shall be divided into three funds:

	<u>Pool Allocation</u>	
	<u>Target</u>	<u>Expected Range</u>
Cash Pool	25%	20-40%
Liquidity Pool	50%	30-60%
Diversified Investment Pool	25%	0-30%

Statement of Objectives and Policies for Non-Endowment Invested Funds

PROCEDURE NO. 50.001	PAGE NO. 2 of 2
DATE ISSUED September 21, 1998	DATED APPROVED September 19, 1998
ISSUED BY Dick Siemer	APPROVED BY Board of Trustees

1. The objective of the **Cash Pool** shall be to meet the day to day obligations of the University. It shall be invested in highly liquid instruments with little or no risk of principle loss (e.g., STAR Ohio). Eligible instruments are those permitted by the Treasurer of the State of Ohio (permitted instruments).
2. The objective of the **Liquidity Pool** shall be to provide a liquid source of funds in the event the Cash Pool is insufficient to meet the University's cash needs. The investment strategy opportunity for this pool is that its time horizon, and flexibility, is such as to permit investment in permitted instruments that offer greater return than money market yields. The weighted average life of the pool shall be no longer than five years and should be spread to accommodate cash flow needs.
3. The objectives of the **Diversified Investment Pool** shall be to provide:
 - the University's programs a flow of financial support that will grow at least as fast as the rate of inflation (as measured by the Higher Education Price Index), and
 - a source of funds in the very unlikely event that the Cash Pool and Liquidity Pool are insufficient to meet the University's day to day obligations.

The Diversified Investment Pool (DIP) funds not utilized in the internal Investment Loan Program shall be invested consistent with provisions of the University Endowment Policy except that its asset allocation may be more conservative than that of the University Endowment portfolio.

D. MANAGEMENT OF INVESTMENTS

Except as provided herein, the Treasurer shall be authorized to implement and administer this policy on behalf of the Board of Trustees and manage the non-endowment funds in accordance with this Policy.

E. GUIDELINES FOR TRANSACTIONS

- 1 As a general guideline that should apply to all assets managed, transactions should be entered into on the basis of best execution, which is interpreted normally to mean best-realized price. Consistent with the above, commissions and fees may be designated for payment of services rendered to the University in connection with investment management.
- 2 Alternative investments to STAR Ohio should be considered when there is more than a 30 basis point spread between STAR Ohio and an alternative investment in a permitted instrument consistent with the University's cash management needs.

F. MONITORING OF OBJECTIVES AND RESULTS

- 1 All objectives and policies are in effect until modified by the Board of Trustees, which will review these periodically for their continued appropriateness.
- 2 Investment performance will be reviewed quarterly, aligned with the Board's meeting schedule, and will contain (but not be limited to) the following information: total return net of all commissions and fees, fees paid for services, current holdings at cost and market value, and purchases and sales for the quarter. Regular communication concerning investment strategy and outlook is expected.

Ohio University
Working Capital Analysis

Category	1997	1996	1995
Fund Balances			
Current Funds Unrestricted:			
Educational and General			
Allocated	25,257,609	24,109,817	21,604,254
Unallocated	200,000	260,346	316,497
Total Educational and General	25,457,609	24,370,163	21,920,751
Auxiliary Enterprises			
Allocated	3,063,948	2,531,565	1,933,302
Unallocated	832,340	676,190	594,670
Total Auxiliary Enterprises	3,896,288	3,207,755	2,527,972
Total Current Funds Unrestricted	29,353,897	27,577,918	24,448,723
Current Funds Restricted:			
Educational and General			
less Accounts Receivable	9,716,044	8,119,232	7,642,758
Total Current Restricted Funds	(6,793,322)	(6,469,318)	(6,760,260)
Total Current Funds	2,922,722	1,649,914	882,498
Total Current Funds	32,276,619	29,227,832	25,331,221
Plant Funds:			
Unrestricted Allocated			
Unexpended	10,270,690	9,204,619	8,375,634
Unexpended-allocated for encumbrances	2,459,009	2,305,679	7,262,445
Renewals and Replacements	3,734,343	5,012,850	4,724,423
Total Unrestricted Allocated	16,464,042	16,523,148	20,362,502
Restricted			
Unexpended	0	1,352,192	2,157,146
Retirement of Indebtedness	199,570	209,388	797,555
Total Restricted	199,570	1,561,580	2,954,701
Total Plant Funds	16,663,612	18,084,728	23,317,203
Long Term Liabilities:			
Vacation Leave Accrual			
Sick Pay Leave Accrual	5,662,017	5,445,297	5,175,225
Total Long Term Liabilities	4,511,535	4,057,856	3,521,564
Total Long Term Liabilities	10,173,552	9,503,153	8,696,789
Grand Total	59,113,783	56,815,713	57,345,213

Ohio University
 Unrestricted Educational and General Funds
 Allocated Balances

	<u>June 30, 1997</u>	<u>June 30, 1996</u>	<u>June 30, 1995</u>
Administrative Senate	2,902	0	0
Arts and sciences	601,509	874,060	733,032
Business	290,928	221,863	98,160
Capital Improvements	2,099,095	1,934,861	2,250,137
Central pool	159,140	114,543	1,869,803
College of medicine	3,079,156	1,731,642	1,869,592
Communications	143,129	237,981	41,349
Computer services	0	0	595,541
Education	178,046	5,395	6,258
Engineering	98,182	259,156	175,677
Fine arts	178,503	203,896	24,329
Health and human services	558,272	406,474	447,754
Honors Tutorial	2,244	11,500	45,679
Information and technology	268,547	453,176	0
Intercollegiate athletics	135,000	160,845	0
International studies	21,626	52,417	4,639
Liability insurance deductible	1,000,000	1,000,000	1,000,000
Group insurance set aside	2,218,493	2,358,055	0
Libraries	313,907	262,766	227,247
Lifelong learning	6,666	240,254	16,146
O. U. press	0	34,860	1,101
President	105,117	96,239	0
Provost	455,846	1,080,774	1,975,613
Rotaries	3,285,550	2,443,688	2,078,629
University college	22,441	104,878	171,579
Vice president for administration	858,398	734,044	504,375
Vice president for development	104,756	73,700	106,000
Vice president for finance	58,254	152,884	608,819
Vice president for regional higher education	1,474,842	1,852,495	97,643
Vice president for research and graduate studies	3,497,808	2,659,341	2,793,553
Vice president for student affairs and dean of students	327,077	448,932	137,941
Vice president for university relations	60,396	160,819	90,344
Encumbrances	3,651,779	3,738,279	3,633,314
	<u>25,257,609</u>	<u>24,109,817</u>	<u>21,604,254</u>

Ohio University
Plant Fund Balances

	<u>1997</u>	<u>1996</u>	<u>1995</u>
Unrestricted Allocated			
Encumbrances	2,459,009	2,305,679	7,262,445
Capital Projects	2,488,196	704,510	23,722
Land Lease	817,966	789,646	740,265
Interest - Compensated Absences	2,548,787	2,200,916	2,343,285
Miscellaneous (interest earnings)	24,263	2,050,635	2,158,890
Energy Conservation	4,391,478	3,458,912	3,109,472
Subtotal	<u>12,729,699</u>	<u>11,510,298</u>	<u>15,638,079</u>
Renewals and Replacements:			
Avionics	161,075	104,260	50,977
Campus Recreation	512,457	250,000	0
Residence and Dining	2,499,835	3,719,048	3,712,053
Airport Operations	265,734	511,166	279,922
Student Union Food Service	183,061	346,566	628,413
Bus Replacement	112,181	81,810	53,058
Total Renewals and Replacements	<u>3,734,343</u>	<u>5,012,850</u>	<u>4,724,423</u>
Total Unrestricted Allocated	<u><u>16,464,042</u></u>	<u><u>16,523,148</u></u>	<u><u>20,362,502</u></u>

Ohio University
Auxiliary Enterprises Fund Balances

Auxiliary	1997	1996	1995
Residence and Dining Halls			
Encumbrances	1,430,464	1,413,174	913,489
Working Capital	249,203	183,257	172,429
Unallocated	141,685	92,296	419,051
Total Residence and Dining Halls	<u>1,821,352</u>	<u>1,688,727</u>	<u>1,504,969</u>
Student Union			
Encumbrances	27,179	59,486	39,787
New Electrical Transformer	55,000	135,665	0
Capital Renovations	208,461	0	0
Unallocated	0	0	0
Total Student Union	<u>290,640</u>	<u>195,151</u>	<u>39,787</u>
Intercollegiate Athletics			
Encumbrances	27,364	11,107	35,850
Income Stabilization	324,760	529,103	443,420
Unallocated	0	0	0
Total Intercollegiate Athletics	<u>352,124</u>	<u>540,210</u>	<u>479,270</u>
Airport			
Encumbrances	649,750	5,835	61,249
Aircraft	47,069	0	0
Emergency Generator	0	0	40,325
Unallocated	0	0	0
Total Airport	<u>696,819</u>	<u>5,835</u>	<u>101,574</u>
Telephone Operations			
Encumbrances	21,373	181,713	213,817
Unallocated	505,598	400,325	110,028
Total Telephone Operations	<u>526,971</u>	<u>582,038</u>	<u>323,845</u>
Campus Recreation			
Encumbrances	20,596	9,996	3,833
Unallocated	111,085	86,048	(49,158)
Total Campus Recreation	<u>131,681</u>	<u>96,044</u>	<u>(45,325)</u>
Personal Computer Sales			
Encumbrances	2,729	2,229	9,103
Unallocated	51,680	76,329	97,907
Total Personal Computer Sales	<u>54,409</u>	<u>78,558</u>	<u>107,010</u>
Convocation Center			
Unallocated	<u>22,292</u>	<u>21,192</u>	<u>16,842</u>

CHILLED WATER LOOPS FOR CAMPUS-WIDE AIR CONDITIONING

RESOLUTION 1998 - 1582

WHEREAS, a comfortable campus is critical to the continued success of Ohio University; and,

WHEREAS, effective, cost effective and dependable air conditioning is a critical component of comfortable facilities, academic and residential; and,

WHEREAS, centralized production of chilled water with regional distribution loops will provide for cost effective and dependable air conditioning; and,

WHEREAS, Facilities Management has developed a comprehensive plan for campus wide air conditioning that concurrently enhances campus beautification; and,

WHEREAS, Facilities Management has an energy management fund that can contribute one million dollars per year toward debt service for this project.

NOW, THEREFORE, BE IT RESOLVED, that Facilities Management is authorized to seek bids and enter into contracts for the design and construction of chilled water loops system for Ohio University.

Vice President
for Administration



OHIO UNIVERSITY

Cutler Hall 209
Athens OH 45701-2979
614-593-2556

June 8, 1998

Dr. Robert Glidden
President
Ohio University
Campus

Dear Bob,

Sherwood Wilson, Director of Facilities Management, retained ZDS, a consulting engineering firm, to develop a plan for installing a campus wide chilled water loop to provide air conditioning for the campus. A preliminary plan has been developed and the cost is estimated at \$32 million dollars. This system also provides air conditioning capacity for residence halls.

Sherwood has identified an annual revenue stream of approximately one million dollars generated from the Energy Management program as the fund source to be used to finance the first two phases of the project.

Sherwood is seeking approval to seek bids and award a contract for the construction of the loop.

I recommend approval.

Sincerely,

Gary North
Vice President for Administration

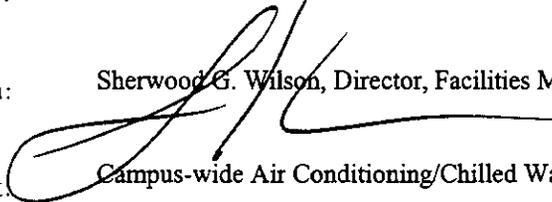
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Date: June 9, 1998

To: Dr. Gary B. North, Vice President for Administration

From: Sherwood G. Wilson, Director, Facilities Management

Subject:  Campus-wide Air Conditioning/Chilled Water Loops

SUMMARY

Facilities Management has developed a plan to provide campus-wide air conditioning using four chilled water loops. This concept provides for economical production of chilled water and more dependable delivery of air conditioning to facilities, including dormitories. Facilities Management requests authorization to seek bids and enter into contracts for the design and construction of a chilled water system.

BACKGROUND

Maintaining a beautiful and comfortable campus is critical to the continued success of Ohio University. Providing dependable and efficient air conditioning is imperative for the comfort of people in our facilities. Currently we maintain over 50 separate chiller units and over a thousand inefficient window air conditioners. We do not have air conditioning in all buildings. When a chiller unit breaks down, a building is typically without air conditioning until repairs can be made.

Decentralized production of air conditioning is not efficient. Centralized production of chilled water costs almost 30 percent less than our current method. By providing chilled water to buildings connected together in loops, the loss of a chiller unit will not leave a building without air conditioning.

While a series of four chilled water loops will cause some temporary disruption on campus while construction takes place, it also provides us with the opportunity, through careful route planning, to enhance the beauty of campus as the grounds are restored following installation.

Facilities Management requests authorization to seek bids and enter into contracts for the design and construction of chilled water loops.

FACILITIES MANAGEMENT PERFORMANCE CONTRACT

RESOLUTION 1998 - 1583

WHEREAS, Ohio Law provides for facilities improvements to be paid for through the energy savings that they generate; and,

WHEREAS, Facilities Management has advertised for vendors who will provide performance contract services to determine their energy savings; and,

WHEREAS, Facilities Management has completed a comprehensive review of the qualifications of vendors who responded and submitted their qualifications; and,

WHEREAS, Facilities Management is ready to solicit specific proposals from the selected vendors to determine improvements that will be self-funding through energy savings.

NOW, THEREFORE, BE IT RESOLVED, that Facilities Management be authorized to seek proposals and enter into a Performance Contract in accordance with the provisions of Ohio Law for the purpose of energy conservation and making improvements to Ohio University facilities.

Vice President
for Administration



OHIO UNIVERSITY

Cutler Hall 209
Athens OH 45701-2979
614-593-2556

June 8, 1998

Dr. Robert Glidden
President
Ohio University
Campus

Dear Bob,

The Ohio General Assembly passed House Bill seven (7) which authorizes public entities, including public universities, to do performance contracts with private concerns for the purpose of achieving energy conservation through self funding facilities improvements.

Sherwood Wilson and his staff retained ZDS, an engineering firm, to evaluate the value of entering into a performance contract. ZDS estimates that through performance contracting, approximately eight million dollars per year can be saved at no cost to the university. Sherwood is seeking authorization to seek proposals and enter into a contract for performance contract management services.

I recommend approval.

Sincerely,

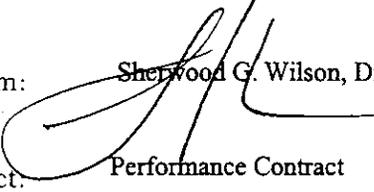
A handwritten signature in cursive script, appearing to read "Gary North".

Gary North
Vice President for Administration

GN:mm

Date: June 9, 1998

To: Dr. Gary B. North, Vice President for Administration

From:  Sherwood G. Wilson, Director, Facilities Management

Subject: Performance Contract

SUMMARY

Facilities Management requests authorization to enter into a performance contract agreement with a vendor for the purpose of making energy-related improvements to our facilities. These improvements will be through the energy and operational savings they generate.

BACKGROUND

Ohio House Bill 7 provides for performance contracts. The spirit of this legislation is very similar to the concept of the OU Energy Management Fund that was established by Trustee action nearly twenty years ago. The legal parameters for performance contracts require that any project funded be able to pay for itself within ten years using measurable energy and/or operational savings that are generated by the project. Also, while local funding may buttress a performance contract, no state capital dollars may be used.

Through our Energy Management Fund, Ohio University has made significant progress in reducing the rate of increase in our utility expense, however, there is much left to be accomplished. Facilities Management advertised for vendors specializing in performance contracts and has carefully screened them to the four best candidates to provide a performance contract.

The next step is to request specific proposals from these select vendors to provide facilities improvements. These self-funding improvements include but are not limited to:

- lighting upgrades to more energy efficient units;
- controls installations that more precisely monitor heating and cooling;
- reductions in water use;
- improvements to increase the efficiency of our heating plant; and,
- installation of a new computerized work management system.

The use of a performance contract allows us to continue to implement energy-saving improvements during a time when a significant portion of the energy management fund allocation is used to amortize debt related to the chilled water loop construction. Facilities Management requests authorization to seek proposals from vendors and enter into a performance contract.

B. EDUCATIONAL POLICIES COMMITTEE

Committee Chairwoman Ackerman noted the absence of all but newest Trustee Romer-Sensky from her committee but noted they were still able to meet their responsibilities. Dr. Ackerman stated the committee received from Provost Brehm a report on 1998 Promotion and Tenure Awards. (A copy of the awards is enclosed with the official minutes.)

Committee members Ackerman, Romer-Sensky and Roush reviewed then presented resolutions now before the Trustees.

On a motion by Dr. Ackerman, seconded by Mrs. Romer-Sensky, the Trustees voted unanimously to approve the following resolutions:

Appointment of Regional Coordinating Council Members – Res. 1998 – 1584
Name Change for Department of Chemistry – Res. 1998 – 1585
Center for Innovation in Technology for Learning – Res. 1998 – 1586

Appointments to Regional Coordinating Council

RESOLUTION 1998 — 1584

BE IT RESOLVED BY the Board of Trustees of Ohio University that the following persons be appointed to membership on the Coordinating Council at the following Regional Campus of Ohio University.

Ohio University - Eastern

Richard Doan	For a term beginning July 1, 1998, vice John Kirk, who resigned.
Terry A. Lee	For a term beginning July 1, 1998, vice James Dixon, who passed away.

Ohio University - Lancaster

Bill Hendren	For a nine-year term beginning July 1, 1998 and ending at the close of business June 30, 2007, vice R. Dane Swinehart, whose term expired.
Jerry W. Neff	For a four-year term beginning July 1, 1998 and ending at the close of business June 30, 2002, vice Lawrence LaDage, who resigned.
Cheryl Payne	For a nine-year term beginning July 1, 1998 and ending at the close of business June 30, 2007, vice Jack Katlic, whose term expired.

Ohio University - Zanesville

David Wilson	For a nine-year term beginning July 1, 1998 and ending at the close of business June 30, 2007, vice Martha Moore, whose term expired.
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Richard L. Doan, CHE

812 West Main Street
Barnesville, Ohio 43713
740-425-3404

RESUME**EMPLOYMENT:**

- 7/87 - Present **ADMINISTRATOR AND CHIEF EXECUTIVE OFFICER**
Barnesville Hospital Association, Inc.
Barnesville, Ohio
- 10/87 - Present **PRESIDENT**
Belmont County Health Services, Inc.
Barnesville, Ohio
- 5/94 - Present **PRESIDENT**
Belmont Professional Associates, Inc.
Barnesville, Ohio
- 1/85 - 7/87 **ASSISTANT TO THE PRESIDENT**
ASSISTANT VICE PRESIDENT
ADMINISTRATIVE FELLOW
ADMINISTRATIVE RESIDENT
Grant Medical Center
Columbus, Ohio
- 1/83 - 8/83 **LABORATORY MATERIALS COORDINATOR**
Grant Medical Center
Columbus, Ohio
- EDUCATION:**
- 1983-1985 **MASTER OF HOSPITAL AND HEALTH ADMINISTRATION**
Concentration: Finance
Xavier University, Cincinnati, Ohio
- 1978-1982 **BACHELOR OF ARTS**
Major in Pre-Medicine/Zoology
Miami University, Oxford, Ohio
- PROFESSIONAL:**
- Diplomate, American College of Healthcare Executives
Board Director, Ohio State Health Network
Member, Ohio Hospital Association, Small/Rural Committee
Member, Xavier University GPHHA Alumni, Association

CIVIC:

*Member, Past President Barnesville Rotary Club
Member, Administrative Chair, First United Methodist Church, Barnesville, Ohio
Voting Member, Past Trustee, Barnesville Area Education Association
Member, Strategic Planning Committee, Barnesville Exempted Village
School District
Coach, Youth Soccer, Baseball, Basketball*

PERSONAL:

*Marital Status: Married (Melissa), Four children
Health: Excellent
Hobbies: Walking, Hiking, Tennis, Golf*

REFERENCES:

Excellent personal and professional references available upon request.

P.O. Box 61
252 West Main Street
St. Clairsville, OH 43950

Lee & Associates

Certified Public Accountants

Phone: (740) 695-7266
Fax: (740) 695-8070

Terrence A. Lee, CPA

TERRENCE A. LEE, CPA

RESIDENCE:

245 HARBEL DRIVE
ST. CLAIRSVILLE, OH 43950

EMPLOYMENT:

LEE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 61
252 WEST MAIN STREET
ST. CLAIRSVILLE, OH 43950
POSITION: OWNER

PRIOR WORK EXPERIENCE:

STATE OF OHIO DEPARTMENT OF TAXATION - TAX AGENT
WHEELING JESUIT COLLEGE - INSTRUCTOR FOR INTERMEDIATE ACCOUNTING,
ADVANCED ACCOUNTING, AND CPA REVIEW COURSE

EDUCATION

1972 GRADUATE OF OHIO UNIVERSITY
ATTENDED WHEELING JESUIT COLLEGE

BOARD POSITIONS:

CHAIRMAN OF THE BOARD - BELMONT BANCORP
CHAIRMAN OF THE BOARD - BELMONT NATIONAL BANK
CHAIRMAN OF THE BOARD - EAST OHIO REGIONAL HOSPITAL
BOARD MEMBER - OHIO VALLEY HEALTH SERVICES AND EDUCATION CORPORATION
BOARD MEMBER - CIC OF BELMONT COUNTY
ADVISORY BOARD MEMBER - MEDI HOME HEALTH AGENCY
BOARD OF ELDERS - 1ST PRESBYTERIAN CHURCH OF MARTINS FERRY, OH

PROFESSIONAL ORGANIZATIONS

MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF OHIO SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

FAMILY

CATHY LEE, SPOUSE
THREE CHILDREN
NATALIE LEE
TARA LEE
KATIE LEE

PARENTS

DR. & MRS. CHARLES V. LEE

FAMILY MEMBERS

Name	Maiden Name	Relationship	Birthdate	Sex	Degree / Year if OU Student or Grad.
ROBBIN E.	HENDREN	DAUGHTER	6/22/67	FEMALE	DEGREE IN RECREATION 1985 GRADUATE MASTER DEGREE

Publications, exceptional achievements SEVERAL HONORS IN THE PAST THIRTY FIVE YEARS RELATING TO THE AUTOMOBILE BUSINESS.

Civic, professional, social organizations COLUMBUS ATHLETIC CLUB, LANCASTER COUNTRY CLUB (PAST BOARD MEMBER), MASON CREDONIA LODGE #416, SCOTTISH RITE, ALADDIN TEMPLE SHRINE, TARHE SHRINE CLUB (OFFICER)

Honors and Awards (academic, civic, professional) (Please indicate date of receipt) 1958 ACADEMIC & FOOTBALL ATHLETIC SCHOLARSHIP TO OHIO UNIVERSITY, PRESIDENT MEMBER OF THE SELECTION COMMITTEE FOR OHIO UNIVERSITY ATHLETIC HALL OF FAME. MEMBER OF CATHANNA LINCOLN HIGH SCHOOL ATHLETIC HALL OF FAME

Special personal activities, hobbies, interests _____

Business Affiliations FAIRFIELD COUNTY NEW CAR DEALERS ASSOCIATION (PRESIDENT) OHIO AUTOMOBILE DEALER ASSOCIATION, NATIONAL AUTOMOBILE DEALERS ASSOCIATION

Would you like to assist the University by involvement in any of the following programs? _____

- ALUMNI STUDENT RECRUITMENT
- SPONSORSHIP OF SUMMER INTERNSHIP(S)
- SPONSORSHIP OF EXTERNSHIP(S)
- PARTICIPATION IN THE ALUMNI CAREER RESOURCE NETWORK
- WORKING WITH A LOCAL ALUMNI CHAPTER

HAVE YOU EVER ATTENDED AN OHIO UNIVERSITY ALUMNI EVENT? YES

IF YES, HOW MANY IN THE PAST YEAR? SEVERAL

COMMENTS: BORN 12/9/40 NEW ARBANY OHIO. 1958 GRADUATE OF CATHANNA LINCOLN HIGH SCHOOL.

THANK YOU FOR YOUR TIME AND INTEREST

Jerry W. Neff

Education

Ohio University - Higher Education Adm. - 16 hours 1969-72

Ohio University - Geology - M.S. August, 1965

Ohio University - Geology - B.S. June, 1963

Walnut Township High School - College Prep. - Diploma - May, 1958

Experience

July 1974 to Present - The Wagnalls Memorial Foundation, Executive Director
Lithopolis, Ohio 43136 614-837-4765

- Responsibilities: Actions on behalf of the Board of Trustees in the employe of all personnel; maintenance and use of The Wagnalls Memorial complex ar other property; Counselor fo rThe Mabel Wagnalls Jones Scholarship Fund; supervise the administration of The Wagnalls libraries; coordinate the investment of the Foundation's assets.

1973-1974 - Ohio University, Asst. to V.P. for Regional Higher Education,
Athens Campus

1968-1972 - Ohio University - Lancaster Campus - Instructor and Asst. Professor,
Geology

1967-1968 - Ohio Univcrsity - Chillicothe - Instructor, Geography and Geology

1965-1967 - Graduate Student, Department of Geography and Geology,
Ohio University

1958-1963 - Undergraduate Student - Department of Geography an d Geology,
Ohio University

Community

Service

- Present member of Finance Committee of the Donor's Forum of Ohio; Meml of Ohio Association of Student Financial Aid Administrators; Ohio Library Association; American Library Association; Ohio Museum's Association; and National Society of Fund Raising Executives.
- Past President of Tri-County Kiwanis, 1979-80
- Past President of Canal Winchester/Lithopolis Chamber of Commerce, 1988
- Past President of Fairfield County Park Board, 1990
- Past member of the boards of Red Cross, Salvation Army, Boy Scouts, Girl Scouts, Heritage Association, Coordinating Council of Ohio University-Lancaster, New Horizon Youth and Family Center.

Personal

Age: 57 Married - Wife: Sue Children: Michelle Neff Garonski, 27 yrs. and Aimee Neff Messbarger, 23 yrs. Grandchildren: Trcy Messbarger, 5 yrs.

Home Address: 2127 Scenic Dr. NE, Lancaster, OH 43130 740-653-8776

Cheryl Payne

Objective Appointment to the Coordinating Council of Ohio University-Lancaster

Experience 1997- Discovery Toys Educational Consultant

Group Manager

- Developed a team of sixteen consultants.

1977-1996 Herald House Independence, Missouri

Volunteer Sales Representative

- Collected orders, payments and built sales displays at conventions.

1988-1994 Popcorn Carousel Lancaster, Ohio

Owner

- Created a popcorn gift shop.

1977-1990

- Member of Lancaster Parents League

1979-1983 American Field Service Lancaster, Ohio

Host Parent/President

- Lancaster High School Senior Selvin Gnanapragasam from Sri Lanka.
- Lancaster High School Senior Monica Miranda from Chili.
- President AFC-Lancaster 1981-1983.

1979-1980

President of Fairfield County Medical Alliance

1968-1971

- Taught Primary Special Education Class at Wilmington, Ohio Spring 1968.
- Taught Fifth Grade -Cincinnati, Ohio 1968-1969 School Year.
- Taught Fourth Grade-Cincinnati, Ohio 1969-1970 School Year.
- Taught Fourth Grade-Mt. Healthy, Ohio 1970-October 1971.

Education

1996-1998 Discovery Toys

- Various seminars concerning Child Development and Literacy.
- Leadership training.

1992 Ohio University-Lancaster

- Courses in Economics and Mathematics.

1965-1968 Ohio University Chillicothe, Oh Branch /Athens OH

- BS in Education
Graduated Cum Laude

1964-1965 Wilmington College Wilmington, Ohio

- Completed Freshman Year

Interests

Traveling, Gardening, Reading, Volunteering for the Multiple Sclerosis Support Group

DAVID L. WILSON

10218 Plainfield Road
Kimbolton, Ohio 43749
Home (614)432-6374 • Business (614)432-5605
dlwilson@cambridgeoh.com

EMPLOYMENT

Operations Manager
AVC COMMUNICATIONS, INC.

May, 1983 to Present
CAMBRIDGE, OHIO

I have responsibilities and direct involvement in virtually all areas of operation for a group of five East-Central Ohio radio stations, including management, advertising sales, on-air programming, commercial production, station automation and public appearances on station behalf.

Account Representative
THE TIMES-REPORTER

January, 1980 to May, 1983
NEW PHILADELPHIA - DOVER, OHIO

Responsible for advertising sales to a variety of clients; created, developed and administered advertising budgets, campaigns and layouts for both new and existing clients.

Account Representative
THE DAILY JEFFERSONIAN

January, 1975 to January, 1980
CAMBRIDGE, OHIO

Responsible for advertising sales to a variety of clients; created, developed and administered advertising budgets, campaigns and layouts for both new and existing clients.

EDUCATION

Graduate
CAMBRIDGE HIGH SCHOOL

1973
CAMBRIDGE, OHIO

College Prep curriculum

Attended
OHIO UNIVERSITY REGIONAL CAMPUS

1973-74
ZANESVILLE, OHIO

Accumulated 39 credit hours

Dale Carnegie Course in Effective Speaking and Human Relations

Graduated from the course in 1989

PERSONAL

Married
To the former Cynthia Bell - March 7, 1976

Children
A daughter, Emily, born May 8, 1982 and a son, Steven, born January 5, 1990

Being involved in activities and organizations that have a direct impact on my family is a top priority in my life. In addition, I take pride and pleasure in participating in a variety of community endeavors each year, including emceeding everything from area marching band competitions to numerous Sweet Adeline Shows. I have performed in the Cambridge Lions Club's Minstrel (Variety) Show each year since it began in 1974 and have sung at a number of both local and regional events, including three trips to Three Rivers Stadium to sing The National Anthem before Pittsburgh Pirate baseball games. I have also been involved in numerous fundraisers, benefitting organizations such as The Hospice of Guemsey, The American Cancer Society and Big Brothers/ Big Sisters

DAVID L. WILSON

Page Two

ACTIVITIES

- **Cambridge Lions Club** Member since 1975. Past President and Zone Chairman. Named "Lion of the Year" in 1980.
- **Cambridge Area Chamber of Commerce** Member of the Board of Directors since 1986; Chairman-Elect, to serve as Chairman in 1999
- **Cambridge City Schools** Member of the *Citizens' Advisory Committee* since its creation in 1994. Served on three successful school tax levy campaign committees.
- **Junior Achievement of Guernsey County** I have taught the Junior Achievement "Project Business" course at Cambridge Junior High since 1994.
- **Cambridge Band Boosters** As a Cambridge High School Band Parent, I have been active with this organization since 1996.

NAME CHANGE FOR THE DEPARTMENT OF CHEMISTRY

RESOLUTION 1998 - 1585

WHEREAS, the Department of Chemistry comprises a diverse faculty with many professional activities; and

WHEREAS, the current departmental designation does not adequately recognize this diversity of faculty and their professional activities; and

WHEREAS, the faculty have thoroughly discussed the desirability of a change of name for the department and the dean of the College of Arts and Sciences supports this recommendation;

THEREFORE, BE IT RESOLVED, that the name of the Department of Chemistry be changed to the Department of Chemistry and Biochemistry.

Office of the Provost
Cutler Hall 306
Athens OH 45701-2979
740-593-2600 phone
740-593-9191 fax



OHIO UNIVERSITY
1804

DATE: May 21, 1998
TO: Robert Glidden, President
FROM: Sharon Stephens Brehm^{SS}, Provost
SUBJECT: Name Change

The dean of the College of Arts and Sciences and the faculty of the Department of Chemistry are requesting a change in name from the Department of Chemistry to the Department of Chemistry and Biochemistry. This name change reflects a nationwide trend and allows the department to emphasize a major area of focus.

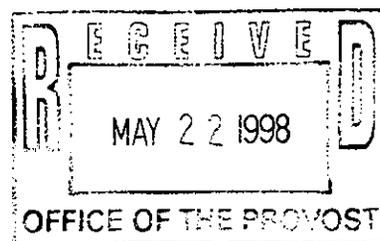
It seems to me that the rationale presented by the dean of the College of Arts and Sciences is sound and that the name change is in the best interests of the college. I therefore concur with the name change and recommend that it be approved.

SB/jt

College of Arts and Sciences
Wilson Hall, College Green
Athens OH 45701-2979
740-593-2850 phone
740-593-0053 fax



OHIO UNIVERSITY



To: Sharon S. Brehm, Provost
From: Leslie Flemming, Dean *LCF*
CC: Barbara Reeves, Associate Provost
Date: 05/20/98
Re: Change of Name

The Department of Chemistry is requesting a change in name to The Department of Chemistry and Biochemistry. The name change represents the need to emphasize a major focus area of the department. The American Chemical Society currently requires extensive coursework in focus areas such as organic, physical, inorganic, and analytical chemistry. Thus, a department that carries the designation "Chemistry" by definition offers these distinct areas. Course work in biochemistry is not required by the American Chemical Society. Therefore, a change in name will be an effective mechanism to signal the inclusion of biochemistry as a major focus area at OU. Without the name change, professionals outside the department may infer that one cannot do biochemistry work at OU. Such a perception hampers effective graduate student recruitment in the area of biochemistry.

The name change we propose reflects a trend nationwide. Departments that now call themselves Departments of Chemistry and Biochemistry include UCLA, Texas A&M, Texas at Austin, Notre Dame, Montana State, Harvard, Georgia Tech, Arizona State, UC San Diego, UC Santa Cruz, Oklahoma, New Mexico State, etc. Most of the prominent departments that do not use "biochemistry" in their name have separate Biochemistry Departments. This includes UC Berkley, as well as Davis, Irvine and Riverside, Cal Tech, Johns Hopkins, Yale, Princeton, LSU, Iowa, Kansas, Columbia, Cornell, Colorado State, CUNY, Case Western, Carnegie Mellon, Brown, The University of Chicago, Brandeis, Tice, Minnesota, Michigan State, etc.

We feel strongly that changing our name to stress our coverage of biochemistry will be a strong aid in recruiting quality graduate students here to OU.



Ohio University

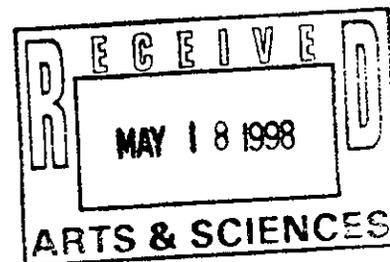
College of Arts and Sciences

Department of Chemistry

Ohio University
Clippinger Laboratories
Athens, Ohio 45701-2979

614-593-1737
Fax: 614-593-0148
<http://main.chem.ohiou.edu/>

Date: May 15, 1998
To: Leslie Flemming, Dean, College of Arts and Sciences
From: Kenneth Brown, Chair, Department of Chemistry *KB*
Re: Change of Department Name



We would like to change the name of our department to the Department of Chemistry and Biochemistry. This name change is in accord with the recent redirection of our doctoral program to include a focus in the biological aspects of chemistry (i.e., biochemistry). We feel that this is particularly important in order to advertise to various constituencies outside of OU (particularly prospective graduate students) that coursework and degrees in biochemistry are available in our department. The lack of such identification of biochemistry as part of our portfolio is hurting our recruitment of graduate students in this focus area. Please let me take a moment to explain why this is so.

The name "Department of Chemistry" automatically implies coverage of the four traditional disciplines of organic, physical, inorganic, and analytical chemistry. This is the case because the American Chemical Society requires coursework in each of these areas in order to certify a department's degree. The situation with biochemistry is completely different. There is no required coursework in biochemistry for ACS certification. On some campuses, biochemistry is in the chemistry department, on others it is in a separate department, on still others it is combined with biology or other biological disciplines (such as microbiology), and some campuses have no biochemistry. Consequently, the name "Department of Chemistry" says nothing about whether biochemistry is included or not. Our failure to identify biochemistry as part of our mission via our departmental name is hurting us in recruiting biochemistry graduate students. We have too few, and if biochemistry is to succeed as one of our focus areas, we need to increase our graduate biochemistry enrollment. My colleagues and I know from first hand experience that our name fails to advertise the presence of biochemists in our department. When we visit the colleges and universities from which we recruit graduate students (even those in Ohio), we routinely find that neither the faculty nor the students know that graduate work in biochemistry is available in our department.

The list of chemistry departments that now call themselves "Department of Chemistry and Biochemistry" is long, and includes such places as UCLA, Texas A&M and UT Austin, Notre Dame, Montana State, Harvard, Georgia Tech, Arizona State, UC San Diego and UC Santa Cruz, Oklahoma, New Mexico State, etc. Most of the prominent departments which do not use Biochemistry in their names are on campuses where there are separate biochemistry departments. This includes UC Berkley, as well as the remaining UC campuses (Davis, Irvine, and Riverside), Cal Tech, Johns Hopkins, Yale, Princeton, LSU, Iowa, Kansas, Columbia, Cornell, Colorado State, CUNY, Case Western, Carnegie Mellon, Brown, the University of Chicago, Brandeis, Rice, Minnesota, Michigan State, and so on.

We are hurting ourselves by failing to advertise biochemistry in our name. Since biochemistry is one of our focuses, this is a bad place to be hurting ourselves. I hope that you will support our request to change our name to the Department of Chemistry and Biochemistry.

**OHIO UNIVERSITY CENTER FOR INNOVATION IN
TECHNOLOGY FOR LEARNING**

RESOLUTION 1998 - 1586

WHEREAS, Ohio University is committed to encouraging curriculum innovation using technology and to disseminate information about its use throughout the university and research into the use of technology for learning, and;

WHEREAS, the Center will encourage the development of new learning materials and to aid in the utilization of technological advances and will serve as a center for research into, and evaluation of, the use of technology for learning and

WHEREAS, at the present time no centrally located facility exists on campus that can provide such support and assistance to faculty and staff.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees establishes the Ohio University Center for Innovation in Technology for Learning

Office of the Provost
Cutler Hall 306
Athens OH 45701-2979
740-593-2600 phone
740-593-9191 fax



OHIO UNIVERSITY
1804

DATE: June 5, 1998

TO: Robert Glidden, President

FROM: Sharon Stephens Brehm^{SSB}, Provost

SUBJECT: Establishment of the Ohio University Center for Innovation in Technology and Learning

The attached request for the establishment of the Center for Innovation in Technology and Learning is one that I support and recommend for approval. Such a center will support the use of technology to facilitate curriculum innovation in order to enhance learning throughout the University.

SB/jt

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

DATE: June 3, 1998

TO: Sharon Brehm, Provost

FROM: Carol J. Blum, Interim Vice President
Research and Graduate Studies

SUBJECT: **Establishment of the Ohio University Center for Innovation
in Technology for Learning**

Attached is a copy of a proposal and a resolution for the Board of Trustees regarding the establishment of the **Ohio University Center for Innovation in Technology for Learning**. I have reviewed the proposal and recommend taking it to the President and the Board.

Ohio University was awarded a grant from the Ohio Board of Regents to enhance learning through the innovative use of technology. The Center will support curriculum innovation using technology and disseminate information about its use throughout the university. The Center will be established as a location for faculty to access up-to-date information, advanced technical resources, and the expert guidance of skilled instruction design specialists. There will also be a computer support person and associate director located on the Southern campus. The Center will also serve as a center for research into, and evaluation of, the use of technology for learning.

The Center will be staffed by the newly appointed Director, Ann Kovalchick, two instructional design specialists and clerical and support staff. The Center will report to the Associate Provost for Information Technology and be advised by the Technology for Learning Advisory Council. It will be directly involved with the Center for Teaching Excellence within the University College and will work closely with the Dean of Lifelong Learning to utilize the new initiatives for the enhancement of the university's outreach efforts. This coordination will serve to expand our efforts to bring more on-line courses to students attending OU through the External Student Program.

CENTER FOR INNOVATION IN TECHNOLOGY FOR LEARNING

A. Need

In the spring of 1997, Ohio University was awarded a grant of \$922,000 from the Ohio Board of Regents to enhance learning through the innovative use of technology. The integrated action plan associated with the grant is designed to address three key areas of development at the university:

1. the enhancement of the OU network infrastructure to support an optimum level of distributed learning activity;
2. the active involvement of faculty in designing, developing, and evaluating course materials that contribute to innovative and cost effective approaches to teaching, by utilizing "Technology Improvement Packages" (TIPs) awards;
3. the establishment of the Center for Innovation in Technology for Learning (CITL) to support curriculum innovation using technology and to disseminate information about its use throughout the university.

In recent years, technology has been increasingly utilized by faculty in the delivery of instruction. At OU, as well as across the nation, faculty have been expanding the application of computers, compressed video, and other technological advances to the distribution of learning materials. In addition to enhancing the instructional process for students attending classes on campus, the use of technology has also had a considerable impact on the ability of the university to assist those students unable to attend the more traditional classes. At regional campuses, as well as at other locations around the state and around the world, students can now receive Ohio University courses more easily, and place-bound students can readily access information from faculty using email and other electronic communications.

To encourage the development of these new learning materials, and to more effectively utilize these technological advances, the Center for Innovation in Technology for Learning will be established as a location for faculty to access up-to-date information, advanced technical resources, and the expert guidance of skilled instructional design specialists. It will also serve as a center for research into, and evaluation of, the use of technology for learning.

B. Meeting the Needs

With funding from the grant, the university has been able to purchase a variety of equipment designed to assist faculty in the design and development of learning materials. It has also received funds for the renovation and furnishing of space on the ground floor of Scott Quad to house this equipment, as well as to provide offices for a director and support staff. At the present time, no other centrally located facility exists on campus that can provide such support and assistance to faculty and staff. If the university is to meet the demands of those students, who require immediate and effective access to the latest information and resources, both in traditional and non-traditional settings, it must have both a well-trained faculty, along with a curriculum that is easily transferable to an electronic medium. The CITL is designed to move OU in that direction.

C. Unique Value of the Program

The CITL will be a state-of-the-art facility, unlike any other in Ohio. Faculty from any discipline will be able to come to the Center to work one-on-one with an instructional design specialist, meet with other faculty in interdisciplinary teams, or access equipment and technological resources to test their ideas and evaluate the implementation of their activities. Combining the concept of a training center with an experimental laboratory, the CITL will provide an exciting venue for faculty and staff to enhance the OU curriculum and to upgrade their teaching and interactive skills.

The Center will also provide a forum for discussions on the use of technology in the classroom. It will serve as the focal point for other activities around campus that are already taking place in the use of technology. At the present time, faculty are experimenting with new ideas to deliver instruction to their students. How and where such ideas are being tried can now be coordinated, evaluated, and integrated into a variety of settings across the university.

Finally, in addition to serving as a laboratory for new ideas, a center for enhancing curriculum, and a location for the coordination of technological initiatives throughout the campus, the CITL will work closely with other departments, schools, and resource centers to bring the latest in technological and curricular advancements to the faculty of Ohio University. It will also work closely with the regional campuses in the development and transfer of these new initiatives to off-campus locations. The Center represents a commitment on the part of OU to improve its educational services through the effective application of technology to the teaching/learning process.

D. Personnel

Initially, as provided for in the grant, the Center will be staffed with a director, two instructional design specialists and clerical and support staff. There will also be a computer support person and an associate director located on the Southern Campus. The Center staff in both locations will interact with a variety of academic departments and schools to explore ways curriculum may be enhanced utilizing the new technology.

The Center will also become directly involved with the Center for Teaching Excellence within University College, in an effort to improve classroom learning experiences for students. Furthermore, the director and associate director will work closely with the Dean of Lifelong Learning to utilize the new initiatives for the enhancement of the university's outreach efforts. This coordination will serve to expand our efforts to bring more on-line courses to students attending OU through the External Student Program.

The goal of the university, as provided for in the grant, is to provide training for at least half of the faculty in the use of technology over the next two years. During this time, the director and other staff in the Center will meet with the academic departments to discuss training and development needs. It is expected that over the next five years, nearly all of the faculty on the Athens campus will have some exposure to the benefits of technology in delivering instruction, and all academic areas will be affected to some extent by this initiative.

E. Funding and Fiscal Resources

As part of the grant, all of the equipment in the Center will be purchased using one-time state funding. The space in Scott Quad has also been renovated and furnished with grant money. Staffing will be provided as part of the university's matching funds.

The Southern Campus will provide funding for the two individuals located at that site, and the Division of Lifelong Learning will support the Center with one of its instructional design specialists. New funding from the office of the provost will be used to hire a director, one instructional design specialist, and other support staff as needed.

A copy of the budget for fiscal year '98-'99 is attached. It is estimated that this budget will be in place for the next five years, with increases in salary for personnel to be in line with that of other OU faculty and staff. Funding to upgrade equipment during this period will come from both increased funding for technology on campus, and from revenue generated by programs within Lifelong Learning that are designed to reach external students through the expanded use of technology.

There will continue to be external funds available to educational institutions to explore new ways to delivery learning programs. As the Center examines the innovative use of technology for learning, it will also seek external funding whenever appropriate.

F. Space and Equipment Needs

All equipment, along with the renovation of space on campus, has been fully funded by the grant. Any new equipment needs will be met with new technology funding and with revenue generated from other outreach programs developed within the Division of Lifelong Learning.

G. Administrative Control

The Director of the Center will report to the Associate Provost for Information Technology. The Associate Director, to be located on the Southern Campus, will report to the Dean of that campus, but will also meet regularly with the director to coordinate the design and development of new technological efforts on the regional campuses. The Director will be responsible for meeting the goals outlined in the grant, and for setting targets for the design of new courses and the enhancement of the curriculum. In addition, all materials produced by the Center, or faculty working with the Center, will become the property of Ohio University.

As part of the grant, a Technology for Learning Advisory Council has been established. This Council consists of faculty representatives from each of the academic colleges and all of the regional campuses. Its task is to provide advice on the use of technology in learning, determine overall priorities for the CITL, recommend TIPs awards recipients, and monitor the progress of the activity surrounding the introduction of technology into the curriculum. The members of the Council were selected for their expertise in the use of instructional technology.

CITL Budget

Base Salaries/Wages

Director	\$50,000
Instr Design	34,000
Secretary .5	12,000

Benefits

Employer PERS	\$12,778
Worker's Comp	615
Medicare	1,274
Classified Ins (1)	4,801
Contract Ins (2)	10,178

Supplies, Expenses, Misc. \$24,854 *

Subtotal \$150,500

Additional Personnel from Existing Funds

Instruc Design Specialist	\$35,190
Instruc Design Specialist, P/T OUS	15,000

Employer PERS	6,680
Workers' Comp	321
Medicare	666
Insurance	10,178

Subtotal \$68,035

Total \$218,535

Funding Sources	Current Budget	\$100,500
	1998-99 Budget	50,000
	Regional Higher Ed	68,035
	(Lifelong Learning/OU-S	

*Additional funding beyond this amount will be provided through the Office of Lifelong Learning for equipment and maintenance.

C. BOARD ADMINISTRATION COMMITTEE

Committee Chairman Brunner reported the committee received a report from Vice President Siemer on the Ohio Board of Regents' comparative study of state institutions' fiscal standing. In addition, the committee heard from Provost Brehm on 1998/99 budget proposals. (A copy of Mr. Siemer's report is included with the official minutes.)

Committee matters were voted on separately and collectively as noted in the minutes.



HDL Center
Athens OH 45701-2979

OHIO UNIVERSITY

June 14, 1998

MEMORANDUM

To: Members of the Ohio University Board of Trustees

From: Dick Siemer 

Subject: Senate Bill 6 Analysis

Enclosed is the first report provided by the Ohio Board of Regents on comparative results of Senate Bill 6 reporting. The first two pages of the transmittal letter describe the reporting requirements and calculation model. On the third page I have typed over the generic "Institution" to identify the rank and scores of the other state universities. On the last page, I have provided a spreadsheet with the items from each school's annual financial report, which are used to develop the ratios and scores. As a footnote below, I have spelled out the financial areas that are abbreviated on the spreadsheet.¹ There is an old saying about religion that goes something like, "If you understand, no explanation is necessary; if you don't, no explanation is possible." Unfortunately there is a similar truth with fund accounting – so I will not try to burden you with an explanation of the footnoted items here, but will save that for our conversation at the Board meeting. As a prelude to that discussion, I should say that our numbers are solid. Schools that scored higher on this model than ours were able to include their quasi endowments and/or had higher total fund balances. What I anticipate will happen now is that the state universities will be tracked, via this model, not only in absolute terms but also in relative terms year to year. We will need to be conscious of this as we make decisions the outcomes of which will impact our SB 6 financial scores.

¹

Unr. E G -	Unrestricted Educational and General
Unr. Aux	Unrestricted Auxiliary
Unexp Plt	Unexpended Plant Fund Balances
Ren & Rep	Plant Funds for Renewal and Replacement
Ret. Indebt	Plant Funds for Retirement of Indebtedness
Quasi End	Quasi Endowment
Total Fd Bal	Total Fund Balance
Plt Indebt	Plant Indebtedness (outstanding long term debt)
CFE & MT	Current Fund Expenditures and Mandatory Transfers
Net CF Rev	Net Current Fund Revenue
Tot. CF Rev-	Total Current Fund Revenue



OHIO BOARD
OF REGENTS
HELPING HIGHER EDUCATION
SERVE A CHANGING WORLD

MEMORANDUM

To: State College and University Fiscal Officers

From: Matthew V. Filipic *Matt*
Vice Chancellor for Administration

Date: May 5, 1998

Re: Senate Bill 6 Ratio Analysis

As you know, Senate Bill 6 requires the Board of Regents to use audited financial reports to calculate ratio analyses for each state-supported college and university. Three ratios are used to generate a composite score, which is used to assess the financial health of each institution. The enclosed table provides the distribution of scores for all three ratios and the composite score for all institutions anonymously, and identifies the scores only for the institution receiving this report. This table allows you to see how your institution compares with other campuses, without revealing the financial information of other institutions that may be considered sensitive.

As prescribed in the administrative rules for Senate Bill 6, the methodology for calculating the ratios is as follows:

1. Viability ratio: expendable fund balances (including all current fund balances, plant fund balances and quasi-endowment balances) divided by plant debt.
2. Primary reserve ratio: expendable fund balances divided by total current funds expenditures and mandatory transfers.
3. Net income ratio: net total current fund revenues divided by total current fund revenues.

The assignment of ratio scores is determined by using the criteria in the figure on the following page.

Ratio Scores						
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Viability Ratio	< 0	0 to .29	.30 to .59	.6 to .99	1.0 to 2.5	> 2.5
Primary Reserve Ratio	< -.1	-0.1 to .049	.05 to .099	.10 to .249	.25 to .49	.5 or greater
Net Income Ratio	< -.049	-.05 to 0	0 to .009	.01 to .029	.03 to .049	.05 or greater

There are two methods for calculating the composite scores, which are contingent upon each institution's plant debt. If plant debt is \$50,000 or greater, the composite score equals the sum of the assigned viability score multiplied by 30%, the assigned primary reserve score multiplied by 50%, and the assigned net income score multiplied by 20%. If plant debt is less than \$50,000, the viability ratio is not calculated. In this case, the primary reserve score is multiplied by 80%, and the assigned net income score is multiplied by 20%. The two products are added together to obtain the composite score.

A major criterion for determining fiscal watch is a composite score of or less than 1.75 for two consecutive years.

Please review these figures. To ensure the accuracy of these data, you are encouraged to calculate your institution's ratios and scores in accordance with the Senate Bill 6 guidelines provided in this memo. Should you have any questions or concerns, please contact Neal McNally at (614) 752-9531.

Enclosure

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S.B. 6 RATIO ANALYSIS

Rank*	Institution	Composite Score	Primary Reserve Ratio	Primary Reserve Score	Viability Ratio	Viability Score	Net Income Ratio	Net Income Score
1	Institution	5.00	1.489	5.00	N/A	—	0.053	5.00
2	Institution	4.50	0.354	4.00	2.993	5.00	0.062	5.00
3	Institution	4.50	0.397	4.00	8.618	5.00	0.057	5.00
4	OSU	4.20	0.302	4.00	2.454	4.00	0.060	5.00
5	NEOUCOM	4.20	0.301	4.00	N/A	—	0.054	5.00
6	Institution	4.20	0.431	4.00	1.822	4.00	0.076	5.00
7	Institution	4.10	0.617	5.00	0.303	2.00	0.249	5.00
8	Miami	4.00	0.300	4.00	1.586	4.00	0.045	4.00
9	Wright St.	4.00	0.215	3.00	2.621	5.00	0.059	5.00
10	Institution	4.00	0.211	3.00	17.974	5.00	0.067	5.00
11	Institution	4.00	0.103	3.00	15.903	5.00	0.065	5.00
12	Institution	3.90	0.522	5.00	1.331	4.00	(0.010)	1.00
13	Institution	3.80	0.273	4.00	N/A	—	0.020	3.00
14	BGSU	3.60	0.256	4.00	1.368	4.00	0.000	2.00
15	Institution	3.60	0.162	3.00	8.480	5.00	0.029	3.00
16	Akron	3.50	0.199	3.00	1.873	4.00	0.042	4.00
17	Cleve State	3.50	0.205	3.00	2.215	4.00	0.041	4.00
18	Institution	3.40	0.207	3.00	5.150	5.00	0.006	2.00
19	Institution	3.40	0.219	3.00	N/A	—	0.121	5.00
20	Institution	3.30	0.473	4.00	0.293	1.00	0.064	5.00
21	OHIO UNIVERSITY	3.30	0.167	3.00	1.073	4.00	0.027	3.00
22	Institution	3.20	0.108	3.00	21.846	5.00	(0.020)	1.00
23	UC	3.20	0.285	4.00	0.563	2.00	0.014	3.00
24	Institution	3.20	0.172	3.00	N/A	—	0.038	4.00
25	Institution	3.00	0.103	3.00	N/A	—	0.023	3.00
26	Kent	3.00	0.133	3.00	0.675	3.00	0.021	3.00
27	Institution	3.00	0.136	3.00	N/A	—	0.019	3.00
28	Institution	3.00	0.200	3.00	N/A	—	0.021	3.00
29	Institution	2.80	0.069	2.00	1.070	4.00	0.021	3.00
30	Institution	2.80	0.134	3.00	N/A	—	0.007	2.00
31	Toledo	2.70	0.138	3.00	0.346	2.00	0.014	3.00
32	Institution	2.60	0.145	3.00	N/A	—	(0.000)	1.00
33	Institution	2.60	0.154	3.00	N/A	—	(0.002)	1.00
34	Institution	2.60	0.206	3.00	N/A	—	(0.019)	1.00
35	Institution	2.30	0.042	1.00	1.003	4.00	0.013	3.00
36	Institution	2.00	0.239	3.00	0.131	1.00	(0.018)	1.00
37	Youngstown St.	1.80	0.005	1.00	0.032	1.00	0.066	5.00
38	Institution	0.00	(0.208)	0.00	(2.147)	0.00	(0.098)	0.00
	Statewide Average**	3.31	0.249	3.21	3.830	3.538	0.034	3.32

SOURCE: FY 1997 audited financial statements.

* Institutions are ranked by composite scores.

** Statewide average is not weighted.

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		Unr. E G	Unr. Aux	Restricted	Unexp Pft.	Ren & Rep	Rel. Indebt	Quasi End	Total Fd Bal	Pft Indebt	CFE & MT	Net CF Rev	Tot. CF Rev
OU (3.3)		25,458	3,896	9,716	12,730	3,734	200	0	55,734	51,945	334,257	9,422	343,679
Viability	1.073												
Primary Reserve	0.167												
Net Income	0.027												
Akron (3.5)		23,954	4,236	10,252	909	0	99	6,524	45,974	15,878	231,391	10,099	241,490
Viability	2.895												
Primary Reserve	0.199												
Net Income	0.042												
Bowling Green (3.6)		(8,990)	(2,882)	5,595	4,475	7,139	22,150	32,629	60,116	43,955	235,219	81	235,300
Viability	1.368												
Primary Reserve	0.256												
Net Income	0												
U of Cincinnati (3.2)		57,541			68,849			31,596	157,986	280,129	554,337	7,866	562,203
Viability	0.564												
Primary Reserve	0.285												
Net Income	0.014												
Cleve. State (3.5)		16,631	521	6,245	4,324	1,896	0	1,326	30,943	14,000	151,179	6,408	157,587
Viability	2.21												
Primary Reserve	0.205												
Net Income	0.041												
Kent State (3.0)		23,097	1,856	3,560	1,734	6,521	(545)	0	36,323	57,580	292,411	6,275	298,686
Viability	0.831												
Primary Reserve	0.124												
Net Income	0.021												
Miami (4.0)		24,624	5,824	11,260	6,440	12,736	254	18,094	79,232	45,506	264,357	12,489	276,846
Viability	1.741												
Primary Reserve	0.3												
Net Income	0.045												
Ohio State (4.2)		173,031	5,127	96,893	(2,080)	110,442	38,581	24,028	446,022	181,753	1,508,613	96,911	1,605,524
Viability	2.454												
Primary Reserve	0.298												
Net Income	0.06												
NEUCOM (4.2)		4,018	127	1,275	2,857	0	0	0	8,277	0	27,494	1,568	29,062
Viability	N/A												
Primary Reserve	0.301												
Net Income	0.054												
Toledo (2.7)		6,568	6,791	3,716	3,972	0	0	12,680	33,725	97,509	244,009	3,562	247,571
Viability	0.348												
Primary Reserve	0.138												
Net Income	0.014												
Wright State (4.0)		24,236	(224)	8,707	858	4,590	237	1,980	40,382	15,379	187,598	11,798	199,396
Viability	2.626												
Primary Reserve	0.215												
Net Income	0.059												
Youngstown State (1.8)		(9,479)	1,008	2,329	812	1,913	410	3,575	568	17,645	104,631	7,453	112,084
Viability	0.032												
Primary Reserve	0.005												
Net Income	0.066												

Viability = Fund Balance/Plant Indebtedness

Primary Reserve = Fund Balance/Current Fund Expenditures and Mandatory Transfers

Net Income = Net Total Current Funds Revenues/ Total Current Funds Revenues

FY 1997/98 ACTUAL BUDGET ELEVEN MONTH COMPARISON

Ohio University Comparison of Budget to Actuals * May 31, 1998

	<u>1997- 98 BUDGET</u>	<u>MAY, 1998 ACTUALS</u>	<u>MAY, 1997 ACTUALS</u>
REVENUES			
Student tuition and fees	\$121,467,567	\$126,270,434	\$118,343,908
State appropriations	125,135,000	115,083,219	107,673,365
Gifts, grants and contracts	3,129,000	3,347,301	3,182,219
Investment income	2,910,000	3,522,164	2,940,000
Sales and service of educational departments	1,140,944	4,424,553	4,143,036
Auxiliary enterprises	46,527,442	46,479,997	42,524,114
Other revenues	4,653,124	5,700,678	4,862,502
Total revenues	<u>304,963,077</u>	<u>304,828,346</u>	<u>283,669,144</u>
Budgeted carry forward	23,788,167	0	0
Total resources	<u>328,751,244</u>	<u>304,828,346</u>	<u>283,669,144</u>
EXPENSES			
Program activities:			
Instruction	123,695,954	114,387,926	105,925,270
Research	7,124,528	3,970,913	3,535,840
Public service	3,103,702	3,320,586	3,014,798
Supporting activities:			
Academic support	43,865,205	33,707,163	30,234,920
Student services	14,447,179	12,955,379	12,506,854
Institutional support	43,340,591	28,068,436	27,041,157
Operations and maintenance of plant	29,358,914	23,160,752	22,407,653
Student aid	6,449,986	8,129,854	7,139,190
Auxiliary enterprises	57,365,185	53,120,493	47,704,317
Total expenses	<u>328,751,244</u>	<u>280,821,502</u>	<u>259,509,999</u>
Net change	<u>\$0</u>	<u>\$24,006,844</u>	<u>\$24,159,145</u>

Instruction - Expenditures for all activities that are part of Ohio University's instruction program. Includes expenditures for department chairpersons but excludes expenditures for academic administration when the primary assignment is administration (academic deans).

Public Service - Expenditures for activities that are established primarily to provide noninstructional services beneficial to individuals and groups external to the institution. These activities include community service programs and cooperative extension services.

Academic Support - Expenditures with the primary purpose of providing support services for the primary missions of instruction, research and public service. Includes expenditures for academic administration (deans); media, such as audio visual services; the retention, preservation, and display of educational materials (libraries); separately budgeted support for course and curriculum development.

Student Services - Expenditures for offices of admissions and registrar and those activities whose primary purpose is to contribute to the student's emotional and physical well-being and to his/her intellectual, cultural, and social development outside the context of the formal instruction program.

Institutional Support - Expenditures for central executive-level activities concerned with management and long-range planning of the entire institution, (eg governing board, planning and programming, and legal services); fiscal operations; administrative data processing; human resources; logistical activities that provide procurement, storerooms, safety, security and printing services to the institution; activities concerned with community and alumni relations.

* Current Unrestricted Funds

Mr. Goodman presented and moved approval of the resolution. Mr. Brunner seconded the motion. The question was called and all voted yes.

FISCAL YEAR 1998-99 OPERATING BUDGET

RESOLUTION 1998 - 1587

WHEREAS, the Board of Trustees has received the 1998-99 Ohio University Planning Report.

NOW, THEREFORE, BE IT RESOLVED that the 1998-99 budgets of expected income and expenditures as presented in Exhibits I, II and III are hereby approved 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 does not exceed available unrestricted income.
2. Expenditures for designated and restricted funds estimated on Exhibit I shall be limited to the income generated.

Mr. Goodman presented and moved approval of the resolution. Mr. Brunner seconded the motion. Prior to the question, Mrs. Romer-Sensky questioned the percentage of the tuition increase and worried about it positioning the university for the future. She stated she's not had time to study the budget and would defer to more knowledgeable trustees on the matter. The question was called and all voted aye.

INSTRUCTIONAL AND GENERAL FEE, PART A

RESOLUTION 1998 - 1588

WHEREAS, Am. Sub. H.B. No. 215 prohibits the Board of Trustees from authorizing instructional and general fee increases of more than four percent in a single vote.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees authorizes a four percent increase in the instructional and general fee effective Fall Quarter 1998.

Mr. Goodman presented and moved approval of the resolution. Mr. Brunner seconded the motion. Approval was unanimous.

INSTRUCTIONAL AND GENERAL FEE, PART B

RESOLUTION 1998 - 1589

WHEREAS, the Ohio University Planning Report, June 1998, contains program enhancements which were recommended after extensive review, and

WHEREAS, the Ohio University Planning Report, June 1998, contains fixed and mandated cost increases, as well as faculty and staff compensation increases, and

WHEREAS, the Board of Trustees approved instructional and general fee, Par A, and

WHEREAS, Am. Sub. H.B. No. 215 requires Board of Trustees to authorize instructional and general fee increases exceeding four percent, but not more than six percent, by a second vote, and

WHEREAS, the Program Planning Report, June 1998, provides for a six percent increase in the instructional and general fee.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees adopts the attached schedules of fees effective Fall Quarter 1998, and increase instructional and general fees for a total of six percent.

OHIO UNIVERSITY
 FEE SCHEDULE (PER QUARTER)
 EFFECTIVE FALL QUARTER 1998
 ATHENS CAMPUS

	<u>Approved 1997-98</u>	<u>Proposed 1998-99</u>	<u>Change</u>
<u>Full-Time Students</u>			
<u>Undergraduate</u> (11-20 hours inclusive)			
Instructional	\$ 1,090	\$ 1,155	\$ 65
General	270	286	16
Non-Resident Surcharge	1,573	1,667	94
<u>Medical</u>			
Instructional	3,437	3,643	206
General	270	286	16
Non-Resident Surcharge	1,573	1,667	94
<u>Grad. (9-18 hours inclusive)</u>			
Instructional	1,373	1,455	82
General	270	286	16
Non-Resident Surcharge	1,573	1,667	94
<u>Part-Time Hours</u>			
<u>Undergraduate</u>			
Ohio Resident	131	139	8
Non-Resident	287	304	17
<u>Graduate</u>			
Ohio Resident	204	216	12
Non-Resident	399	423	24
<u>Excess Hours</u>			
<u>Undergraduate</u>			
Ohio Resident	65	69	4
Non-Resident	145	154	9
<u>Graduate</u>			
Ohio Resident	119	126	7
Non-Resident	236	250	14

OHIO UNIVERSITY
 FEE SCHEDULE (PER QUARTER)
 EFFECTIVE FALL QUARTER 1998
 REGIONAL CAMPUSES

	<u>Approved</u> <u>1997-98</u>	<u>Proposed</u> <u>1998-99</u>	<u>Change</u>
<u>Full-Time Students</u>			
<u>Undergraduate</u> (11-20 hours inclusive)			
Eastern, Chillicothe, Lancaster and Zanesville:			
Instructional	\$ 915	\$ 942	\$ 27
General	119	122	3
Non-Resident Surcharge	1,493	1,537	44
Southern:			
Instructional	881	904	23
General	74	76	2
Non-Resident Surcharge	41	42	1
<u>Part-Time Hours</u>			
<u>Undergraduate</u>			
Eastern, Chillicothe, Lancaster and Zanesville:			
Ohio Resident	95	97	2
Non-Resident	244	250	6
Southern:			
Ohio Resident	88	89	1
Non-Resident	92	93	1
<u>Excess Hours</u>			
<u>Undergraduate</u>			
Eastern, Chillicothe, Lancaster and Zanesville:			
Ohio Resident	47	48	1
Non-Resident	124	127	3
Southern:			
Ohio Resident	47	48	1
Non-Resident	53	54	1

Mr. Brunner presented and moved approval of the resolution. Mr. Goodman seconded the motion. All agreed.

CAMPUS RECREATION FEE

RESOLUTION 1998 - 1590

WHEREAS, the Ohio University Board of Trustees has approved a facility fee of \$65.00/quarter for full time students to fund the bonded indebtedness for construction of the Ping Student Recreation Center in accordance with Resolution 1995-1418, and

WHEREAS, there have been increased operational expenses for the facility and plans for further improvements to the Ping Student Recreation Center and other student recreation facilities,

NOW THEREFORE, BE IT RESOLVED, that the Ohio University Board of Trustees authorizes the facility fee to be increased \$4.00 to \$69.00/quarter for full time students to address these increased costs to be effective for the Fall Quarter, 1998; and to reconfirm that the President or his designee is authorized to establish appropriate fees for part-time students, faculty and staff, towns-people, and guests of Ohio University, and

BE IT FURTHER RESOLVED, that the Ohio University Board of Trustees hereby authorizes the facility fee, which will be designated on the Campus Recreation Fee, to be part of Ohio University General Fee starting the 1999/00 fiscal year, and to be subject to all future adjustments in the General Fee.

Mrs. Ong presented and moved approval of the resolution. Mr. Goodman seconded the motion. Approval was unanimous.

**RESIDENCE AND DINING HALL PLANNING REPORT
RATES FOR 1998-99**

**8% increase, room and board
6% increase, University apartments**

RESOLUTION 1998 -- 1591

WHEREAS, sustained effort has been made to achieve financial stability for Ohio University's residence and dining hall auxiliary while providing necessary services for students, and

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

WHEREAS, the residence and dining hall auxiliary has identified a need for substantial reinvestment to correct the deferred maintenance backlog in its aging facilities, and

WHEREAS, the residence and dining all auxiliary has developed a long range plan to address these needs, and

WHEREAS, the Board of Trustees has adopted that long range plan as a guideline for renovating the facilities, and

WHEREAS, the residence and dining hall auxiliary must budget for the major renovations and capital improvements necessary to upgrade and maintain quality facilities, and

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

WHEREAS, the executive officers of the University have reviewed and evaluated the recommended increases in conjunction with a proposed budget for the 1998-99 fiscal year and the long range plan to address the deferred maintenance backlog, and have concluded that the rates are commensurate with projected costs of the operation, they hereby recommend that the following rate changes be approved for 1998-99.

WHEREAS, the executive officers of the University have reviewed the long-range renovation plan, the financial premises and the 1998-99 budget and recommend its adoption.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees does hereby adopt the 1998-99 Residence and Dining Hall Fund budget and the rate increases of 8% on room and board and 6% on University apartments for 1998-99, dated June 27, 1998.

ROOM RATES (QUARTERLY)

	<u>CURRENT</u>	<u>1998-99</u>
Single	\$ 947	\$1,023
Standard Double	770	832
New South Double	820	886
Triple	636	687
Quad	720	778

BOARD RATES (QUARTERLY)

	<u>CURRENT</u>	<u>1998-99</u>
7-meals flexible	\$ 541	\$ 584
14-meals flexible	746	806
20 meals	796	860
Green Carte Blanche	1,016	1,097

UNIVERSITY APARTMENT RENTAL RATES (MONTHLY)

WOLFE/ULLOM STREET

	<u>CURRENT</u>	<u>1998-99</u>
Efficiency, furnished	\$ 435	\$ 461
1 Bedroom, furnished	552	585
Bedroom/Nursery, furnished	573	607
2 Bedroom, furnished	641	679

MILL STREET

	<u>CURRENT</u>	<u>1998-99</u>
1 Bedroom, unfurnished	\$ 486	\$ 515
1 Bedroom, furnished	552	585
2 Bedroom, unfurnished	573	607
2 Bedroom, furnished	641	679

WHEREAS, the 1998-99 budget incorporates Board of Trustee action on room and board rates for the next fiscal year, and

1998-99 QUARTERLY ROOM AND BOARD RATES

	Room Only	With Linen*	Green Card	With Linen*	20-Meal Plan	With Linen*	14-Meal Plan	With Linen*	7-Meal Plan	With Linen*
Outside Boarder	N/A	N/A	\$1,097	N/A	\$860	N/A	\$806	N/A	\$584	N/A
Standard										
Single ALL HALLS	\$1,023	\$1,048	\$2,120	2,145	\$1,883	\$1,908	\$1,829	\$1,854	\$1,607	\$1,632
New South Double and Staff Rooms	\$886	\$911	\$1,983	\$2,008	\$1,746	\$1,771	\$1,692	\$1,717	\$1,470	\$1,495
Standard										
Double	\$832	\$857	\$1,929	\$1,954	\$1,692	\$1,717	\$1,638	\$1,663	\$1,416	\$1,441
Quad	\$778	\$803	\$1,875	\$1,900	\$1,638	\$1,663	\$1,584	\$1,609	\$1,362	\$1,387
Triple	\$687	\$712	\$1,784	\$1,809	\$1,547	\$1,572	\$1,493	\$1,518	\$1,271	\$1,296
<i>Optional Services:</i>										
*Linen Service \$25 per quarter										
Garage Parking										
\$233 - 3 quarters										
\$162 - 2 quarters										
\$ 83 - 1 quarter										
There will be a \$30 per quarter surcharge for electrical usage and maintenance for the window air conditioning units in Scott, Gamertsfelder, Ewing, Hoover and Wray residence halls										
										6/27/98

Vice President
for Administration



OHIO UNIVERSITY

Cutler Hall 209
Athens OH 45701-2979
614-593-2556

June 8, 1998

Dr. Robert Glidden
President
Ohio University
Campus

Dear Bob,

Bob Hynes has developed Housing budget recommendations for the 1998-99 academic year based on the Ira Fink renovation plan.

Bob proposes that the residence hall and dining service rate be increased by eight percent (8%) and the apartment rate by six percent (6%). Five percent (5%) of the revenue generated from the increase will be dedicated to the renovation effort.

Bob has provided for your review, a copy of the dorm and dining financial premises and budget and a list of the projects that will comprise the first phase of the renovation effort.

I recommend approval of the recommendation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gary North".

Gary North
Vice President for Administration

GN:mm

gn/glidden.hynes

OHIO UNIVERSITY
 RESIDENCE AND DINING HALL CURRENT AUXILIARY FUND
 FINANCIAL PREMISES FOR THE 1998-99 BUDGET
 JUNE 1998

Rate Increase Request:

A proposed rate increase of 8% has been applied to all room, board, snack bars, catering and banquets, guest meals and garage charges.

Income Consideration:

In addition to the above a 6% rate increase has been applied to certain other categories:

- a. Workshops
- b. Apartments

Facility Utilization:

All residence halls will be available for the 1998-99 academic year. (Additional 62 spaces-Scott Quad).

Occupancy Levels:

	<u>Fall Quarter</u>	<u>Average</u>	<u>Retention %</u>
1997-98 Trustee Budget			
- student residents	6840	6585	96.27
- dining hall students	6636	6375	96.06
1997-98 Actual/Forecast			
- student residents	6773	6567	96.96
- dining hall students	6619	6441	97.31
1998-99 Proposed Budget			
- student residents	6820	6613	96.96
- dining hall students	6666	6487	97.31

NEW CAPITAL OUTLAY

In accordance with the recommendations made by Ira Fink and Associates, Inc., University Planning Consultants, approximately \$2.6 million dollars will be spent on building capital projects for fiscal 1998-99 (a total list of projects is attached). In addition, the consultant's plan sets forth the requirement for \$1.63 million to be generated in fiscal 1998-99 for future projects. Current year ISES projects and future projects are being funded by rate increases, use of Repair and Replacement Reserve and 1997-98 fund balance. The overall plan makes recommendations for improvements starting in 1998-99 and continuing through the year 2007-08 and a second list of projects to be undertaken after 2008 plus. The total value of all work currently proposed, in current dollars, is \$142. million. This amount includes recognition of four pipe air conditioning to all residence hall buildings. The work to be accomplished in the first ten years amounts to \$73 million. The data and dollar values reflect the updated Ohio University residence hall facility condition analysis database prepared by the ISES corporation. In some cases work can be completed during the summer while other projects will require the building to be closed for an entire year. The actual work will be divided into the following categories: site, exterior, interior/finish, handicap access, health, fire/life safety, HVAC, plumbing and electrical. It should be emphasized that the projects do not include programmatic or architectural changes to the buildings.

CONTINUING MAINTENANCE, UPGRADE AND REPAIR

Approximately two million dollars in the budget base has been set aside to routinely maintain, upgrade and repair Auxiliary buildings. Major expenditures of these funds include: exterior paint, masonry repair, furniture and drapery replacement, carpeting, paving, apartment upgrades, bathroom renovation, fire alarms and the like. These dollars are extremely important in providing students visible evidence of building improvement. Approximately \$350,000 has been set aside as a special line item for the leasing of Microfridge units for each student room. These units are very attractive to students and offer the capability to provide excellent opportunity for snack preparation.

REPAIR/REPLACEMENT AND ENERGY RESERVE

The current Repair and Replacement Reserve has a balance of approximately \$4 million dollars. Additionally, the Energy Management Fund has a balance of approximately \$2.1 million dollars. The Repair and Replacement Reserve will be used in the next year to assist in meeting the consultant's plan. The Energy Management Fund will continue to support projects which decrease or better control energy consumption. The Energy Management Fund may also be used as financing for a performance contract with a private vendor to change the New South from natural gas to the university steam plant.

INFLATIONARY CONSIDERATIONS

The overall budget for the Residence and Dining Hall Auxiliary has not been increased by two percent recommended by the consultant. Furthermore, the Auxiliary operating departments and mitigated accounts have not been reduced as recommended by the consultant. Wages and benefits for contract and classified staff will be increased in accordance with university guidelines and the contractual agreement with Local 1699. (three and one half percent.) The Food Service department will adjust the raw food budget by an additional five percent beyond the 1997-98 financial forecast. Utilities will remain at approximately the same level because of an adjustment to the allocation formula between the Auxiliary and the General Fund. There will be no budget increase for departmental 3000 to 9000 expenses.

AIR CONDITIONING - RESIDENCE HALLS

Air conditioning of the Ohio University residence halls as well as Central Foods, Mill Street Apartments and Nelson Commons has been added to the capital renewal plan. The incremental costs associated with the 2-pipe system contained in the ISES report to a 4-pipe system as calculated in the Ira Fink report amounts to \$6,057,890. It is understood that a final determination has not been made as to the sequence of hall air conditioning. The air conditioning of the halls will be accomplished by the development of a chilled water loop for the total university.

OHIO UNIVERSITY
RESIDENCE & DINING HALL
1998-99 PROPOSED BUDGET
Jun-98

6/8/98 1:53 PM

	1997-98 TRUSTEE APPROVED BUDGET	1996-97 FINAL CLOSE 06/32/97	1997-98 FORECAST 1/31/98	8% 1998-99 PROPOSED BUDGET
INCOME				
Residence Hall	\$18,259,600	\$17,390,129	\$18,173,733	\$19,642,811
Dining Hall	\$15,457,700	\$15,118,901	\$15,664,460	\$17,081,218
TOTAL INCOME	\$33,717,300	\$32,509,030	\$33,838,193	\$36,724,029
<i>New Income Generated</i>				\$3,006,729
Operating Expenditures				
Residence Life	\$2,679,500	\$2,593,369	\$2,650,941	\$2,674,573
Director Residence Services	\$1,060,700	\$293,999	\$652,974	\$572,501
Housing Office	\$656,800	\$653,475	\$675,163	\$662,008
Upholstery Shop	\$478,200	\$469,490	\$472,801	\$472,129
Special Maintenance	\$662,400	\$617,379	\$679,179	\$670,701
Laundry Service/Student Room	\$10,500	\$5,938	\$18,470	\$18,470
Custodial Services	\$5,263,900	\$5,042,632	\$5,341,089	\$5,422,525
Food Services	\$9,507,900	\$9,038,097	\$10,011,271	\$10,187,723
Building Maintenance	\$2,037,800	\$1,776,817	\$1,995,732	\$2,070,998
Grounds Maintenance	\$602,300	\$537,426	\$567,931	\$571,253
Purchased Utilities	\$2,542,300	\$2,382,905	\$2,370,385	\$2,343,817
Capital Improvements	\$4,000,000	\$3,529,941	\$2,507,903	\$2,017,000
Other Administrative/Legal	\$206,600	\$179,096	\$138,813	\$138,813
General Fund/Indirect Cost	\$3,652,000	\$3,515,620	\$3,812,091	\$3,789,144
Student Room Phone	\$263,400	\$218,622	(\$83,477)	(\$83,477)
TV Cable		\$0	\$351,708	\$351,804
Repair/Replace/Reserve	(\$2,000,000)	(\$1,170,591)	\$0	(\$394,200)
Operating Contingency	\$0	\$139	\$54,250	\$130,200
New Capital/ISES Projects				\$2,597,200
<i>Capital Surplus</i>		\$0		\$1,630,000
Total Operating Expense	\$31,624,300	\$29,684,354	\$32,217,224	\$35,843,182
Net Income/Operations	\$2,093,000	\$2,824,676	\$1,620,969	\$880,847
Interest/Debt Service Reserve	\$35,600	\$36,796	\$28,538	\$28,538
Total Net Income before Debt Service	\$2,128,600	\$2,861,472	\$1,649,507	\$909,385
Debt Service/Mandatory	\$2,162,700	\$2,158,256	\$2,159,300	\$2,164,700
NET INCOME (Deficit)	(\$34,100)	\$703,216	(\$509,793)	(\$1,255,316)
Beginning Fund Balance	\$911,200	\$1,688,727	\$1,821,352	\$1,311,559
Trans to Plant Funds Energy Management	(\$130,200)	(\$570,591)	\$0	\$0
Ending Fund Balance	\$746,900	\$1,821,352	\$1,311,559	\$56,244

PROPOSED PROJECTS '98-'99			Revised: June 2, 1998	
PROJECT NO.	PROJECT NAME	BUDGET ORIGINAL	CURRENT ISES PROJECTS	STATUS/ ANTICIPATED COMPLETION
7600	Contingency	\$ 50,000		
7601	Miscellaneous Painting	\$ 80,000		IP - Fall '98
7602	Miscellaneous Carpet	\$ 100,000		Fall '98
7603	Fire Doors		\$ 50,000	Fall '98
7604	Fire Alarms		\$ 160,000	Fall '98
7605	Misc. Toilet Partitions	\$ 30,000		Fall '98
7606	Misc. Bathroom Renovations		\$ 50,000	Fall '98
7607	S.G. Bathroom Renovations		\$ 180,000	Fall '98
7608	NSG Roofs (3rd Phase of 4)		\$ 90,000	IP - Fall '98
7609	E.G. Rewire of Tiffin, Johnson & Read		\$ 850,000	IP - Fall '98
7610	Interim Roof Repairs (tile roofs)		\$ 250,000	IP - Fall '98
7611	E.G. Storm Sewer Cleaning & Assessment	\$ 10,000		IP - Fall '98
7612	Residence Life Apartment Upgrades	\$ 50,000		Fall '98
7613	Mill Street Roofs and Gutters (2nd Phase of 3)		\$ 50,000	IP - Fall '98
7614	Miscellaneous BR Door Replacements		\$ 20,000	IP - Fall '98
7615	Exterior Door Replacements		\$ 70,000	Summer '99
7616	Paving	\$ 100,000		Fall '98
7617	Miscellaneous Masonry Repairs	\$ 75,000		Fall '98
7618	Shively Kitchen A/C	\$ 50,000		Fall '98
7619	Miscellaneous Architect/Permit Fees	\$ 10,000		-
7620	Interior Cabinet Refinishing	\$ 50,000		Fall '98
7621	Misc. Asbestos Abatement	\$ 50,000		Summer '99
7622	Misc. Window Replacement		\$ 25,000	Fall '98
7623	Lincoln A/C's	\$ 40,000		Fall '98
7624	Misc. Lighting Improvements on NSG (with PP)	\$ 20,000		IP - Fall '98
7625	NSG Patio/Walks (1st of 3 Phases)	\$ 350,000		Fall '98
7626	Elevator Rehabilitation (1st Phase of 5)		\$ 120,000	Winter '98
7627	Brown Computer lab	\$ 68,000		Fall '98
7628	Washington Hall Retaining Wall	\$ 30,000		Fall '98
7629	S. G. Garage Sprinkler System (1st Phase of 4)	\$ 40,000		Fall '98
7630	Tiffin Hall Major Rehab A/E Design Costs @ 10%		\$ 320,000	On-going
7631	Life-Safety Items Tiffin, Johnson & Read		\$ 259,500	IP - Fall '98
7632	Electrical Upgrade Items Tiffin, Johnson, Read		\$ 102,700	IP - Fall '98
7633	Boyd Hall Convenience Store	\$ 60,000		IP - Fall '98
7634?	Boyd Hall Transformer	\$ 95,000		Fall '98
7635	Residence Hall Ethernet Connections	\$ 400,000		Fall '98
7636	Dish Machine noise reduction(Jefferson Hall)	\$ 11,000		IP - Summer '98
7637	Jefferson Fire Alarm	\$ 7,500		Fall '98
7638	Residence Hall ADA Improvements	\$ 40,000		Fall '98
	Sub-Total	\$ 1,816,500	\$2,597,200	
	Current Year Maintenance (with contingency)	\$1,816,500		
	Current Year ISES (includes Tiffin-Johnson-Read)	\$2,597,200		
	Sub-Total	\$4,413,700		
RCIS-01	S.G. Bedroom Furniture (O'Bleness & Wray)	\$ -		'99 - '00
RCIS-02	Study Lounge Furniture	\$ 40,000		Fall '98
RCIS-03	Main Lounge Furniture	\$ 40,000		Fall '98
RCIS-04	Student Chairs (Hoover, O'Bleness, Wray)	\$ 45,000		Fall '98
RCIS-05	Misc. Bedroom Furniture	\$ 15,000		Fall '98
RCIS-06	Scott Quad Furniture	\$ 60,500		Fall '98
	Sub-Total	\$ 200,500		
	TOTAL (with contingency)	\$4,614,200		
IP	In Progress			

C. BOARD ADMINISTRATION COMMITTEE (CON'T)

At the request of the Committee Chairman individual Trustees presented and reviewed the remainder of resolutions before the Trustees. On a motion by Dr. Ackerman, and a second by Mrs. Ong, Trustees voted unanimously to approve the following resolutions:

Investment Loan Fund – Res. 1998 – 1592

Trustee Appointments to the Ohio University Foundation Board of
Trustees – Res. 1998 – 1593

Ratification of Expansion of OUF Board of Trustees – Res. 1998 – 1594

Belmont Technical College Lease Renewal – Res. 1998 – 1595

FOP Contract Ratification – Res. 1998 – 1596

Election of Officers and President – Res. 1998 – 1597

Compensation for President and Executive Officers – Res. 1998 – 1598

Meeting Dates for Succeeding Years 1998/000 – Res. 1998 – 1599

Certificate of Appreciation – Res. 1998 – 1600

INVESTMENT LOAN FUND

RESOLUTION 1998 — 1592

DELEGATION OF AUTHORITY TO DECLARE OFFICIAL INTENT AND ALLOCATIONS OF REIMBURSEMENTS OF INVESTMENT LOANS FOR CAPITAL EXPENDITURES ADVANCED FROM SUBSEQUENT BORROWINGS

WHEREAS, Treasury Regulation § 1.150-2 (the "Reimbursement Regulations"), issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended (the "Code"), prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of "bonds" under Section 150 of the Code ("Obligations") used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of such Obligations may be deemed "spent" for purposes of Sections 103 and 141 to 150 of the Code and therefore, not further subject to any other requirements or restrictions under those sections of the Code; and

WHEREAS, such Reimbursement Regulations require that an Issuer (as hereinafter defined) make a Declaration of Official Intent (as hereinafter defined) to reimburse any Capital Expenditure paid prior to the issuance of the Obligations intended to fund such Capital Expenditure and require that such Declaration of Official Intent be made no later than sixty (60) days after payment of the Capital Expenditure and further require that any Reimbursement Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen (18) months after the later of the date the Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, except that any such Reimbursement Allocation must be made no later than three years after such Capital Expenditure was paid; and

WHEREAS, the Reimbursement Regulations provide that an Issuer may delegate the authority for making such Declarations of Official Intent and Allocations to one or more individuals; and

WHEREAS, on June 27, 1998, The Board of Trustees approved an Investment Loan Fund Policy #50.002; and

WHEREAS, The Investment Loan Fund provides opportunities for planning units to borrow money from the University's Cash and Pooled Investments for purposes that advance the educational mission of the University; and

WHEREAS, the internal loans or advancements are authorized and governed by Ohio Law, Federal Tax Law and Treasury Regulations; and

WHEREAS, the Ohio University (the "University") wishes to ensure compliance with the Reimbursement Regulations, Federal and State Law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Ohio University that:

Section 1. Definitions. The following definitions apply to the terms used herein:

"Allocation" means written evidence that proceeds of Obligations issued subsequent to the payment of a Capital Expenditure are to reimburse the University for such payments. "To allocate" means to make such an allocation.

"Authorized Officer" means the Vice President for Finance of the University and any person with authority at the time to exercise functions of that office.

"Capital Expenditure" means any expense for an item that is properly depreciable or amortizable or is otherwise treated as a capital expenditure for purposes of the Internal Revenue Code, and Ohio Revised Code, as well as any costs of issuing Reimbursement Bonds.

"Declaration of Official Intent" means a written declaration that the University intends to fund Capital Expenditures with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.

"Issuer" means either a governmental unit that is reasonably expected to issue Obligations, or any governmental entity or 501(c)(3) organization that is reasonably expected to borrow funds from the actual issuer of the Obligations.

"Reimbursement" means the restoration to the University of money temporarily advanced or loaned from other funds, including moneys borrowed from other sources, and money borrowed pursuant to the Investment Loan Policy 50.002 of the University to pay for Capital Expenditures before the issuance of Obligations intended to fund such Capital Expenditures. "To reimburse" means to make such a restoration.

"Reimbursement Bonds" means Obligations that are issued to reimburse the University for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, and Ohio Law previously paid by or for the University.

"Reimbursement Regulations" means Treasury Regulation § 150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as applicable, prescribing conditions under which the proceeds of Obligations may be allocated to reimburse the University for Capital Expenditures and certain other expenses paid prior to the issuance of the Obligations such that the proceeds of such Obligations will be treated as "spent" for purposes of Sections 103 and 141 to 150 of the Code.

“Ohio Revised Code” means any section of the code including but not limited to Ohio Revised Code Sections, 3345.07, 3345.11, 3345.12, 3354.121, 3355.091, 3357.112, 3358.10, 154.01, 154.11, 154.12 and 154.21.

Section 2. Authorization to Make of Declarations of Official Intent and Allocations. Each Authorized Officer is hereby authorized to make Declarations of Official Intent, which satisfy the Reimbursement Regulations and Ohio Revised Code, on behalf of the University, with respect to Capital Expenditures to be paid from moneys temporarily available that are reasonably expected to be reimbursed (in accordance with applicable authorizations, policies and practices) from the proceeds of Reimbursement Bonds and to make timely Allocations, which satisfy the Reimbursement Regulations and Ohio Revised Code, of the proceeds of such Reimbursement Bonds to reimburse prior Capital Expenditures, and to take or cause to be taken any other actions that may be appropriate to satisfy the requirements of the Reimbursement Regulations and Ohio Revised Code, or any other Treasury Regulations, so that proceeds used for reimbursement will be treated as "spent" on the prior Capital Expenditures for purposes of Sections 103 and 141 to 150 of the Code, and all appropriate sections of Ohio Revised Code. All Declarations of Official Intent and Allocations heretofore made on behalf of the University are hereby ratified and adopted.

Section 3. Management. The Investment Loan Fund Pool will be set at 6.25% of the University's Cash and Pooled Investments, and based upon the most current audited financial statements. The provisions of this section are subject to future modification by the Board of Trustees.

Section 4. Open Meeting. It is found and determined that all formal actions of this Board of Trustees concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board of Trustees; and that all deliberations of this Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law, including Section 121.22 of the Ohio Revised Code.

Section 5. Effective Date. This resolution shall take effect immediately upon its adoption.



HDL Center
Athens OH 45701-2979

OHIO UNIVERSITY

June 14, 1998

MEMORANDUM

To: Members of the Ohio University Board of Trustees
From: Dick Siemer 
Subject: Investment Loan Fund

Following this letter of transmittal, you will find a policy for an internal investment loan fund and the associated resolution. The purpose of this loan fund, as explained in the policy, is to provide units within the University an opportunity to borrow money from the University's non-endowment funds for purposes that advance the educational mission of Ohio University. The resolution is lengthened by the language necessary to enable any of these loans, when appropriate, to be included in a future bond issue.

For a discussion on non-endowment investment funds please refer to the item on Investment Policy in your materials.

Enclosures:

- Investment Loan Fund - Policy 50.002
- Investment Loan Fund - Resolution

OHIO UNIVERSITY POLICY & PROCEDURE

SUBJECT Investment Loan Fund	PROCEDURE NO. 50.002	PAGE NO. I
	DATE ISSUED July 1, 1998	DATED APPROVED June 27, 1998
	ISSUED BY Dick Siemer	APPROVED BY Board of Trustees

Purpose: To provide units within the University an opportunity to borrow money from the University's Diversified Investment Pool of funds for purposes that advance the educational mission of the University.

Policy: To loan funds in original principal amounts from the Diversified Investment Pool for periods conforming to the nature of the investment to planning units of the University. The terms and conditions shall be consistent with this policy and approved by the University's President after review and recommendation by the Provost and Vice President for Finance.

- a) All loans shall be for an amount > \$25,000 and for no more than 50% of this loan pool.
- b) All loans shall be with an interest rate of Prime (as reported in the *Wall Street Journal*).
- c) Information on any and all outstanding loans shall be included in quarterly reports to the Budget and Finance Committee of the University's Board of Trustees, aligned with the Board's meeting schedule.
- d) No more than 25% of the Diversified Investment Pool in total shall be loaned for the purposes outlined in this policy without consultation with the Board of Trustees.
- e) The amount of funds available to be loaned shall be determined based on the most current audited financial statements of the University and the target % for the Diversified Investment Pool.
- f) The President may recommend exceptions to this policy to the Board of Trustees.

Terms and Conditions: A loan request must be initiated from the planning unit to the Vice President for Finance, copying the Provost and any intermediary. The VP for Finance staff is available to assist with the development of the necessary information to prepare the request, which shall include:

- a) Project description, cost and loan draw schedule (if the loan amount is not intended to be spent all at once, in what amounts will the loan be drawn down and when).
- b) Explanation as to why the project merits consideration (related to the University's mission of teaching, research, and service; student health and well being; etc.).
- c) Amortization schedule (based on monthly repayment with interest calculated at Prime on the average daily outstanding balance of the loan).
- d) Identification of the funding source for the loan and the University account(s) to be charged for payment
- e) Identification of an alternative source of funding in the event the primary source of funding is not adequate to meet the repayment schedule (i.e., generally this will be the head of a planning unit at a level above that of the requestor who essentially co-signs for the loan backstopping it with reserves or other income sources).

Responsibilities:

Vice President for Finance:

- a) To develop, in concert with the planning unit, the loan request so that it meets this policy's requirements and to provide a recommendation as to its financial worthiness (to the President, Provost & requestor).
- b) To forward the completed loan request to the Provost for review and recommendation to the President.
- c) To maintain the official file on the loan request and to insure compliance with its terms and conditions.

Provost:

To review the request and to recommend approval/disapproval to the President.

President

- a) To approve or disapprove the loan request. The decision shall be final with no right of appeal.
- b) To return the loan request to the VP for Finance for notification and disposition as appropriate.

**APPOINTMENT OF TWO UNIVERSITY TRUSTEES TO
THE OHIO UNIVERSITY FOUNDATION BOARD**

RESOLUTION 1998 -1593

WHEREAS, The Ohio University Board of Trustees and The Ohio University Foundation Board have agreed that three members of the Ohio University Board of Trustees shall be appointed to The Ohio University Foundation Board, subject to Board of Trustees action and for a term not to exceed three years,

NOW, THEREFORE, BE IT RESOLVED, that the following Ohio University Board of Trustees members be appointed to the Ohio University Foundation.

Mr. Gordon F. Brunner for a term beginning July 1, 1998 and ending June 30, 2000.

Mr. N. Victor Goodman for a term beginning July 1, 1998 and ending June 30, 2001.

RATIFICATION OF EXPANSION OF OUF BOARD OF TRUSTEES

RESOLUTION 1998 - 1594

WHEREAS, the Ohio University Foundation Board of Trustees has passed a resolution to expand its trustee membership from fifty (50) to sixty (60) to help plan for the upcoming capital campaign, and

WHEREAS, the Ohio University Foundation's Code of Regulations requires the Ohio University Board of Trustees to provide an advisory review and comment on the proposed amendments to the Foundation's Code of Regulations prior to this final adoption,

NOW, THEREFORE, BE IT RESOLVED, the Ohio University Board of Trustees hereby concurs with and supports the amendment to the Ohio University Foundation's Code of Regulations to expand its authorized members from fifty (50) to sixty (60) members.



OHIO UNIVERSITY

Interoffice Communication

DATE: June 12, 1998

TO: The President and Board of Trustees

FROM: John F. Burns, Director, Office of Legal Affairs 

SUBJECT: Review of Expansion of The Ohio University Foundation Board of Trustees

The Ohio University Foundation Board of Trustees have decided to expand the number of authorized trustees from fifty (50) to sixty (60). The reason for this expansion is to allow for expansion to appoint new trustees as part of the planning for the upcoming capital campaign.

The Ohio University Foundation's Code of Regulations, Article VI Amendments, calls for the Ohio University Board of Trustees to provide an advisory review and comment on any proposed amendments before final approval by the Board of Trustees of the Ohio University Foundation.

The final vote of the proposal to expand the trustees is scheduled for discussion and determination on July 17, 1998.

Vice Presidents Raley and Siemer have discussed this expansion in some detail with the members and Executive Committee of the Ohio University Foundation and this expansion has the Executive Committee's support.

The attached resolution has been prepared for your review and consideration to provide the Ohio University Board of Trustees an opportunity to provide the required comment on this amendment.

Thank you.

JFB:ndw

Enclosure

cc: Leonard Raley, Vice President for Development and Alumni Relations
Richard Siemer, Vice President for Finance

BELMONT TECHNICAL COLLEGE LEASE RENEWAL

RESOLUTION 1998 - 1595

WHEREAS, The Belmont Technical College, (BTC) has leased a portion of the Ohio University Eastern Regional Campus for its Science and Engineering for the past twenty-five (25) years and the lease is up for renewal February 1, 1998, and

WHEREAS, The Ohio University Board of Trustees supports the cooperative uses of its regional campuses under clear guidelines established in consultation with the Regional Coordinating Council,

NOW, THEREFORE, BE IT RESOLVED, The Ohio University Board of Trustees hereby approves the renewal of the lease on the Ohio University Eastern Regional Campus to the Belmont Technical College for its Science and Engineering Building for twenty-five (25) years for \$1.00/yr., and that the final terms and conditions are to be approved by the President, in consultation with the Vice President for Regional Higher Education, and the Ohio University Eastern Regional Campus Coordinating Council.



Interoffice Communication

OHIO UNIVERSITY

DATE: June 12, 1998

TO: The President and Board of Trustees of Ohio University

FROM: John F. Burns, Director, Office of Legal Affairs 

SUBJECT: Renewal of Belmont Technical College Lease on the Ohio University Eastern Regional Campus

The 1974 twenty-five (25) year lease of a portion of the Ohio University Eastern Regional Campus to Belmont Technical College (BTC) for a Science and Engineering Building expires January 31, 1999, and BTC has requested it be renewed.

Vice President James Bryant and I are bringing the lease renewal to you for approval at this time to allow for discussion and planning regarding the future cooperative relationship between the Eastern Regional Campus and BTC.

Vice President Bryant and I have been reviewing the terms of the proposed lease renewal with the Ohio University Eastern Regional Campus Coordinating Council, who have also been working with representatives of BTC. The basic terms of the lease renewal will be similar, including consideration of \$1.00/yr. for twenty-five (25) years; use of a joint planning committee; and final approval of future further joint uses of the Ohio University Eastern Regional Campus will be with Ohio University.

The attached resolution has been prepared for your review and approval to give the president the authority to approve the final terms and conditions of the lease renewal.

Thank you.

JFB:ndw

Enclosure

cc: James C. Bryant, Vice President for Regional Higher Education

FRATERNAL ORDER OF POLICE CONTRACT RATIFICATION

RESOLUTION 1998 - 1596

WHEREAS, the University and the Fraternal Order of Police have actively engaged in a collective bargaining process to establish working conditions and a new wage agreement; and

WHEREAS, the groups have reached agreement on a contract to be effective from July 1, 1998, to June 30, 2001.

NOW, THEREFORE, BE IT RESOLVED, that the Ohio University Board of Trustees accept and approve the contract.

Vice President
for Administration



OHIO UNIVERSITY

Cutler Hall 209
Athens OH 45701-2979
614-593-2556

June 15, 1998

Dr. Robert Glidden
President
Ohio University
Campus

Dear Bob:

Ohio University has successfully concluded negotiation with the Fraternal Order of Police who represent our university police officers. The contract is within the established parameters and I believe it will well serve both the FOP members and the university. The Fraternal Order of Police officers have ratified the contract.

I recommend that the Board of Trustees and you accept and approve the contract.

Sincerely,

A handwritten signature in cursive script that reads "Gary North".

Gary North
Vice President of Administration

GN:mm

ELECTION OF OFFICERS AND PRESIDENT

Election of Chairman

RESOLUTION 1998 -- 1597

RESOLVED that Gordon F. Brunner be elected Chairman of the Board of Trustees for the year beginning July 1, 1998, and ending June 30, 1999.

Election of Vice Chairman

RESOLUTION 1998 - 1597

RESOLVED that N. Victor Goodman be elected Vice Chairman of the Board of Trustees for the year beginning July 1, 1998, and ending June 30, 1998.

Election of Treasurer

RESOLUTION 1998 - 1597

RESOLVED that Richard P. Siemer be elected Treasurer of Ohio University for the period beginning July 1, 1998, and ending June 30, 1999.

Election of Secretary

RESOLUTION 1998 - 1597

RESOLVED that Alan H. Geiger be elected Secretary of the Board of Trustees for the year beginning July 1, 1998 and ending June 30, 1999.

Election of President

RESOLUTION 1998 - 1597

RESOLVED that Robert Glidden be elected President of Ohio University for the year beginning July 1, 1998 and ending June 30, 1999.

COMPENSATION FOR PRESIDENT AND EXECUTIVE OFFICERS 1998-99

RESOLUTION 1998 - 1598

WHEREAS, in executive session in Committee of the Whole there was a review of the performance of executive officers and a presentation of salary recommendations by the President based on this review, and a discussion of compensation for the President.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees authorized the Board-Administration Committee to review with the President the salaries for executive officers and to determine the compensation for the executive officers and the President for 1998-99.

MEETING DATES FOR SUCCEEDING YEARS

**Designation of Stated Meeting Dates for Years Beginning
July 1, 1998 and Ending June 30, 2000**

RESOLUTION 1998 - 1599

RESOLVED that the following dates, which are Friday and Saturday, be designated the stated meeting dates for the year beginning July 1, 1998, and ending June 30, 2000 with committee meetings scheduled the preceding day.

October 1 and 2, 1998	COMMENCEMENT
December 11 and 12, 1998	June 11 and 12, 1999
February 12 and 13, 1998	June 9 and 10, 2000
April 16 and 17, 1999	
June 25 and 26, 1999	
October 1 and 2, 1999	
December 3 and 4, 1999	
January 28 and 29, 2000	
April 7 and 8, 2000	
June 23 and 24, 2000	

RESOLVED further that, if conditions dictate, the Board-Administration Committee be authorized to change the date of the stated meetings.

OHIO UNIVERSITY

June 27, 1998

CERTIFICATE OF APPRECIATION

RESOLUTION 1998-- 1600

presented to

BRANDON T. GROVER

Chairman of the Board, 1997-98

- FOR** *your dedication to the responsibilities of Board Chairman,*
- FOR** *your unflagging interest and dedication to the affairs of the University over many years,*
- FOR** *your wise counsel and willingness to share experience, including an extraordinary commitment of personal time to myriad university meetings, activities and events,*
- FOR** *continuing the strong traditions of the Grover family and name in support of the University,*
- FOR** *those personal qualities which have brought you our admiration,*
- WE** *affirm our appreciation.*

Conferred as a Mark of Esteem  by the President and the Board of Trustees of Ohio University.



PRESIDENT

SECRETARY

PATRICIA A. ACKERMAN
GORDON F. BRUNNER
CHARLES R. EMRICK, JR.
N. VICTOR GOODMAN
THOMAS S. HODSON

PAUL R. LEONARD
K. C. MELNIK
M. LEE ONG
ERIC ROUSH
ROBERT D. WALTER

VIII. GENERAL DISCUSSION - CALL OF MEMBERS

Members, in turn, warmly welcomed new Trustees Jacqueline Romer-Sensky and Michelle L. Miller. Each stated she was looking forward to working with them on matters of importance to the University. Retiring Vice President for Student Affairs and Dean of Students Joel Rudy was thanked and congratulated for his exceptional service to the students of the University. Members asked that Chairman Grover write Trustee Emrick on their collective behalf and express their hopes and prayers for a speedy and complete recovery from his recent surgery.

Mr. Roush thanked President Glidden for his support and additional funding for student activities and David Baer for his good leadership of the Center for Student Advocacy. He encouraged Trustees to modify the Center's current check-off requirements.

Mrs. Romer-Sensky thanked everyone for being so open and welcoming. She stated she was very proud to be an alumna.

Dr. Ackerman commented that being a Trustee was the most "different" thing she does and that she enjoys it very much. She noted Joel Rudy was the "real thing."

Ms. Miller stated she appreciated the opportunity to meet and work with the Trustees and that she was excited about being a Trustee.

Mr. Goodman thanked retiring Chairman Tad Grover for his outstanding commitment and service to the Trustees and University. He congratulated Trustees for their support and approval of major residence halls renovations and budget plans and thanked Vice President North for preparing and overseeing same. Mr. Goodman thanked Vice President Siemer for presenting budget information in a meaningful way.

Mrs. Ong echoed Mr. Goodman's sentiments and noted Mr. Emrick's presence was missed this weekend.

Mr. Brunner noted that in meeting with student leaders they felt the number one challenge facing the university was finding Joel Rudy's replacement. He commented he was looking forward to his time as chairman and pledged to do his very best. Mr. Brunner stated he will ask Trustees to each identify the one or two most important challenges the University faces, discuss them collectively and then focus on meeting the most critical ones next year. He noted he wanted to try a new meeting format for the next Trustee sessions.

Board Secretary Geiger gave a brief report for Scott C. Kirschman, president, National Alumni Board of Directors who was unable to attend the Trustee meetings. On Mr. Kirschman's behalf, Secretary Geiger reported a very successful Black Alumni Reunion was held June 5-7 with over 400 people attending. He thanked Trustee Ackerman for offering an outstanding keynote address to those attending.

Mr. Kirschman reported Ralph Amos, the new alumni executive director, is on board and is reorganizing the staff and planning for new hires. He ended his report by noting this year's Homecoming game is at noon and that this may present scheduling difficulties.

President Glidden noted he was pleased with all weekend reports given to Trustees. He stated there was no pleasure gained from raising tuition but that it was necessary to remain competitive. The President commented that our tuition was comparable to the cost of full-time childcare. He thanked Vice President North for his leadership of the residence hall renovation plan and Vice President Rudy for being our conscience in all matters affecting students. President Glidden thanked the Board for its support and leadership, Tad Grover for his special service and gave an updated report on Mr. Emrick's post-surgery condition.

Mr. Grover thanked the Trustees for their personal support and the time they so willingly give to the University. He commented how proud he has been to serve the Trustees as Chairman and encouraged all Trustees to take the call of their trusteeship seriously.

IX. ANNOUNCEMENT OF NEXT STATED MEETING

Secretary Geiger announced the Board of Trustees would meet next on the Athens Campus, Thursday, October 1, 1998, for committee/study sessions and Friday, October 2, 1998, for the formal board meeting.

X. ADJOURNMENT

Determining there was no further business to come before the board, Chairman Grover adjourned the meeting at 11:00 a.m.

XI. BOARD ADMINISTRATION COMMITTEE

Immediately following adjournment of the Board of Trustees' meeting, the Board Administration Committee met to consider the 1998/99 evaluation and compensation

recommendations for the president and executive officers. Committee members present were Chairman Gordon F. Brunner, Brandon T. Grover, and by invitation of the chairman, N. Victor Goodman. President Glidden and Secretary Geiger were also present.

Mr. Grover moved to approve the compensation recommendations for executive officers as previously discussed in executive session with President Glidden. Mr. Brunner seconded the motion. All voted aye.

Mr. Grover moved to set the Fiscal Year 1998/99 salary for President Robert Glidden at \$213,200. Mr. Brunner seconded the motion. All agreed.

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 on November 5, 1975, in accordance with Section 121.22(F) of the Ohio Revised Code and of the State Administration Procedures Act.

Brandon T. Grover
Chairman

Alan H. Geiger
Secretary

Ohio University Planning Report

June 1998

This budget is presented under the assumption that there will not be any further reduction in the 1998-99 state funding allocation beyond the one-half percent reduction mandated by the General Assembly and contained in our revenue estimates. We recognize, however, that budget forecasting further into the future is extremely difficult at this time and will take that uncertainty into account when we develop the budget for FY 1999-2000.

University Priorities

The University Planning and Advisory Committee (UPAC) discussed priorities for the University. Based on these priorities, UPAC identified needs for additional investments to be made in the following areas:

- ◆ Planning units' operating (non-personnel) budgets
- ◆ Faculty recruitment and development
- ◆ Technology and technology-related activities
- ◆ Quality of student life

Each of these priorities is addressed in this year's budget.

This year's budget addresses the need for increased operating monies in several ways. Planning units' operating budgets have been increased by three percent. While this increase is greater than inflation, it comes following a year in which the planning units received no increases in their operating budgets. Thus, the two-year increase in this expenditure category approximates the inflationary increases experienced by the units. A number of UPAC representatives voiced their concern that in addition to inflationary pressures, operating budgets were facing additional pressures from constantly changing technology needs.

In addition to the general increase in operating budgets, the budget recommendation contains new funding to offset the impact of a postal rate increase. Inflationary increases in library materials continue to exceed general inflation. The budget recommendation provides the Library additional funds to keep its purchasing power at approximately current-year levels.

UPAC identified several issues related to faculty, namely, the need to recruit prestigious faculty, encourage diversity, and increase funding for faculty development. Faculty development included salary, research, technology, library acquisitions, and start-up costs.

The budget recommendations address many of these issues. The salary increase of 3.5% provides for a real increase in wages after inflation. The budget recommendation also provides \$100,000 funding for the research community as part of a strategy to invest \$800,000 over the eight years (FY 1997-98 to FY 2004-05). These funds will assist in funding research and start-up costs of faculty. As mentioned above, the Library's acquisition budget has been increased. Funding is also provided for additional faculty to meet the increased teaching load associated with the increased enrollment assumed in the budget.

This budget also makes a significant commitment to academic technology with a recommendation for \$1,000,000 in additional investment. The University has utilized a Board of Regents grant and reallocated resources to create a Center for Instructional Technology for Learning and to make significant progress in the developing our capacity to utilize technology in our instructional efforts. The additional resources contained in this budget recommendation will enable us to build on those efforts and to provide the academic planning units resources to keep current with technological developments.

The budget recommends funding for several items that will improve the quality of student life on campus. The budget recommends a \$100,000 increase for Student Activities Commission. This is a significant increase over current funding levels for student activities. In addition, the budget recommends new funding for support and service activities on campus in recognition of projected enrollment increases.

Enrollment Projections

The number of applicants to Ohio University has continued to increase steadily. Applicants for Fall 1998 admission are projected to reach an all-time high, indicating that there continues to be a strong demand for admission to Ohio University. Early analysis also suggests that standardized test scores and high school ranks for students admitted for the fall of 1998 will be at the same high level as last year.

The targeted size of the freshman class for 1998-99 is 3,490. This larger-than-usual freshman class will result in an estimated undergraduate enrollment increase of 120 students from this year's total enrollment.

A. Income Estimates for Athens General Program

Income Estimates

The income sources for the Athens General Program budget are (1) student-based instructional subsidies from the state; (2) student tuition and fees; and (3) other income from investment, indirect cost recovery from grants, contracts, and various miscellaneous sources. The income estimates for the Athens General Program assume Board of Regent estimates for subsidy earnings (reflecting a one-half percent reduction from levels originally appropriated) and assume a 6% percent increase in student tuition and fees.

State enrollment subsidy for Athens-based students is expected to be \$94,907,000 for fiscal 1998-99. This represents an estimated increase of \$3,607,000 over FY 1997-98 state instructional subsidy earnings. This increase is due to changes in the state subsidy rates (primarily due to a 3% inflationary adjustment). In the past, the University had enjoyed larger-than-average increases in subsidy, reflecting the phasing-in of a formula change involving how Plant, Operations, and Maintenance reimbursements were calculated. Effective last year, we realized the full benefit of this change. Therefore, our rate of increase this year is smaller than in previous years, and we anticipate that future increases will more closely approximate the statewide average increase.

A 6% increase for undergraduate tuition, general fee, nonresident surcharge, and graduate tuition is recommended. One million dollars or slightly more than one percent of the tuition and fee increase has been earmarked to provide additional investment in academic technology. In addition, this budget provides nearly \$1.7 million funding for new financial aid awards and increases in existing financial aid packages. Student fee revenue for the Athens General Program is estimated to be \$100,963,000. Quarterly increases will be: \$65 for undergraduate tuition, \$82 for graduate tuition, \$16 for the general fee, and \$94 for the nonresident surcharge.

Ohio University ranked 5th in the state in undergraduate resident fees in 1997-98. The lowest among the four residential universities, Ohio University's 1997-98 fees for the year were \$147 less than Bowling Green State University, \$185 less than Kent State University, and \$1,237 less than Miami University. For 1997-98 Ohio University ranked 7th in the state for resident graduate fees with rates comparable to Ohio State University and The University of Akron.

Increases recommended for Regional Higher Education are 2.5% for undergraduate tuition, general fee, nonresident surcharge, and graduate tuition. This reflects Regional Higher Education's decision to apply 100% of the Access Challenge funding to contain tuition costs.

A 6% increase for medical education fees (graduate tuition, general fee, and the nonresident surcharge) is also recommended. The proposed fee schedules for the Athens General Programs, Regional Higher Education, and the College of Osteopathic Medicine are presented in Appendices A, B, and C.

Income from other sources is projected to be \$14,633,000, or an increase of \$819,172 over the current year's budget. Major sources of this income include interest income, return on sponsored research grants and contracts, and services provided to the College of Medicine and Regional Higher Education.

The presentation of the budget has been adjusted to reflect a change in the accounting treatment of mitigation costs beginning in FY 1998-99. Mitigation is a form of indirect cost allocation. Previously, various University administrative planning units performed services for Residence and Dining Hall Auxiliary, the Recreation Auxiliary, and College of Medicine Ridges space. The costs for these services were paid directly by the Auxiliaries, based on individual negotiations between planning units and the Auxiliaries.

Beginning in FY 1998-99, the accounting will be changed so that the credit for these charges will appear as a resource (income) item for the General Programs budget, and the expenditure will be added to the administrative planning unit providing the service. This will result in higher income and expenditures being reflected in the budget. However, since these values will offset each other it will have no impact on the bottom line.

Because of this accounting change, charges to the Auxiliaries are being accounted for in the same way as we account for indirect costs to the College of Medicine and Regional Higher Education. This accounting change does not involve any recalculations of the charges. However, the accounting change moves in a direction where all of the university's indirect cost allocations can be calculated in one cost study using consistent allocation methodologies.

A summary of projected revenue for the Athens General Program is presented in Table I. Projected revenue for Regional Higher Education is presented in Table III and for the College of Osteopathic Medicine in Table V.

Table I
Athens General Program Income

<u>Source of Income</u>	<u>1997-98 Adjusted Budget</u>	<u>1998-99 Estimated Budget</u>	<u>Increase</u>
State Subsidy	\$ 91,300,000	\$ 94,907,000	\$ 3,607,000
Student Fees	\$ 96,132,046	\$100,963,000	\$ 4,830,954
Other Income	\$ 13,813,828	\$ 14,633,000	\$ 819,172
<u>Mitigation Income</u>	<u>\$ 4,509,638</u>	<u>\$ 4,631,200</u>	<u>\$ 121,562</u>
TOTAL	\$205,755,512	\$215,134,200	\$9,378,688

B. Expenditure Plan For Athens General Program

Expenditure Plan

Table II (see page 9) presents the expenditure plan proposed for the Athens General Program for 1998-99. It begins with the adjusted continuing base budget carried forward into 1999 from the current year, which total approximately \$200,955,500.

Scholarships and Other Fee-Related Expenses

It has been the University's policy to increase scholarship amounts commensurate with tuition increases. Therefore, additional revenue earned from tuition increases is partially offset by additional expenses associated with those increases. In addition, the University has invested additional general fund resources in new scholarships and increased its matching funds for federal financial aid programs.

Increase in Scholarships: These funds are required to ensure that scholarships maintain their effective value as tuition increases.

Increase in Graduate Student Fee Waivers: These funds are required to keep graduate tuition waivers equal to the new tuition charges and to reflect changes in the mixture of resident and nonresident students.

ICA—Room & Board Increase: This represents the funding required based on a 6 % increase in tuition and fees, and a 8 % increase in room and board rates for the current allocation of student aid to athletes.

Scholarships & SFA Matches: This provides funding for the final year of a four-year commitment to the OU Incentive Grant, as well as planned increases to the John Newton Templeton, Distinguished Scholars, and Third Century scholarship programs.

- ◆ **OU Incentive Grant:** The Admissions Office makes nominations for recipients of this \$1,000 award to multicultural students. This grant is renewable for three more years.
- ◆ **John Newton Templeton:** This is a renewable scholarship limited to incoming multicultural freshmen and covers the cost of in-state tuition and fees.
- ◆ **Distinguished Scholars:** Any student attending the Athens Campus will receive this award if he/she has a score of at least 33 on the ACT or 1460 on the SAT and is projected to be in the top ten percent of his/her high school class. It covers the cost of in-state tuition and fees and is renewable for up to three additional years of undergraduate study.
- ◆ **Third Century Scholarships:** This scholarship program recognizes truly exceptional incoming freshmen. This three-year renewable scholarship covers the cost of in-state tuition and fees.

New Gender Equity Scholarships: This funding provides for 14 additional scholarships as part of the University's plan for compliance with Title IX.

Advantage Awards: This provides funding for a new program that provides renewable four-year tuition waivers to Ohio residents from underrepresented groups.

Continuing Commitments

This grouping of expenditure items is associated with continuing commitments of the University and also reflects changes in the costs of new facilities and increases mandated by law. The continuing commitments category increases total \$1,772,500 for 1998-99.

ICA - Gender Equity: These expenditures are a part of the University's plan to fund gender equity in the Intercollegiate Athletic program. Current plans call for Lacrosse to be added this year as the third woman's sport.

New Buildings/Space Operating Costs: These costs are associated with new buildings being occupied and renovated buildings being brought back into use. Two major facilities that are scheduled to be brought back into use in FY 1998-99 are Gordy Hall and Memorial Auditorium.

Replenishment of Underrepresented Recruitment Pool: This program provides funding for newly hired underrepresented employees. Planning units are subsidized for a declining portion of an approved underrepresented employee's salary and benefits. 80% funding is provided in year 1, 60% in year 2, 40% in year 3, 20% in year 4, with planning units expected to pick up full costs by year 5. This funding will allow a second round of hiring targeted at approximately \$200,000 a year.

VP for Finance Central Pool: This account includes such items as sick leave and vacation accruals, credit card charges, audits, and legal settlements. The major reason for the decrease in costs in this item is a decision by the University to limit credit card usage for payment, thereby lowering the bank charges the University incurs.

Purchased Utilities (Athens & Ridges): This represents projected increases in utility costs: \$358,000 for the Athens campus and \$44,000 for the Ridges.

Operating Budget Increases: Funding is recommended to allow for an increase to operating budgets of approximately 3%.

Research Contributions: Funding is recommended for the second \$100,000 installment of a plan to return \$800,000 over the next eight years to the research community.

Library Acquisitions: This represents an additional increment of operating funds to protect the library's ability to acquire library materials. Inflation for library materials has been one of the highest components of the Higher Education Price Index (HEPI).

Student Activities: This item provides \$100,000 increase in funding for Student Activities Commission. This is a significant increase over current funding levels for student activities and recognizes the importance of quality student activities on our residential campus.

Postage Rate Increase: Funding is recommended for the planning units to offset the postal rate increases that will occur this year.

Compensation Increases

Bargaining Unit Classified Salary Increases: This represents the estimated cost of providing a 3.5% increase to bargaining unit employees, which is the negotiated rate for the second year of a three-year collective bargaining agreement with AFSCME.

Classified Bonus: This item provides funding for the service award bonus system for civil service employees.

Faculty Promotions: This provides a one-time base salary adjustment for faculty who are promoted. The promotion:

- ◆ from Instructor to Assistant Professor will remain at \$500,
- ◆ from Assistant Professor to Associate Professor will increase from \$1,000 to \$1,500,
- ◆ from Associate Professor to Professor will increase from \$2,000 to \$2,500.

Contract & Non-Bargaining Unit Classified Salary Increases: The recommended salary increase for faculty and staff is 3.5% for the coming year.

Summer Rate Increase: Proposed increases for summer teaching rates average 3.5% and amount to \$41 per credit hour for professors, \$34 for associate professors, \$30 for assistant professors, and \$26 for instructors.

Graduate Stipends Increase: To parallel the faculty and staff raises, the recommended increase in graduate student stipends is 3.5%. (In addition, graduate students with fee waivers will have their fee waiver increased by 6% to cover the cost of tuition increases. The fee waiver increase is included in the Scholarship and Fee-Related Expenditure section of this document).

New Commitments

Global Learning Center (GLC): Funding is recommended for the establishment a residential living and learning center at Ohio University. The GLC will provide an interdisciplinary academic program that integrates business, communication, and international studies. Students will be accepted into the GLC as sophomores and will be expected to live there and participate in the program for two years. A study-abroad experience will be required in their senior year. The center expects to enroll 40 students this fall.

Investment in Academic Technology: Funding is recommended in order to make a significant investment in the University's academic technology efforts. These funds will be used primarily for non-personnel expenditures that enhance the application of technology in instructional efforts or provide additional student access to technology.

Development Campaign: Funding is recommended for 50% of the salary and benefits for an Assistant Alumni Director. The remainder of the funding for this position will be provided from sources outside of the General Fund. This position will be an integral part of the efforts of the University's upcoming development campaign.

Additional Faculty Support: This item provides funding for additional faculty to teach the additional undergraduate students assumed in the budget. The line item assumes an additional faculty member for every additional 20 students. Overall enrollment is estimated to increase by 120 students. Forty students will be enrolled in the Business and Communication colleges as a result of the Global Learning Center, thereby creating the need for two new faculty members. The additional 4 faculty members will be allocated by the Provost, based on her review of appropriate quantitative and qualitative measures of performance.

Additional Support & Services: Because student support and services costs increase as enrollment increases, this item provides for an additional \$10,000 for every additional 20 students. The \$60,000 for the estimated 120 additional students will be divided between the Division of Student Affairs (2/3) and the Division of Administration (1/3).

Table II
Expenditure Plan
Athens General Program
1998-99

<u>Expense Category</u>	<u>Cost</u>
Continuing Base Budget	\$200,955,500
Mitigated Expenditures	\$4,631,200
 <u>Scholarships & Other Fee Related Expenses</u> 	
Increase in Scholarships (1 % = \$8K)	\$49,200
Increase in Graduate Fee Waivers (1 % = \$110K + \$54K Mix)	\$714,000
ICA—Room & Board Increases	\$186,000
Scholarships & SFA Match	\$374,200
New Gender Equity Scholarships	\$150,500
Advantage Awards	\$200,000
Sub-total ---Scholarships & Other Fee Related Expenses	\$1,673,900
 <u>Continuing Commitments</u> 	
ICA - Gender Equity	\$54,100
New Building / Space Operating Costs	\$360,000
Replenishment of Underrepresented Recruitment Pool	\$21,800
VP for Finance Central Pool	(\$20,400)
Purchased Utilities (Athens & Ridges)	\$402,000
Operating Budget Increases	\$555,000
Research Contributions	\$100,000
Library Acquisitions	\$100,000
Student Activities	\$100,000
Postage Rate Increase	\$100,000
Sub-total ---Continuing Commitments	\$1,772,500
 <u>Compensation Increases</u> 	
Bargaining Unit Classified	\$252,000
Classified Bonus	\$160,000
Faculty Promotions	\$48,500
Contract & Non-Bargaining Unit Classified (FY 1999 1 % = 1,077k)	\$3,770,000
Summer Rate Increase (1 % = 21k)	\$74,000
Graduate Stipends Increase (FY 1998 1 % = 78K)	\$273,000
Sub-total ---Compensation Increases	\$4,577,500
 <u>New Commitments</u> 	
Global Learning Center	\$175,000
Investment in Academic Technology	\$1,000,000
Development Campaign	\$31,000
Additional Faculty Support	\$220,000
Additional Support & Service	\$60,000
Uncommitted Balance	\$37,600
Sub-total ---New Commitments	\$1,521,000
 Total Expenditures	 \$215,134,200

Regional Higher Education

Regional Higher Education (RHE) has followed a similar planning process to that of the Athens General Programs. RHE uses a planning advisory council to make recommendations regarding expenses and income.

Income Estimate

The instructional subsidy from the state along with student tuition and fees are the primary sources of income for Regional Higher Education. Table III presents the composite revenue estimates for Regional Higher Education programs.

The State of Ohio has provided additional funding to two-year campuses through the Access Challenge program. This program provides an additional funding allocation to two-year institutions based on their general studies enrollments. Campuses are then required to use at least 50% of these funds to contain tuition increases. At Ohio University, the regional campuses have elected to use 100% of access challenge funds to reduce tuition.

Tuition increases for Regional Higher Education are planned to be 2.5%. No changes are anticipated in the other income components of the Regional Higher Education budget. This income consists of various application fees, facilities rentals, miscellaneous charges, and special fees.

Table III

**Income Budget Options
Regional Higher Education
1998-99**

	1997-98	1998-99	Difference
	<u>Original Budget</u>	<u>1998-99</u>	<u>Difference</u>
Tuition and Fees	\$18,488,000	\$19,954,000	\$1,466,000
Instructional Subsidy	\$ 17,355,000	\$18,269,000	\$ 914,000
<u>Other Income</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$0</u>
 TOTAL	 \$36,343,000	 \$38,723,000	 \$2,380,000

Expenditure Plan

The Regional Higher Education expenditure plan parallels the plan proposed for Athens General Programs. Proposed expenditures for 1998-99 are presented in Table IV.

Base expenditures to be carried forward from the current year total \$36,343,000. Included in this amount are expenditures funded from regional campuses and the vice president after removal of one-time only allocations.

Scholarship and Fee Related Expenses

These expenditures include increases in scholarship and student financial aid matches as well as increases in student fee waivers.

Continuing Commitments

Recommended here are increases in operating costs associated with new building space, increased costs of purchased utilities, operating expenses, library acquisitions, student activities, and postage.

Compensation Increases

A salary increase of 3.5% is recommended in this year's compensation pool.

Table IV
 1998-99 Expenditure Plan
 Regional Higher Education Programs

<u>Expense Category</u>	<u>Cost</u>
Continuing Base Budget	\$36,343,000
 <u>Scholarships and Fee Related Expenses</u>	
Scholarships and SFA Matches	\$25,000
<u>Increases in Fee Waivers</u>	<u>\$105,000</u>
Sub-total Scholarships & Fee Related Expenses	\$130,000
 <u>Continuing Commitments</u>	
New Buildings / Space Operating	\$202,000
Purchased Utilities	\$380,000
Operating Budget Increases	\$76,000
Library Acquisitions	\$35,000
Student Activities	\$50,000
<u>Postage Rate Increases</u>	<u>\$20,000</u>
Sub-total Continuing Commitments	\$763,000
 <u>Compensation Increases</u>	
Bargaining Unit Classified	\$15,200
Classified Bonus	\$20,000
Faculty Promotions	\$11,000
Contract and Non-Bargaining Unit Classified	\$600,000
<u>Summer Rate Increase</u>	<u>\$65,000</u>
Sub-total Compensation Increases	\$711,200
 <u>New Commitments</u>	
Investments in Academic Technology	\$250,000
Investments in Administrative Technology	\$150,000
<u>RHE Initiatives</u>	<u>\$375,800</u>
Sub-total New Commitments	\$775,800
 Total Expenditures	 \$38,723,000

MEDICAL EDUCATION

Budget planning for the College of Osteopathic Medicine (COM) has proceeded independently, but in conjunction with the planning activities of the Athens General Programs and Regional Higher Education. Medical enrollments have been forecast according to a prescribed schedule of the College and its academic programs. Admission to the entering class of the College is granted on a competitive basis to a limited number of qualified applicants.

INCOME ESTIMATES

The instructional and clinical subsidies are projected to increase by 2.5 percent in this budget. Tuition income is based on projected medical enrollment and assumes a 6.0 percent increase over 1997-98. This budget estimate assumes an entering class of 100, with a total projected medical enrollment of 415.

These operating income estimates represent 93 percent of the college's overall resources. The remaining 7 percent, which is not included in the table below, includes restricted state and federal grants and contracts, as well as restricted state health manpower line items. The Ohio Board of Regents has revised funding formulas for the health manpower line items (Family Practice, Primary Care, Gerontology, and Ohio Area Health Education Centers Subsidies). These revisions have resulted in a reduction to the College's Family Practice subsidy, requiring the College's operating budget to absorb these costs.

A summary of the projected operating income is presented in Table V.

TABLE V

College of Osteopathic Medicine
Estimated Operating Income
1998-99

<u>Category</u>	<u>1997-98 Budget</u>	<u>1998-99 Budget</u>	<u>Change</u>
Instructional Subsidy	\$11,914,000	\$12,210,000	\$296,000
Clinical Subsidy	4,566,000	4,680,000	114,000
Tuition	4,703,000	5,019,000	316,000
Nonresident Surcharges	140,000	159,000	19,000
Application Fees	30,000	30,000	0
MCI	3,000,000	3,000,000	0
Other Income	<u>866,000</u>	<u>900,000</u>	<u>34,000</u>
 TOTAL	 \$25,219,000	 \$25,998,000	 \$779,000

EXPENDITURE PLAN

The College of Osteopathic Medicine's expenditure projections have been developed from an ongoing base of \$25,219,000.

Compensation increases are projected with 3.5 percent available for salary increases. Civil service bonuses and employee reclassifications are also included in compensation increases. The budget is decreased to reflect lower health insurance and workers compensation rates that will be in effect for FY 1998-99.

Faculty recruitment in areas of highest need tops the College of Medicines expenditure increases. In addition, curricular reform, and academic and administrative information systems initiatives are included within the funds for new programs. Table VI summarizes the 1998-99 expenditure plan for the base operating budget of the college.

TABLE VI

**Preliminary Expenditure Plan
College of Osteopathic Medicine
1998-99**

Expense Category	Cost
Continuing Base	\$25,219,000
<u>Compensation Increases</u>	
Civil Service Bonus / Reclassification	\$33,000
Faculty/Staff Salary Increase	568,000
Health Plan Reduction	(117,000)
<u>Workers Compensation Reduction</u>	<u>(13,000)</u>
Subtotal Compensation Increases	\$471,000
Additional Expenditures	
Approved Faculty Positions	188,000
<u>Program Planning Reserve</u>	<u>120,000</u>
Subtotal—Additional Expenditures	\$308,000
Total Expenditures	\$25,998,000

Appendix A

6% Schedule of Graduate and Undergraduate Student Fees Athens General Programs 1998-99

<u>Category</u>	<u>Proposed Increases</u>	
	<u>Quarter</u>	<u>Annual</u>
Undergraduate		
Tuition	\$65	\$195
General Fee	16	48
Nonresident Surcharge	94	282
Graduate		
Tuition	\$82	\$246
General Fee	16	48
Nonresident Surcharge	94	282

<u>Category</u>	<u>Actual 1997-98</u>		<u>Proposed 1998-99</u>	
	<u>Quarter</u>	<u>Annual</u>	<u>Quarter</u>	<u>Annual</u>
Undergraduate				
Tuition	\$1,090	\$3,270	\$1,155	\$3,465
General Fee	270	810	286	858
Nonresident Surcharge	1,573	4,719	1,667	5,001
Graduate				
Tuition	\$1,373	\$4,119	\$1,455	\$4,365
General Fee	270	810	286	858
Nonresident Surcharge	1,573	4,719	1,667	5,001

Appendix B

Schedule of Graduate and Undergraduate Student Fees Regional Higher Education 1998-99

<u>Category</u>	<u>Proposed Increases</u>	
	<u>Quarter</u>	<u>Annual</u>
Eastern, Chillicothe, Lancaster, Zanesville		
Tuition	\$27	\$81
General Fee	3	9
Nonresident Surcharge	44	132

Southern Campus		
Tuition	\$23	\$69
General Fee	2	6
Nonresident Surcharge	1	3

<u>Category</u>	<u>Actual 1997-98</u>		<u>Proposed 1998-99</u>	
	<u>Quarter</u>	<u>Annual</u>	<u>Quarter</u>	<u>Annual</u>
Eastern, Chillicothe, Lancaster, Zanesville				
Tuition	\$915	\$2,745	\$942	\$2,826
General Fee	119	357	122	366
Nonresident Surcharge	1,493	4,479	1,537	4,611
Southern Campus				
Tuition	\$881	\$2,643	\$904	\$2,712
General Fee	74	222	76	228
Nonresident Surcharge	41	123	42	126

Appendix C

Schedule of Medical Student Fees 1998-99

<u>Category</u>	<u>Proposed Increases</u>	
	<u>Quarter</u>	<u>Annual</u>
Medical		
Tuition	\$206	\$618
General Fee	16	48
Nonresident Surcharge	94	282

<u>Category</u>	<u>Actual 1997-98</u>		<u>Proposed 1998-99</u>	
	<u>Quarter</u>	<u>Annual</u>	<u>Quarter</u>	<u>Annual</u>
Medical				
Tuition	\$3,437	\$10,311	\$3,643	\$10,929
General Fee	270	810	286	858
Nonresident Surcharge	1,573	4,719	1,667	5,001

June 16, 1998



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OHIO UNIVERSITY BUDGET OUTLINE
FISCAL YEAR 1998-99
As Presented to Board of Trustees

FY 1998-99

Subsidy Revenue	\$94,907,000
Other Income	\$14,633,000
Mitigation Revenue Added to Budget	\$4,631,200
<u>Tuition (@ 6% Increase)</u>	<u>\$100,963,000</u>
Total	\$215,134,200
Continuing Base Budget	\$200,955,500
Mitigated Expenses Added to Budget	\$4,631,200
<u>Scholarships & Fee Related Expenses (6% Fee Increase)</u>	
Increase in Scholarships (1%=\$8K)	\$49,200
Increase in Graduate Fee Waivers (1%=\$110K+\$54K Mix Change)	\$714,000
ICA-- Room & Board Increases	\$186,000
Scholarships & SFA Match	\$374,200
New Gender Equity Scholarships	\$150,500
Advantage Awards	\$200,000
SUB-TOTAL--Scholarship & Fee Related Expenses	\$1,673,900
<u>Continuing Commitments</u>	
ICA--Gender Equity	\$54,100
New Building / Space Operating Costs	\$360,000
Replenishment of Underrepresented Recruitment Pool	\$21,800
VP for Finance Central Pool	(\$20,400)
Purchased Utilities (Athens & Ridges)	\$402,000
Operating Budget Increases	\$555,000
Research Contributions	\$100,000
Library Acquisitions	\$100,000
Student Activities	\$100,000
Postage Rate Increase	\$100,000
SUB-TOTAL--Continuing Commitments	\$1,772,500
<u>Compensation Increases (@ 3.5%)</u>	
Bargaining Unit Classified	\$252,000
Classified Bonus	\$160,000
Faculty Promotions	\$48,500
Contract & Non-Bargaining Unit Classified (1%=1077K)	\$3,770,000
Summer Rate Increase (1%=\$21K)	\$74,000
Graduate Stipends (1%=\$78K)	\$273,000
SUB-TOTAL--Compensation Increases	\$4,577,500
<u>New Commitments</u>	
Global Learning Center*	\$175,000
Investment in Academic Technology	\$1,000,000
Development Campaign	\$31,000
Additional Faculty Support	\$220,000
Additional Support & Service	\$60,000
Uncommitted Balances	\$37,600
SUB-TOTAL--New Commitments	\$1,523,600
Total Expenditures	\$215,134,200
Revenues Less Budgeted Expenditures	\$0

* Includes 2 New Faculty Lines and assumes that 40 of the additional 120 enrollment will be in this program.

