



OHIO
UNIVERSITY

Board of Trustees

C o l u m b u s S t a t e C o m m u n i t y C o l l e g e

Columbus, Ohio

Agenda

September 1, 2011



OHIO
UNIVERSITY

BOARD ACTIVITIES FOR September 1 & 2, 2011
Columbus State Community College – Columbus, Ohio

Activity & Committee Meeting Schedule

Thursday, September 1, 2011

8:30 a.m. Convene at Columbus State Community College, Welcome provided by Dr. David Harrison, President of Columbus State Community College, Center for Workforce Development, 4th Floor, Ballroom Center - 315 Cleveland Avenue Columbus, Ohio

Ongoing Hospitality Suite/Break Room, Room 413 West

9 a.m. University Resources Committee, Room 409 East

9 a.m. University Academics Committee Meeting, Room 404 East

10:30 a.m. Break

10:45 a.m. Governance Committee, Room 404 East

10:45 a.m. Audit Committee, Room 409 East

Noon Trustee Luncheon (Executive Committee), Ballroom West

1:30 p.m. Board Meeting, Ballroom Center

3 p.m. Media Availability, Ballroom North

AGENDA
Board of Trustees' Meeting
1:30 p.m. - Thursday, September 1, 2011
Columbus State Community College
315 Cleveland Avenue, Columbus, Ohio
Center for Workforce Development, 4th Floor
Ballroom Center

OPEN SESSION

Roll Call

Approval of Agenda

1. Minutes of Board of Trustees' Meeting of June 24, 2011

Comments from the Chair of the Board of Trustees

2. Report from the President

Committee Reports and Information Items and items apart from the Consent Agenda

- University Resources Committee
- University Academics Committee
- Governance Committee
- Audit Committee
- Executive Committee

Consent Agenda

Any trustee may request, in advance of action on the consent agenda, that any matter set out in this consent agenda be removed and placed on the regular agenda for discussion and action.

All matters listed within the Consent Agenda have been distributed to each member of the Ohio University Board of Trustees for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion.

Tab 4: Resolution, Construction Projects

Tab 6: Resolution, Debt Policy

Tab 8: Resolution, Executive Graduate Program Fee Approval

Tab 11: Resolution, Faculty Emeriti Recommendation

Unfinished Business

New Business

Communications, Petitions, and Memorials

Announcement of Next Stated Meeting Date

Adjournment

AGENDA
University Resources Committee
Center for Workforce Development, 4th Floor, Room 409 East
9 a.m. – Thursday, September 1, 2011

3. Sightlines
 4. **Consent Agenda**, Construction Projects
 - Athena Classroom Renovation
 - FY 2012 Central Food Facility Improvements
 - Southern Campus Entry Improvements
 5. Debt Affordability Policy
 6. **Consent Agenda**, Debt Policy
 7. Signature Authority Policy
 8. **Consent Agenda**, Executive Graduate Program Fee Approval
 9. Annual Insurance Update
 10. Capital Campaign Update
-
- Unfinished Business

AGENDA
University Academics Committee
Center For Workforce Development, 4th Floor, Room 404 East
9 a.m. – Thursday, September 1, 2011

11. **Consent Agenda**, Faculty Emeriti Recommendation
12. Overview of Accreditation
13. Academic Assessment and Institutional Effectiveness
14. Academic Marketing
15. Konneker Medal and Konneker Fund
16. Search Updates
17. EVPP Exemplar of Excellence: Provost's Undergraduate Research Fund (PURF)

- Unfinished Business

AGENDA
Governance Committee
Center for Workforce Development, 4th Floor, Room 404 East
10:45 a.m. – Thursday, September 1, 2011

- 2011-2012 Governance Committee Planning

AGENDA

Audit Committee

Center for Workforce Development, 4th Floor, Room 409 East

10:45 a.m. - Thursday, September 1, 2011

18. Internal Audit's FY2011 Annual Report
19. Internal Audit FY2012 Update
20. Information Security – Structure, Alignment, and Status
 - External Audit Update

EXECUTIVE SESSION

AGENDA
University Executive Committee
Center for Workforce Development, 4th Floor, Ballroom West
Noon - Thursday, September 1, 2011

- 2011-2012 Meeting Dates

- Unfinished Business

EXECUTIVE SESSION



OHIO
UNIVERSITY

Board of Trustees

Ohio University

Minutes

June 24, 2011

**MINUTES OF THE MEETING OF
THE BOARD OF TRUSTEES OF OHIOUNIVERSITY**

June 24, 2011

**Walter Hall
OhioUniversity, Athens Campus**

THE OHIO UNIVERSITY BOARD OF TRUSTEES
MINUTES OF June 24, 2011 MEETING

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Unfinished Business

New Business

Communications, Petitions, and Memorials

Announcement of Next Stated Meeting Date

Appendices

- A President’s Report
- B University Resources Committee
- C University Academics Committee
- D Governance Committee
- E Audit Committee
- F Executive Committee

Chairperson C. Robert Kidder called the meeting to order at 10:01 a.m.

Chairperson Kidder requested Board Secretary Thomas E. Davis to call the role.

ROLL CALL

Present—Chairperson C. Robert Kidder, Trustees Kevin B. Lake, Sandra J. Anderson, David Brightbill, David Wolfort, Janetta King, Gene T. Harris, National Trustees Henry Heilbrunn and Frank Krasovec, Student Trustees Danielle Parker and Kyle W. Triplett
Alumni Representative Arlene Greenfield

Not Present— Trustee Norman “Ned” Dewire

Also in attendance were President Roderick J. McDavis, and Board Secretary Thomas E. Davis.

APPROVAL OF THE MINUTES

Chair Kidder asked for a motion to approve the Minutes of the Board of Trustees Meeting of April 22, 2011. Trustee Harris moved, seconded by Trustee Anderson, all approved.

Report from the Chair of the Board of Trustees

Chair Kidder reported on a meeting held between the Faculty Senate Executive Committee and the Board Chair, Vice Chair, and Board Secretary. He indicated that the conversation was productive and robust. Consistent with recent discussions concerning the concept of “financial health guardrails” which have been addressed during the Resources Committee the notion of “academic quality guardrails” were also addressed during the conversation. Chair Kidder suggested that over the next year the Board should commit to making academic quality at Ohio University as a top priority.

As a symbol of the Boards commitment to Academic Quality, the Chair suggested that the University Academics Committee meet in the Governance Room of Walter for its upcoming meetings.

Report of the President

Strategic priority spotlight

Personal and Civic Responsibility Initiatives were highlighted. In 2005 Ohio University looked to increase efforts to reduce high-risk drinking. President McDavis discussed activities and initiatives put in place on campus to reduce high-risk drinking. All of the activities discussed are addressed daily at Ohio University. Students at Ohio University rate

above the national average of high risk drinkers. There is still work to do to lower that rate, but the initiatives which have been put in place are having noticeable impact. President McDavis explained that Ohio University's goal is environmental change through clear communication of expectations, faculty, student, and community engagement, education and orientation, public communication, social marketing, positive peer influence. In terms of intervention, every student has been targeted to educate using alcohol.edu. President McDavis explained that the University's efforts are based on harm reduction and intervention efforts are continued. Specific groups across campus have also been targeted, such as athletes and individuals involved with Greek life. President McDavis stated that there has been a three percent decrease in high risk or binge drinking among students since 2009, as well as a three percent decrease in student perception of peers' high risk drinking. Ohio University staff has done a good job of spreading word across campus. President McDavis stated that the University community has to increase meaningful student programming to increase positive student engagement. President McDavis concluded that Ohio University staff and faculty want our students to have a good time, but also to be civil and responsible members of campus and the community while having a good time.

Sustainability Plan

President McDavis briefly commented on the Ohio University sustainability plan by stating that the University has adopted the Sustainability Plan introduced in April with minor revisions. Sustainability is one of Ohio University's top institutional priorities and administration is pleased with the sustainability plan.

Search updates

Search for Vice President for University Advancement has been concluded. Bryan Benchoff begins this position July 15th, 2011. Eric Burchard has been named Director for Government Relations. He began this position May 1st, 2011.

Advancement Travel

President McDavis visited Anchorage Alaska and received a check for \$10,000 for the Ohio University Urban Scholars account. Advancement visits were also made to Chicago, IL, Columbus, OH, New York, NY, San Diego, CA, San Francisco, CA. President McDavis explained that Ohio University has great alumni globally, many of whom are supporting the University and its missions.

Program Spotlight

The program spotlighted at this meeting was the Bobcat Student Orientation. Dr. David Descutner, Dean, University College, Executive Vice Provost for Undergraduate Education and Jennifer Klein, Director of Orientation Programs presented on this program.

Dr. Descutner explained that leading Bobcat Student Orientation (BSO) provides students a chance to refine leadership skills. BSO is a complex, yearlong endeavor. Dr. Descutner

explained that program staff is committed to continuous improvement. During opening weekend of BSO, students meet with individuals representing the different colleges and end the weekend with a first year convocation with President McDavis. Dr. Descutner explained that learning communities help to communicate expectations and Ohio University is an exemplar in using peers to help other peers to become successful. Dr. Descutner thanked the President, Trustees, Provost Benoit, the Deans of Colleges, and Student Affairs for their support. This is a collaborative enterprise.

Ms. Klein reported that there are several orientation programs which impact different students. Transfer students are provided an orientation during the beginning of each quarter, and orientations in the middle of each quarter are provided for relocating students. The staff of orientation is comprised of student leaders. The students gain an incredible leadership opportunity through participation in orientations. These student leaders, according to Ms. Klein, fine tune public speaking, peer advising, and problem solving skills. The BSO program has many partners and is graced with excellent relationships with people. BSO program staff have many goals for the orientation program, the main goal being students need to leave here feeling like a Bobcat. Ms. Klein indicated that there have been incredibly positive responses from evaluations from summer 2010. Several improvements have been made to the program, including a continuity of care with academic advising, student organization and involvement advertisement, and improved transfer orientation and scheduling.

Ms. Cimmeron Taylor reported on being a graduate assistant in the BSO program. Ms. Taylor explained that gaining these experiences helped her to improve skills she will need to become a Dean of Students someday. Mr. Russell Morrow is a senior video production major. He became an orientation leader two years ago because it gave him a chance to take his passion of helping students to a new level. Mr. Morrow explained he was also helped by his own orientation experience.

Student Trustee Triplett commented that the program has improved so much in the past three years. Trustees should feel very comfortable having future Bobcats in the hands of these orientation leaders, according to Student Trustee Triplett. Chair Kidder asked Ms. Klein to talk about civic experiences students gain through the BSO program. Ms. Klein explained that relationships formed at the orientation help people have a positive experience here at Ohio University. BSO program staff provides role modeling and help students get to know one another. The other priority for BSO program staff is to send consistent messages to future students about expectations and opportunities to set the bar high for behavior and for recognizing consequences for poor behavior. Student Trustee Parker echoed Student Trustee Triplett and emphasized the work and preparation that goes into this program.

Points of Pride

OU-COM received the largest gift in the University's history, \$105 million, from the Osteopathic Heritage Foundations to address the impending shortage of primary care physicians and the diabetes epidemic.

Ohio University held the grand opening for the Walter International Education Center. This center serves as the new home to the Office of Education Abroad and International Student and Faculty Services.

Students from the School of Media Arts and Studies premiered their newest full-length feature film "The Passageway," which was based on an alumna-written play by Merri Biechler.

Special Acknowledgements

President McDavis announced that Dan Evans is stepping down as Executive Dean of Regional Higher Education. Ben Ogles, Dean of College of Arts and Sciences, is leaving for Brigham Young University and Greg Shepherd, Dean of Scripps College of Communication is leaving for the University of Miami in Florida. Finally, Rathindra Bose, Vice President for Research and Creative Activity and Dean of Graduate College, is leaving for the University of Houston.

Starting on an interim basis, Howard Dewald will be our interim Dean of the College of Arts and Sciences, Scott Titsworth interim Dean of Scripps College of Communication, Joe Shields, interim VP for Research and Dean of the Graduate College, and Marty Tuck interim Dean of Ohio University Chillicothe Campus.

University Resources Committee Report

Trustee Anderson reported. Dr. John Day, Associate Provost for Budget Planning presented during the University Resources Committee meeting. The budget discussions this year focused on a multiyear strategy and included specific investments on strategic priorities. The Resources Committee heard details about a 3.5 percent proposed tuition increase for undergraduates on the Athens Campus, with no fee increase for graduate and non-resident students, new and increased course, technology and miscellaneous fees. On the Athens campus, proposed tuition increases would generate approximately 5.7 million dollars in new money for the general fund and the general fee. Pages six and 24 of Tab three show how money will be invested in alignment with Ohio University's strategic priorities. Investments include undergraduate scholarships, an increase in graduate stipends, new investment in nursing programs, an increase in maintenance and safety, and in Rufus support. Trustees inquired about the impact on students and where does this increase leave Ohio University relative to peers in state and nationally. Trustee Anderson explained that the relative standing in Ohio will be unchanged and Ohio University will remain the fourth highest in the state for cost of one year costs. Trustees also looked at national figures.

Tuition is going up nationally and, because of other states, Ohio University is trending downward.

Resource Committee members discussed room and board proposals. Requested room rates based on recommendations from the Residential Housing Advisory Committee's renovation plan developed earlier in the year, the increases in room and board are intended to lead to the sustainability of the residential housing program through the maintenance and repair of the halls as well as through the building of reserves.

The Resources Committee learned that the university continues to experience high occupancy rates. Trustees asked Mr. Golding why the university should pursue tuition increases now because the university is doing better than expected financially. He indicated that a part of the variance comes from the university's continued restraint on spending, better investment performance than in years past, and royalties have had a significant impact. That money is not necessarily available to fund the investments described above, as would be tuition increases. Meanwhile Ohio University will be able to become more fiscally healthy.

The Resource Committee looked at the proposed FY12 budget, which includes a 1.66 percent merit-based raise pool and offsets for the increases in costs to employees for health benefits and parking fees. Reallocations were funded through unit budget reductions, and new investments, aligned with four fundamentals and supporting priorities, were funded by the proposed tuition increases. The university is seeking approval of a 750.9 million encompassing Athens campus, auxiliary operations, The Heritage College of Osteopathic Medicine (OUHCOM), and University Outreach and Regional Campuses (UORC). The first tuition resolution is first under Tab four, the Athens Campus Instructional Fee, and Nonresidential Fee Resolution. Trustee Anderson moved to pass this resolution, Chair Kidder seconded. Trustee Anderson asked for questions.

Student Trustee Triplett offered support for the alignment of the money and institutional goals and explained that it is important to see dollar for dollar where that money is going. Trustee Brightbill emphasized that the investment in scholarships is clearly an approach to increasing Ohio University's accessibility and affordability, also the money for instructional capacity to make sure the academic experience of our students is a good one. President McDavis explained that one of the corrections is that money will be used for programming, not equipment repair. Trustee Harris asked President McDavis and Student Trustee Triplett if investments had been discussed on campus. Student Trustee Triplett explained that budget forums were held at the University and President McDavis explained that discussions were held across campus and with the community. Trustee Anderson commented that it is a challenge to balance a multiyear strategy, getting fiscally healthy, and making sure Ohio University is affordable and accessible. Trustee King acknowledged the process of budget savings, which allows us to make those investments. Trustee King

indicated that such sacrifices should be acknowledged. President McDavis explained that administration led an effort on campus to cut before coming to the Board of Trustees with a proposal to raise tuition and fees. Those were painful cuts, but the University went through that process. President McDavis acknowledged Provost Benoit and Mr. Golding and the work which has been done. This increase equals a 111 dollar per quarter increase for full time undergraduate students. All voted in favor. The resolution passed.

**FISCAL YEAR 2011-2012
ATHENS CAMPUS
INSTRUCTIONAL FEE, GENERAL FEE AND NON-RESIDENT SURCHARGE**

RESOLUTION 2011 - 3218

WHEREAS, the Ohio University 2011-2012 Current Funds Budget contains fixed and mandated cost increases, and

WHEREAS, the appropriate planning and consultations within the University have been accomplished, resulting in recommendations of fee increases for purposes of investments in identified strategic priorities, and

WHEREAS, the University will experience a significant loss in State revenue through the State Share of Instruction in FY 2012, and

WHEREAS, Amended Substitute House Bill 153 permits the combined instructional and general fees for undergraduate students to increase by up to 3.5%, and

WHEREAS, the planning within the Athens Campus results in a recommendation of a 3.5% increase to the instructional fee and general fee consisting of a 1% increase in the general fee and a 3.87% increase to the instructional fee, and

WHEREAS, the University desires to maintain the Athens Campus graduate tuition and fees, and the Athens Campus non-resident surcharge fees for undergraduates and graduates at the Fiscal Year 2011 rates to maintain competitiveness.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the attached schedule of fees for the Athens Campus (Attachments A and B), effective Fall Quarter 2011.

On page two of Tab four, information is presented regarding the Ohio University College of Medicine and the Regional Campuses. Regarding the College of Osteopathic Medicine, a recommendation for a five percent increase for instructional fee and non-resident surcharge is proposed, along with a 1.5 percent increase for instructional fee and no increase for non-resident surcharge within the University Regional Campuses. Even with the increase the College of Medicine is among the lowest in tuition in the State of Ohio for medical schools. Trustee Anderson moved to pass this resolution, Trustee Lake Seconded. All voted in Favor. Resolution passed.

**FISCAL YEAR 2011-2012
COLLEGE OF MEDICINE AND REGIONAL CAMPUSES
INSTRUCTIONAL FEE, GENERAL FEE AND NON-RESIDENT SURCHARGE**

RESOLUTION 2011 - 3219

WHEREAS, the Ohio University 2011-2012 Current Funds Budget contains fixed and mandated cost increases, and

WHEREAS, appropriate planning and consultations within the University have been accomplished, and

WHEREAS, the University will experience a significant loss in State revenue through the State Share of Instruction in FY 2012, and

WHEREAS, the planning within the College of Osteopathic Medicine results in a recommendation of a 5% increase to the instructional fee and to the non-resident surcharge, and

WHEREAS, the planning within the University Regional Campuses results in a recommendation of a 1.5% increase to the instructional fee and no increase to the non-resident surcharge, and

WHEREAS, the University desires to maintain the Regional Campus non-resident and general fees for undergraduates at the Fiscal Year 2011 rates to maintain competitiveness, and

WHEREAS, the proposed fee schedules are consistent with Amended Substitute House Bill 153.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the proposed fee schedules (Attachments B, C and D), effective Fall Quarter 2011, unless otherwise noted.

On page three, information is presented regarding student course, technology, and miscellaneous fee increase. Trustee Anderson moved to pass this resolution. Chair Kidder seconded. All voted in favor. Resolution passed.

**FISCAL YEAR 2011-2012
STUDENT COURSE, TECHNOLOGY AND
MISCELLANEOUS FEES**

RESOLUTION 2011 - 3220

WHEREAS, the Ohio University 2011-2012 Current Funds Budget will contain program enhancements as well as fixed and mandated cost increases, and

WHEREAS, the planning and consultation within the University regarding student course and miscellaneous fees have been accomplished, resulting in recommendations of fee increases, and

WHEREAS, the planning and consultation within the University regarding technology fees have been accomplished, resulting in recommendations to establish a graduate technology fee for the Voinovich School, and

WHEREAS, the attached fee schedules are consistent with Amended Substitute House Bill 153.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the attached fee technology fee schedule (Attachments 1, 2, and E), effective Fall Quarter 2011.

BE IT FURTHER RESOLVED that the Board of Trustees authorizes the President or his designee to make non-substantive adjustments to the course fees, including but not limited to changes in course and fee identification numbers.

The next resolution presented is the Tuition Table Conversion and Standardization for E-Learning, Independent Distance Learning and Executive Graduate Programs resolution. The proposed standardized fee schedules are attached. Trustee Anderson moved to pass this resolution. Trustee Harris seconded. All voted in favor. Resolution passed.

**FISCAL YEAR 2011-2012
TUITION TABLE CONVERSION AND STANDARDIZATION FOR
E-LEARNING PROGRAMS, INDEPENDENT DISTANCE LEARNING
AND EXECUTIVE GRADUATE PROGRAMS**

RESOLUTION 2011 - 3221

WHEREAS, the growth of off-campus masters programs and distance learning programs has resulted in the creation of several complex tuition and fee tables that use varying combinations of hourly and quarterly approaches for instructional, general, non-resident, program and course fees, and

WHEREAS, the current transition to the People Soft student information presents an opportunity to standardize and simplify these variations as the tuition tables are entered into the system, and

WHEREAS, the existing tables have been converted into a single set of standardized tables that maintain the total program costs (Attachment F), and

WHEREAS, the tuition rate for undergraduate eLearning programs should not be lower than the regional undergraduate tuition rate and therefore should increase by the same 1.5% increase in regional undergraduate tuition,

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the proposed standardized fee schedules for e-learning undergraduate and graduate programs (Attachments G and H) effective Fall Quarter 2011-2012.

Information is presented regarding an E-Learning and Regional Campuses-Executive Graduate Program Fees. This resolution has recommendations for increase in program fees for the Masters in Financial Economics effective in January 2012 and Professional MBA program effective in May 2012. Trustee Anderson moved to pass this resolution. Trustee Harris seconded. All voted in Favor. Resolution Passed.

**FISCAL YEAR 2011-2012
E-LEARNING & REGIONAL CAMPUSES
EXECUTIVE GRADUATE PROGRAM FEES**

RESOLUTION 2011 - 3222

WHEREAS, the Ohio University 2011-2012 Current Funds Budget contains fixed and mandated cost increases, and

WHEREAS, appropriate planning and consultations within the University have been accomplished, and

WHEREAS, the planning within the University Outreach and Regional Campuses results in recommendations for an increase in program fees for the Masters in Financial Economics effective in January 2012, and the Professional MBA program effective in May 2012, and

WHEREAS, the proposed fee schedules are consistent with Amended Substitute House Bill 153.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the proposed fee schedules (Attachment H), effective as indicated above.

Residential housing and dining rates were discussed next. This resolution calls for an increase of 2.5 percent in standard double room rates and a zero percent increase in board rates. The proposed rates for other types of rooms will vary to create a more consolidated and simplified rate structure more consistent with our peers. The changes would be phased in over two years and will more closely support a self-sustaining auxiliary housing operation. Trustee Anderson moved to pass this resolution. Trustee Wolford seconded. All voted in favor. Resolution passed.

**FISCAL YEAR 2011-2012
RESIDENTIAL HOUSING AND DINING RATES**

RESOLUTION 2011 - 3223

WHEREAS, sustained effort has been made to achieve financial stability for Ohio University's Residential Housing and Dining auxiliaries while providing necessary services for students, and

WHEREAS, the Residential Housing and Dining auxiliaries have planned for all operating expenses and debt service obligations by means of fees which are collected from students who use the residential housing and dining facilities, and

WHEREAS, the planning within the Athens Campus results in a recommendation of a 2.5% increase in standard double room rates and a 0% increase in board rates. The proposed rates for other types of rooms will vary to create a more consolidated and simplified rate structure more consistent with our peers. These changes will be phased in over two years and will more closely support a self-sustaining auxiliary housing operation, and

WHEREAS, the proposed fee schedules are consistent with Amended Substitute House Bill 153.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the attached schedule of fees (Attachment I), effective Fall Quarter 2011.

Under tab three is the operating budget. Trustee Anderson noted this is a balanced budget. Trustee Anderson moved to pass the operating budget. Trustee King seconded. All voted in favor. Resolution passed. Chair Kidder commented that the Ohio University Bobcat team should be congratulated for getting to this balanced budget.

**FISCAL YEAR 2011-2012
OPERATING BUDGET**

RESOLUTION 2011 - 3224

WHEREAS, appropriate planning and consultation has been completed within the University, resulting in recommendations for budget priorities, and

WHEREAS, the University has developed a balanced budget consistent with the provisions of the draft of the state budget currently pending in the Ohio General Assembly;

NOW THEREFORE, BE IT RESOLVED that the Fiscal Year 2011-2012 budgets of expected resources and expenditures for the Athens Campus and Auxiliary Operations, University Outreach and Regional Campuses, and the College of Osteopathic Medicine as presented are hereby approved subject to the following conditions:

1. The Vice President of Finance and Administration, in conjunction with the Executive Vice President and Provost and with approval of the President, is authorized to make adjustments in instructional and general operating expense allocations during the fiscal year to ensure the total does not exceed available unrestricted resources;
2. Expenditures for restricted and designated funds shall be limited to the resources generated.

BE IT FURTHER RESOLVED that the Board of Trustees authorizes the President, with the approval of the Chair of the Board, to make adjustments to the budget as presented to reflect any changes in appropriations authorized in Amended Substitute House Bill 153 as signed by the Governor for fiscal year 2012.

A report of Sources and Uses analysis from Mr. Golding was discussed next. Mr. Golding gave an update through March 2011. Net from operations is 99 million to the good. Further sources and uses report will be discussed in September. An education program will be held at the next retreat for the six year sources and uses model. Discussion ensued about the need to define and build toward fiscal health. Mr. Golding and his team will continue to develop a sources and uses model to more transparently report the university's financial situation.

The report on debt policy was discussed. Mr. Angelini, Associate Vice President for Finance reported at the Resources Committee meeting regarding the status of work being done.

The final policy will be brought to the September Board of Trustees meeting. Questions and feedback were presented to Mr. Angelini and Mr. Golding at the Resources Committee meeting.

Information on the capital improvement plan was discussed next. The Associate Vice President for Facilities Harry Wyatt presented a status report. Trustee Anderson indicated that a major challenge relative to planning rest in the fact that there remains great uncertainty regarding the status of a state capital bill. Trustees heard about a Central Utility Plant Replacement Study, a performance contract, and three contractors will be giving proposals for energy conservation. The Trustees also heard about the Housing Development Plan, Site and Utility Master Planning, and hopefully Ohio University will be able to take advantage of construction reform. Reports were given on other housing projects and safety projects. Ohio University employees are doing what they can with limited resources to address safety issues.

Trustees received a construction projects update. This item was taken off the consent agenda. This resolution is to authorize construction documents and receive bids and award construction contracts for two facilities, the Computer Service Center chiller replacements and the Hudson Health Campus Care. Trustee Anderson moved to pass this resolution. Trustee Lake seconded. All voted in favor. Resolution passed.

**APPROVAL OF PROJECT AND AUTHORIZATION TO DEVELOP CONSTRUCTION
DOCUMENTS, RECEIVE BIDS AND AWARD CONSTRUCTION CONTRACTS FOR
COMPUTER SERVICE CENTER CHILLER REPLACEMENTS
HUDSON HEALTH CAMPUS CARE RENOVATIONS**

RESOLUTION 2011 - 3225

WHEREAS, two capital projects have been planned, developed and funded as follows:

- Computer Service Center Chiller Replacements with a total project budget of \$825,000 to be funded from the issuance of bonds by the University, and
- Hudson Health Campus Care Renovations project with a total project budget of \$700,000 to be funded from reserves from OUCOM, Student Affairs, Finance & Administration, and the University's central reserves.

NOW THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees authorizes the receipt of bids and the President or his designee to accept and award construction contracts within the total project budgets identified.

Trustees reviewed consent agenda items. Mr. Golding gave an update on early retirement plan, and to date the university is close to 15 percent of its goal. Participation numbers

currently are at 70 faculty and 93 staff. Current cost of plans is 7.5 million and savings is estimated at 13.2 million.

President McDavis gave a report on the Ohio University capital campaign. Currently the university is at 75 percent of the goal. Ohio University has raised over 340 million dollars with four years left in the campaign. The OU-COM gift of 105 million helped considerably. President McDavis looks forward to meeting and exceeding the goal. President McDavis acknowledged the Dean of OU-COM for great work and leadership.

Chair Kidder clarified that what Trustees hope to do in September is talk about what degree of financial health the university is able to achieve while still keeping in mind the mission of the university.

University Academics Committee Report

Trustee Harris reported. Trustee Harris introduced Dr. Elizabeth Sayrs, new Faculty Representative to the Academics committee and professor in the department of music. Trustee Harris explained that the Trustees are grateful for the service of Dr. Thomas and that faculty perspective is very important. Dr. Benoit began with heads of academic units talking about points of pride. It was suggested by Trustee Harris that such Points of Pride be shared with the entire Board. She thanked Dr. Benoit and her team for the Points of Pride discussion.

Several items are listed on the consent agenda. The first under tab 13 is new degree program in the College of Arts and Sciences, a Master of Science degree in geography.

Emeriti appointments were pulled off the consent agenda due to the exclusion of Mr. Tom Murray from the list. He has been added to the updated resolution. Trustee Harris moved to pass this resolution. Trustee Brightbill seconded. Faculty member must have 10 years service, and the department heads, chairs, Deans need to sign off. Emeriti status is awarded for service beyond job responsibilities and is a significant designation. The title is advantageous, can be used professionally, and professors emeriti do get office space to use when teaching. All voted in favor. Motion carried.

FACULTY AND ADMINISTRATIVE EMERITUS/EMERITA AWARDS

RESOLUTION 2011 - 3226

WHEREAS, the following individuals have rendered dedicated and outstanding service to Ohio University,
and

WHEREAS, their colleagues and supervisors have recommended action to recognize their service,

THEREFORE, BE IT RESOLVED that emeritus/emerita status be awarded to the following individuals upon their retirement:

ADMINISTRATIVE

Thomas Shostak	Dean Emeritus, Life Long Learning
Terrence Hogan	Dean of Students Emeritus
Josep Rota	Associate Provost Emeritus for International Affairs
Thomas Murray	Director Emeritus, WellWorks, College of Health Sciences and Professions

COLLEGE OF ARTS AND SCIENCES

Josephine Bloomfield	Associate Professor Emerita of English
Paula Popovich	Associate Professor Emerita of Psychology
Jared Butcher, Jr.	Associate Professor Emeritus of Chemistry and Biochemistry
Mark Rollins	Associate Professor Emeritus of English
Arthur Zucker	Associate Professor Emeritus of Philosophy
Richard Vedder	Distinguished Professor Emeritus of Economics
Robert DeMott	Distinguished Professor Emeritus of English
Gar Rothwell	Distinguished Professor Emeritus of Environmental and Plant Biology
Alexander Arhangelskii	Distinguished Professor Emeritus of Mathematics
Jacqueline Glasgow	Professor Emerita of English
John Zook	Professor Emeritus of Biological Sciences
Alfred Eckes	Professor Emeritus of Eminent Research
Samuel Crowl	Trustee Professor Emeritus of English
James Thompson	Professor Emeritus of English
Philip Cantino	Professor Emeritus of Environmental and Plant Biology
Thomas Wolf	Professor Emeritus of Mathematics
Svenn Lindskold	Professor Emeritus of Psychology
Robert Shelley	Professor Emeritus of Sociology

SCRIPPS COLLEGE OF COMMUNICATION

Sandra Haggerty	Associate Professor Emerita of Journalism
Ann Cooper-Chen	Professor Emerita of Journalism
Tom Daniels	Professor Emeritus of Communication Studies
Vibert Cambridge	Professor Emeritus of Media Arts and Studies
David Mould	Professor Emeritus of Media Arts and Studies
Josep Rota	Professor Emeritus of Communication

COLLEGE OF EDUCATION

George Johanson	Professor Emeritus of Educational Studies
Robert Young	Professor Emeritus of Higher Education and Student Affairs

RUSS COLLEGE OF ENGINEERING AND TECHNOLOGY

Roger Radcliff	Professor Emeritus of Electrical Engineering and Computer Science
Robert Curtis	Associate Professor Emeritus of Electrical Engineering and Computer Science

COLLEGE OF FINE ARTS

Louise Steele	Associate Professor Emerita of Music Therapy
Patricia Pease	Associate Professor Emerita of Voice
Sylvester Young	Associate Professor Emeritus of Music Education
Sylvia Eckes	Professor Emerita of Piano
Joseph Bova	Professor Emeritus of Art
Aethelred Eldridge	Associate Professor Emeritus of Art
Robert Lazuka	Professor Emeritus of Art

COLLEGE OF OSTEOPATHIC MEDICINE

Peter Dane	Associate Professor Emeritus of Family Medicine
Anthony Chila	Professor Emeritus of Family Medicine

COLLEGE OF HEALTH SCIENCES AND PROFESSIONS

Kathleen Tennant	Assistant Professor Emerita of Nursing
Sharon Denham	Professor Emerita of Nursing

REGIONAL HIGHER EDUCATION

Arun Venkatachar	Associate Professor Emeritus of Physics and Astronomy, Chillicothe
David Noble	Assistant Professor Emeritus of English, Eastern
Lawrence Bush	Associate Professor Emeritus of Mathematics, Eastern
Bari Watkins	Associate Professor Emerita of History, Lancaster
Parinbam Thamburaj	Professor Emeritus of Chemistry, Zanesville

Under tab 15 in the consent agenda is the appointment to Regional Higher Education Coordinating Councils. Tab 16 presents the renaming of the OU-COM. President McDavis explained that this is the fourth named college at Ohio University and is very significant. Tab 17 contains a promotion and tenure report. Tab 18 presents the University System of Ohio metrics. These are the metrics for the university system and the plan that the previous chancellor had put together. Ohio University is consistent with the university system of Ohio plan. There could be some changes with the new chancellor.

Tab 19 contains an update from Dr. Benoit, including an update on the 1804 fund. This fund comes from foundation funding. 22 undergraduate proposals were received. These proposals were for target help for students and to enhance academic support services. Dr. Benoit also provided an update on Quarters to Semesters. That process is on track. Dr. Benoit talked about the new revenue opportunities in every academic unit. Health Sciences and Professions were highlighted. Online programming was also highlighted. The RN to BSN program has grown from 300 to 4,200 students in the past two years. Recently there was an accreditation review and the nursing programs were passed with no issues. Looking for revenue opportunities needs to be balanced with maintaining quality.

A University Judiciaries update from Dr. Smith was next. Over the five year period in which a new protocol for addressing high risk drinking was implemented, the number of alcohol related judicial cases have decreased 49 percent. Ohio University is still above the national average and faculty and staff are very concerned about that. Progress is being made but the university faculty and staff cannot declare success. Marketing campaign and a joint letter from the mayor of Athens and President McDavis, also letters from Deans have been implemented to address this issue. A 10 person committee (7 of the 10 were students) made recommendations for mandatory community restitution and fine of \$100-150 for alcohol and marijuana violations and alternative suspension option for first time offenses.

Trustee Kidder asked if any learning has taken place regarding what has not worked. President McDavis explained that the university is receiving more students from high school displaying high risk behavior, which administrators need to address. Dr. Smith encouraged Trustees to look back to 2005 figures and noted that Ohio University has decreased the number of cases in Judiciaries by one third. Dr. Smith noted that the university needed to revise our educational component, utilizing social media for advertising policies and consequences. President McDavis emphasized that this is a national problem, not specific to Ohio University.

University Governance Committee Report

Trustee Brightbill reported. Information under Tab 21 is listed in the consent agenda. The only other thing discussed during the Governance Committee meeting, according to Trustee Brightbill was the new Trustee Orientation and Board retreat.

University Audit Committee Report

Trustee Wolfort reported. Kathy Gilmore presented Fiscal Year 12 audit plan, including six assurance audits and 11 follow up audits. Ms. Gilmore also presented on a recently completed quality assessment review. Jeff Davis presented for the second time to the Audit Committee regarding internal audit activities, professional development, and special projects. Student Trustee Triplett introduced Allison Arnold, who is the new Student Trustee and who will be sitting on the Audit Committee for the following academic year.

Trustee Wolfort reported that, under the guidance of Kathy Gilmore, what was concluded in the past several months was an internal audit department review by Ohio University contemporaries. This audit was necessary to maintain credentials. The university was able to achieve that audit through great savings to the university by using contemporaries David Cutri from the University of Toledo and Robert Gerber from the Cuyahoga Community College. The auditors concluded in their review overall that the established internal audit is aligned with the Ohio University strategic plan. Trustee Wolfort also acknowledged significant accomplishments by the audit team including credentialing of all audit team members.

Executive Committee

Chair Kidder reported. Re-election of President, Secretary, and Treasurer Resolutions are listed in the consent agenda. The Executive Committee also discussed the performance objectives for President McDavis and has communicated these to the President. In general, the performance against the objectives has been deemed to be strong. Chair Kidder expressed that he is delighted to support the re-election of these individuals. Chair Kidder acknowledged appreciation of Secretary Davis and his work for the Trustees.

Trustee Harris and Chair Kidder met with faculty senate heads and had a good discussion on academic quality. It was discussed in the Executive Committee meeting the importance of this preservation of academic quality at Ohio University.

Chair Kidder next discussed the labor agreement with the Fraternal Order of Police resolution. Trustee Kidder moved to pass this resolution. Trustee Anderson seconded. All voted in favor. Resolution carried.

RATIFICATION OF LABOR AGREEMENT

Resolution 2011 - 3227

WHEREAS, Ohio University and The Fraternal Order of the Police, Ohio Labor Council, Inc., have negotiated a three year contract effective July 1, 2011, to midnight, June 30, 2014, and

WHEREAS, the Ohio University Board of Trustees, in accordance with section 4117.10(B) of the Ohio Revised Code, must ratify the agreement,

NOW THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does hereby ratify the three-year contract between the University and The Fraternal Order of the Police, Ohio Labor Council, Inc., and authorizes the president of the university to arrange for execution in accordance with Ohio law.

Consent Agenda

Chair Kidder presented the Consent Agenda items to the Trustees for action. It is important to note that any Trustee may request, in advance of action on the consent agenda, that any matter set out in this consent agenda be removed and placed on the regular agenda for discussion and action. All matters listed within the consent agenda have been distributed to each member of the Ohio University Board of Trustees for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion.

Chair Kidder called for a motion to approve the remaining items on the consent agenda. Chair Kidder moved the motion, seconded by Trustee Anderson. All voted approval. Motions carried.

**NAMING OF “CLIPPINGER RESEARCH ANNEX,”
“WEST UNION STREET OFFICE CENTER,”
AND “UNIVERSITY SERVICE CENTER.”**

RESOLUTION 2011 -3228

WHEREAS, the name “Zoology Building,” no longer reflects the function of Building #0130, and “Clippinger Research Annex” has been determined by the University to be a more appropriate name for the building, and

WHEREAS, the name “HDL Center,” no longer reflects the function or ownership of Building #9040, and “West Union Street Office Center” has been determined by the University to be a more appropriate name for the building, and

WHEREAS, the name “Facilities and Auxiliaries Building,” no longer reflects the function of Building #0306, and “University Service Center” has been determined by the University to be a more appropriate name for the building.

NOW THEREFORE, BE IT RESOLVED that hence forth these three buildings on the Athens campus of Ohio University will be named as follows:

- **CLIPPINGER RESEARCH ANNEX** (Building #0130)
- **WEST UNION STREET OFFICE CENTER** (Building #9040)
- **UNIVERSITY SERVICE CENTER** (Building #0306)

Federal Aviation Administration Airport Improvement Grants

Resolution 2011 – 3229

WHEREAS, the University has in the past received Airport Improvement Program grants from the Federal Aviation Administration, pursuant to Title 49, United States Code, in connection with the development and operation of the Gordon K. Bush Airport and the C. David Snyder Terminal; and

WHEREAS, to provide for the safe and orderly operation of the Airport and the Terminal it may be appropriate for the University to apply for and to receive Airport Improvement Grants in the future; and

WHEREAS, the Terms and Conditions of Accepting Airport Improvement Program Grants require the Board of Trustees to adopt a resolution authorizing the filing of such applications, including all understandings and assurances contained therein;

NOW THEREFORE, BE IT RESOLVED, that subject to the review and approval of the Vice President for Finance and Administration and the Vice President for Research, the University is authorized to apply for and to accept Airport Improvement Program grants from the Federal Aviation Administration; and

BE IT FURTHER RESOLVED, that the Vice President for Finance and Administration and the Vice President for Research, or their designees, are authorized to execute such applications and grant agreements and are directed to comply with the conditions of the grants as set forth in the Federal Aviation Administration Terms and Conditions of Accepting Airport Improvement Program Grants.

THE COLLEGE OF ARTS AND SCIENCES
MASTER OF SCIENCE IN GEOGRAPHY

RESOLUTION 2011 - 3230

WHEREAS, the College of Arts and Sciences has proposed offering a Master of Science degree in Geography, and

WHEREAS, the proposed degree has the support of the Faculty and Dean of the College of Arts and Sciences, the University Curriculum Council, the Graduate Council, and the Executive Vice President and Provost, and

WHEREAS, the proposed degree reflects the strength and breadth of the curriculum and research specializations of Geography faculty, and

WHEREAS, students concentrating in the physical-science aspect of Geography are better positioned in the job market with an M.S. rather than an M.A. degree, and

WHEREAS, the proposed degree is based on the existing infrastructure in the Department of Geography and will not require new faculty, facility space, staff, or financial commitments,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Ohio University hereby approves offering the Master of Science in Geography by the College of Arts and Sciences.

Appointment to Regional Coordinating Councils

RESOLUTION 2011 - 3231

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 Regional Campuses of Ohio University - Chillicothe, Lancaster, Southern and Zanesville.

Ohio University - Chillicothe

Rachel Foster

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice Cindy Henderson, whose term expired.

Sharon Manson

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice Jeff Gering, whose term expired.

Ohio University - Lancaster

Amy Eyman

Reappointment of a second three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014.

Mareion A. Royster

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice Steve Wells, whose term expired.

Ohio University - Southern

Joe Isaac

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice John Galloway, whose term expired.

V. Ann Newman

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice Jodi Rowe Collins, whose term expired.

Ohio University - Zanesville

Michael L. Bullock

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice James McDonald, whose term expired.

John Ulmer

For a three-year term beginning July 1, 2011, and ending at the close of business June 30, 2014, vice Luann Cooperrider, whose term expired.

OHIO UNIVERSITY HERITAGE COLLEGE OF OSTEOPATHIC MEDICINE

RESOLUTION 2011 – 3232

WHEREAS, the Osteopathic Heritage Foundations are committed to osteopathic medical care, to advancing osteopathic research and education, and to improving health and the quality of life, and

WHEREAS, the College of Osteopathic Medicine and the Osteopathic Heritage Foundations have enjoyed a 30-year partnership forged of shared missions and shared values, and

WHEREAS, the Osteopathic Heritage Foundations through their extraordinary generosity have enabled the College of Osteopathic Medicine to be a national leader in the education of high quality primary care physicians and the education of physicians from underrepresented groups, and

WHEREAS, the Osteopathic Heritage Foundations have provided the leadership and the resources for the College of Osteopathic Medicine to recruit outstanding faculty and to make it possible for them to engage in high quality teaching, important research and clinical work in state-of-the art facilities, and

WHEREAS, the Osteopathic Heritage Foundations through their significant philanthropic activities have contributed immeasurably to the health and well being of the residents of Southeastern Ohio through investments in clinical facilities and programming, and

WHEREAS, the Osteopathic Heritage Foundations have contributed the largest private donation ever given to a college or university in Ohio, which will allow the College of Osteopathic Medicine to address some of the most pressing health care issues across the state and the nation.

NOW, THEREFORE, BE IT RESOLVED that the College of Osteopathic Medicine shall be named the Ohio University Heritage College of Osteopathic Medicine.

MEETING DATES FOR SUCCEEDING YEAR

**Designation of Stated Meeting Dates for Years Beginning
July 1, 2011 and Ending June 30, 2012**

RESOLUTION 2011 - 3233

RESOLVED that the following dates be designated the stated meeting dates for the year beginning July 1, 2011, and ending June 30, 2012.

September 1, 2011 (Meeting)
September 2, 2011 (Retreat)

COMMENCEMENT
June 2, 2012 - OUCOM
June 8, 2012 - Graduate
June 9, 2012 - Undergraduate

November 17-18, 2011

February 23-24, 2012 (Lancaster Campus)

April 19-20, 2012

June 21-22, 2012

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

**INTERNAL AUDIT
ANNUAL AUDIT PLAN**

RESOLUTION 2011 - 3234

WHEREAS, the Board of Trustees of Ohio University has established an independent, objective assurance and appraisal activity to evaluate and improve effectiveness of risk management and internal management controls, and

WHEREAS, the Board of Trustees has approved an Ohio University Internal Office Charter requiring Board of Trustees authorization of an annual audit plan initiated to evaluate internal management controls, and

WHEREAS, the Chief Audit Executive charged with initiating audits pursuant to the plan proposes an annual audit plan for authorization by the University Trustees, and

WHEREAS, the proposed plan will be conducted during the period of July 2011 through June 2012, and

WHEREAS, time for unplanned investigations is separately allotted in the audit plan. Further revisions to the plan will be administratively reviewed and approved by the President and the Chair of the Audit Committee, and

NOW, THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does authorize the proposed audit plan.

ELECTION OF PRESIDENT

RESOLUTION 2011 - 3235

RESOLVED that Roderick J. McDavis be elected President of Ohio University for the year beginning July 1, 2011, and ending June 30, 2012.

ELECTION OF SECRETARY

RESOLUTION 2011 - 3236

RESOLVED that Thomas E. Davis be elected Secretary for the Board of Trustees beginning July 1, 2011 through June 30, 2012.

ELECTION OF TREASURER

RESOLUTION 2011 - 3237

RESOLVED that Stephen Golding be elected Treasurer of Ohio University for the period beginning July 1, 2011, and ending June 30, 2012

UNFINISHED BUSINESS

None

NEW BUSINESS

None

COMMUNICATIONS, PETITIONS, AND MEMORIALS

Certificate of Appreciation was presented to Student Trustee Kyle Triplett. President McDavis commented that Student Trustee Triplett has developed into a strong leader on campus and that he is a great role model for other students on campus. President McDavis expressed that the Trustees have been privileged to have Mr. Triplett in their company the past two years.

ANNOUNCEMENT OF NEXT STATED MEETING DATE

Secretary Davis indicated that the next Board of Trustees meeting will be held on September 1, 2011.

ADJOURNMENT

Chair Kidder adjourned the meeting at 11:57 a.m.

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.

C. Robert Kidder
Chairperson

Thomas E. Davis
Secretary

President's Report

presented to
Ohio University Board of Trustees
September 1, 2011

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Overview

- **Vision Ohio: Top Strategic Priorities**
- **Strategic Priority Spotlight**
 - Short-Term and Long-Term Enrollment
- **Advancement Travel**
- **Program Spotlight**
 - **Community College Partnership Program**
- **Points of Pride**



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Vision Ohio::Top Strategic Priorities

Nation's Best Transformative Learning Community

1. Inspired teaching and research
2. Innovative academic programs
3. Exemplary student support services
4. Integrative co-curricular activities

FOUR FUNDAMENTALS

1. Inspired teaching and research dedicated to students' academic success and focused on the connections between student learning and the advancement of knowledge and creative activity.
2. Innovative academic programs that draw on the best traditions and practices in liberal arts, professional, and interdisciplinary education.
3. Exemplary student support services committed to helping students fulfill their academic promise.
4. Integrative co-curricular activities that foster a diverse environment of respect and inclusivity and facilitate students' development as citizens and leaders.

Effective Total Compensation

Short- & Long-Term Enrollment Goals

Improve Financial Strength

Complete Capital Campaign

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Vision Ohio::Top Strategic Priorities

Nation's Best Transformative Learning Community

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Effective Total Compensation

Short- & Long-Term Enrollment Goals

Improve Financial Strength

Complete Capital Campaign

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Strategic Priority Spotlight: Enrollment Goals

Short- &
Long-Term
Enrollment
Goals

- In-State Students
- Out-of-State Students
- Multicultural Students
- International Students
- Transfer Students
- Regional Campuses
- Lifelong and Distance Learning
- Graduate Students
- Retention/Persistence

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Campus Experience

- Students and alumni speak of the first time they experience the Athens Campus as the moment they made their enrollment decision.
 - Classic residential university setting
 - Scenic surroundings
 - Walking campus in the heart of Athens

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Virtual Campus Tour

- Enrollment Management and University Communications and Marketing engaged ***Your Campus 360*** to develop an online virtual walking tour of the Athens Campus:
 - Walking tour
 - Links to online videos
 - 360 degree panoramic views
- Easy access for out-of-state and international students

Virtual Campus Tour

Short- &
Long-Term
Enrollment
Goals



<http://www.ohio.edu/tour/>

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Future Plans :: Online Tour

- Ongoing updates and addition of photos to more broadly display beauty of campus.
- Additional language sections will include Spanish, Chinese and Arabic versions.
- Provide links on Alumni web and social media pages.

Strategic Priority :: Complete Capital Campaign

Complete
Capital
Campaign

Advancement Travel:

New York, New York
Chatham, Massachusetts
Cleveland, Ohio
San Francisco, California
Austin, Texas
Dallas, Texas

Presidential advancement travel from June 25, 2011 through September 1, 2011

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University Spotlight :: College Partners

Dr. Dan Evans
Vice Provost, E-Learning and Strategic Initiatives

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College Partners

Short- & Long-Term Enrollment Goals



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College Partners

Short- &
Long-Term
Enrollment
Goals

College	Fall 2010 Enrollment
Central Ohio Technical College	Data to be provided at Board of Trustees meeting
Clark State Community College	Data to be provided at Board of Trustees meeting
Columbus State Community College	Data to be provided at Board of Trustees meeting
Cuyahoga Community College	Data to be provided at Board of Trustees meeting
Eastern Gateway Community College	Data to be provided at Board of Trustees meeting
Edison Community College	Data to be provided at Board of Trustees meeting
Hocking College	Data to be provided at Board of Trustees meeting
Lorain County Community College	Data to be provided at Board of Trustees meeting
Mountwest Community College	Data to be provided at Board of Trustees meeting
North Central State College	Data to be provided at Board of Trustees meeting
Owens Community College	Data to be provided at Board of Trustees meeting
Sinclair Community College	Data to be provided at Board of Trustees meeting
Washington State Community College	Data to be provided at Board of Trustees meeting

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College Partners

- Student Options
 - Online
 - Transfer to Athens Campus
- Relationship Managers
 - Advising
 - Recruiting

Short- &
Long-Term
Enrollment
Goals

Student Perspectives

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Short- & Long-Term Enrollment Goals

Future Plans

- New Partners
- New Degrees
- Enrollment Growth



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Short- &
Long-Term
Enrollment
Goals

Questions?

Dr. Dan Evans
Vice Provost, E-Learning and Strategic Initiatives

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Points of Pride

- U.S. Sen. Sherrod Brown and Ohio University alumnus David Wilhelm were among the speakers at "Positioning Appalachia: Economic Growth Strategies for Success," hosted by the Voinovich School of Leadership and Public Affairs and the Regional Economic Advancement Program.

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Points of Pride

- Kojo Yankah, President of African University College of Communications (AUCC) and President McDavis signed a Memorandum of Understanding, one of nearly 200 international agreements that Ohio University holds.



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Points of Pride

- Ohio University alumnus Charles Beck and his wife Judy pledged a \$1 million gift to support the University's Nursing Program and its Kids on Campus after-school and summer programs for area schoolchildren.



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Points of Pride

- On August 13, Ohio University Heritage College of Osteopathic Medicine (OUHCOM) welcomed the largest entering class in the school's history, 140 students selected from 3,821 applicants.
- The Ohio University women's golf team was recognized as one of the top academic programs in the leading all Division I schools with a 3.83 cumulative GPA.



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President's Report

presented to
Ohio University Board of Trustees
September 1, 2011

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Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration, CFO and Treasurer

Re: **Sightlines LLC Report**

In 2008 the Board of Regents appointed Sightlines LLC, a nationally recognized consulting firm, to analyze Ohio public universities' ability to steward their facilities. Last year Sightlines analyzed five years of data on general fund facilities up to FY 2009. This year Sightlines has updated their report to include FY2010 data. Although the report we present addressed Ohio University's Athens Campus general fund facilities only, Sightlines is working to complete a separate report on Ohio University's regional campuses, and a separate report on Ohio University's Auxiliary facilities.

Attached are a number of slides that illustrate Sightlines' findings. Please note that Sightlines utilized a comparison group of 13 other university's for which they have collected comprehensive data. These universities were selected not because they are academic peers, but because these universities have similarities in one or more of the following attributes: size, technical complexity, region, geographic location, and setting.

Sightlines core observations of Ohio University's general fund facilities include:

- Low historical investment has resulted in growth in the backlog of deferred maintenance projects.
- The University's campus age profile contributes to the backlog need.
- Cuts to facilities operating budget are significantly reducing service delivery and sustainability of operations.
- Ohio University's facilities operation has a very low manager to front line staff ratio.
- A strong preventative maintenance program and decreased energy consumption are two areas of success that have reduced the impact of shrinking financial investment.

Sightlines estimated Ohio University's Athens Campus deferred maintenance backlog at \$355 million which equates to approximately \$71 of deferred maintenance backlog for every square foot of asset (at the time of this presentation the metric has likely increased to \$78 per gross square foot of asset). Sightlines has observed that campuses that reach a \$100 of deferred maintenance backlog experience a range of operational problems from costly emergency repairs to complete building shut downs. Operations costs increase with repairs in an inefficient, disruptive mode, where the solutions are less than optimal. We might call this level a tipping point. At the current level of investment Ohio University will reach this level in approximately six years.

On the other end of the spectrum, campuses that are able to maintain a \$40 to \$50 deferred maintenance backlog for every square foot are able to manage a healthy state and keep their campuses well maintained. Ohio University might look at this level as a stewardship goal.

Sightlines recommends embracing a new paradigm which stresses a regular commitment of resources to existing facilities “Keep Up Costs.” Sightlines defines “Keep Up Costs” as the annual investment needed to ensure buildings will properly perform and reach their useful life. Sightlines also recommend that the University use state and one-time funds strategically to address problem buildings and alleviate operational strains - “Catch up Costs”. As defined by Sightlines, “Catch Up Costs” are the accumulated backlog of repair and modernization needs and the resource capacity to correct them.

Other recommendations include examining staffing and supervisory ratios for operational performance, maintaining a strong preventative maintenance program to increase productivity and effectiveness, and creating incentives across campus to decrease energy demand.

The University is in the process of incorporating these recommendations into its comprehensive capital planning and will refer to these metrics in future presentations.

Please let me know if you have questions.

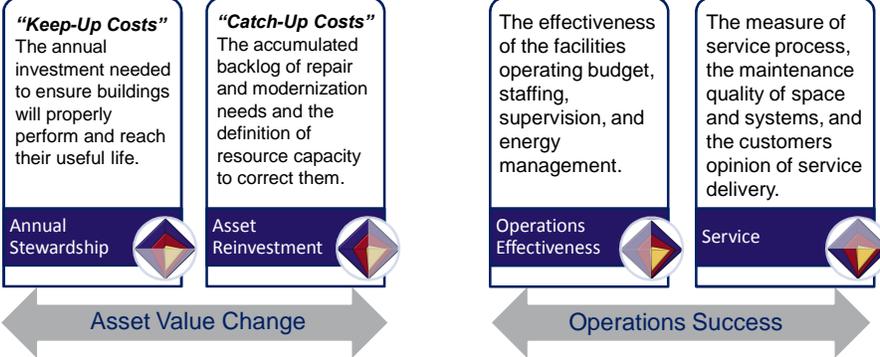
Sightlines

- Regents Appointed National Consulting Firm
- Ohio University General Fund Facilities
- FY 2010 Data Update
- 5 Year Look Back



A vocabulary for measurement

The Return on Physical Assets – ROPASM



Core Observations:

- (1) Low historical investment has resulted in growth in the backlog of deferred projects.
- (2) Campus age profile contributes to the backlog need.
- (3) Cuts to facilities operating budget are significantly reducing service delivery and sustainability.
- (4) Strong PM program and decreased energy consumption are two areas of success that have reduced the impact of shrinking financial investment.

Comparison Institutions

Ohio University – General Fund



Sightlines

Institution	Location
Cornell University	Ithaca, NY
Indiana University	Bloomington, IN
Miami University	Oxford, OH
Southern Methodist University	Dallas, TX
The Pennsylvania State University	State College, PA
The University of Dayton	Dayton, OH
University of Cincinnati	Cincinnati, OH
University of Missouri – Columbia	Columbia, MO
University of Notre Dame	Notre Dame, IN
University of Oregon	Eugene, OR



Comparative Considerations

Size, technical complexity, region, geographic location, and setting are all factors included in the selection of peer institutions



3

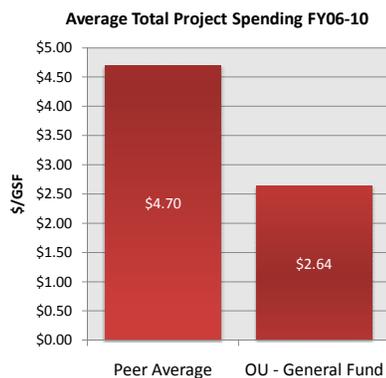
OU Backlog has grown by \$10/GSF to est. \$355 M

Investing half of what peers have invested over the past 5 years



Sightlines

Asset Reinvestment Need



4

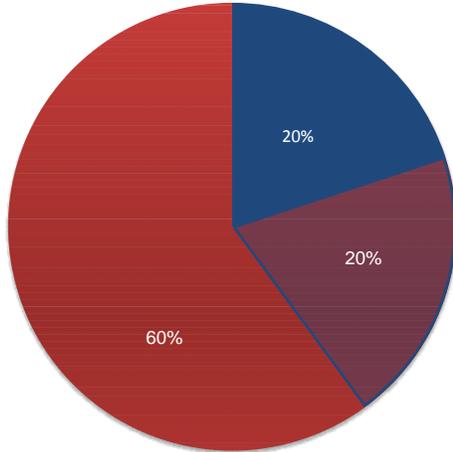
Even after renovations, OU is older than peers

Ohio University has used major renovations to rejuvenate GF space



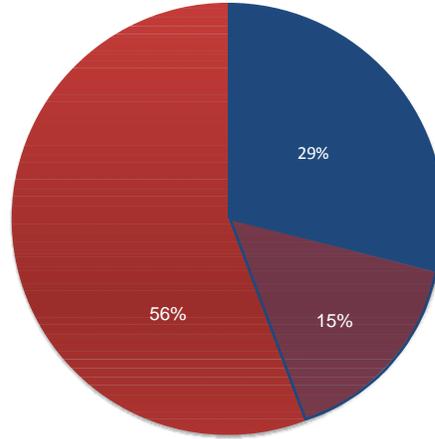
Sightlines

OU – General Fund Renovation Age



■ Under 25 Years ■ Over 25 Years

Peer Average Renovation Age



■ Under 25 Years ■ Over 25 Years



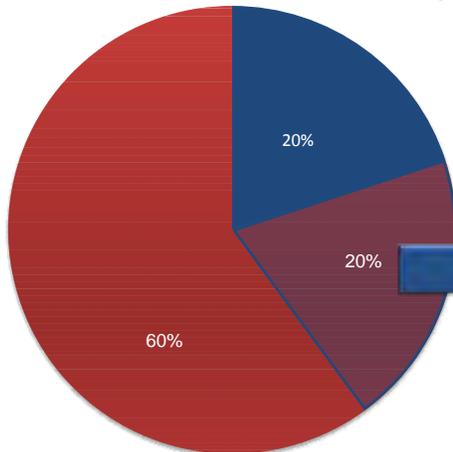
5

Half of major renovations done prior to 1993



Sightlines

OU – General Fund Renovation Age



■ Under 25 Years ■ Over 25 Years

About half of this space was renovated prior to 1993.



6

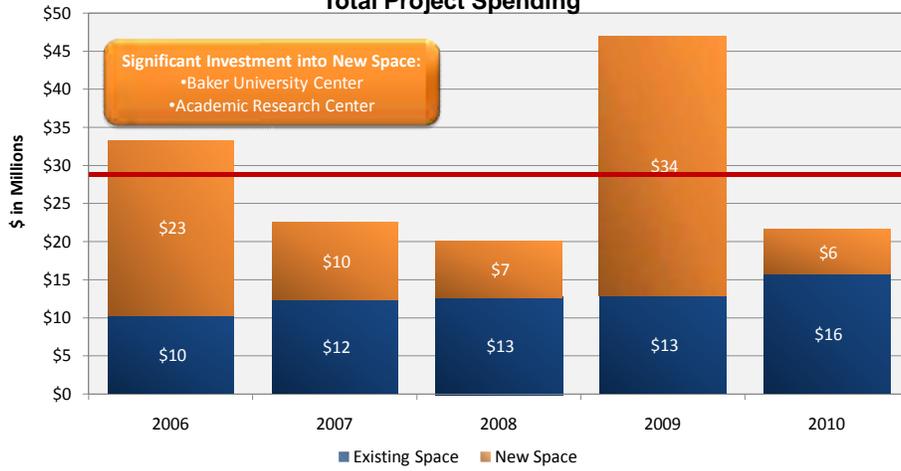
General Fund Capital Investment

44% of funding into existing space since FY06



Sightlines

Total Project Spending



Capital Investment FY06-10

Spending into Existing Space: \$64 M
Spending into New Space: \$80 M



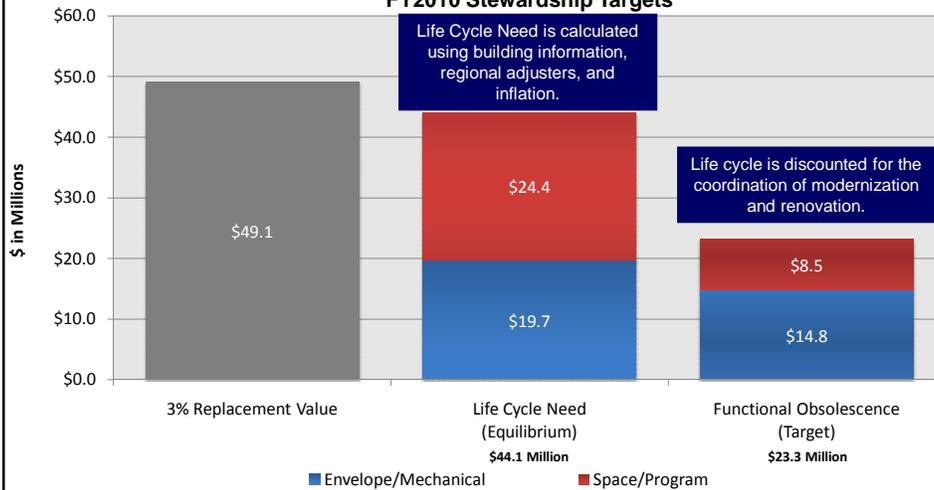
Defining the Stewardship targets for existing space

General Fund targets for 2010



Sightlines

FY2010 Stewardship Targets



Industry Standard

Sightlines Recommendations



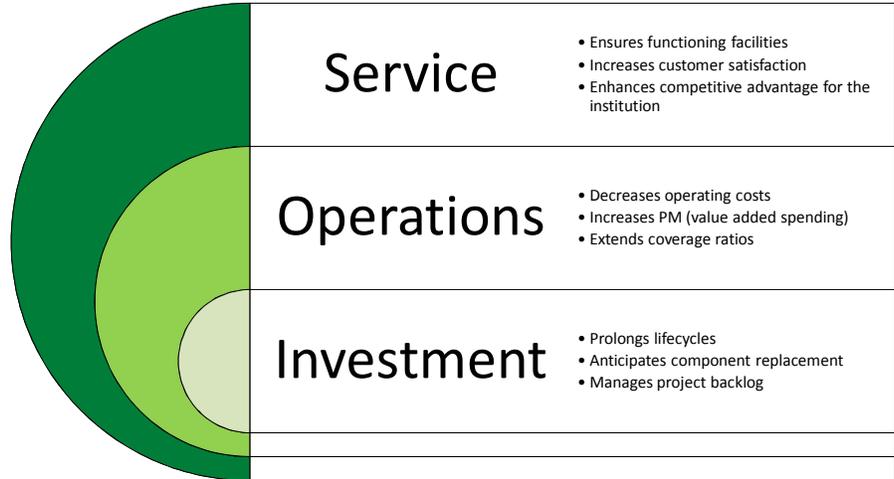
8

Why Steward Annually?

The relationship between capital, operations, and service



Sightlines



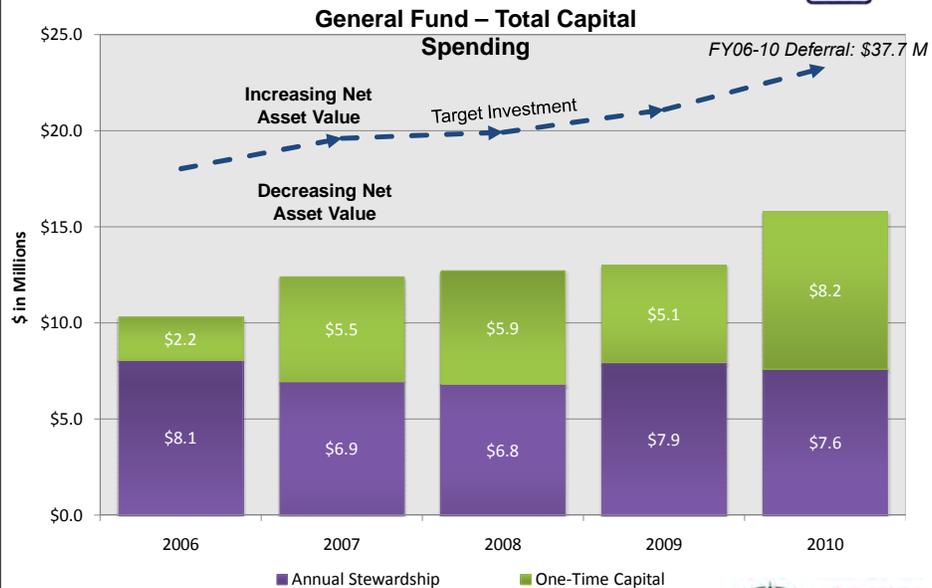
9

Total Capital Investment Over Time

Even with one-time capital, Ohio U has not been able to reach target investment levels



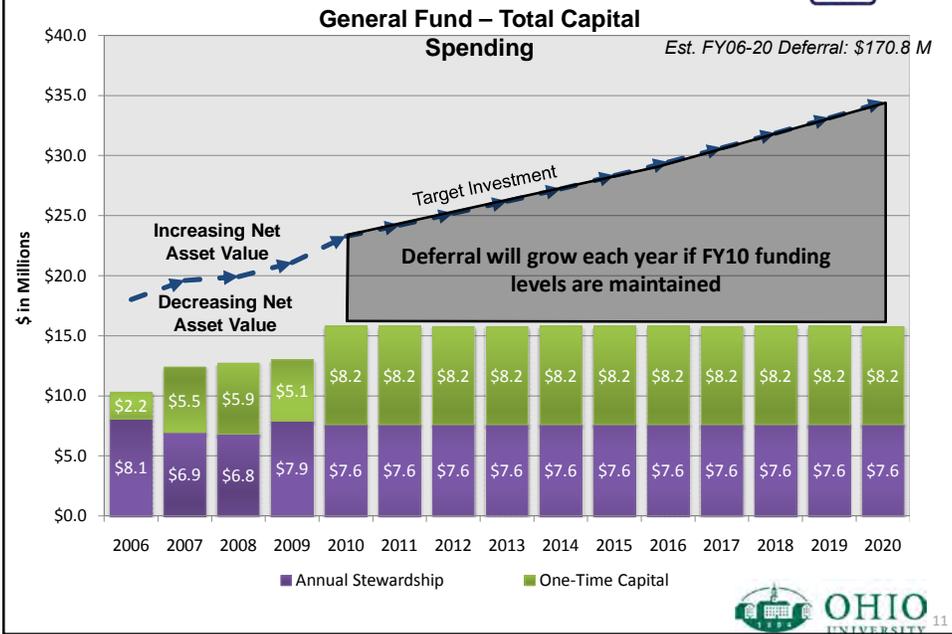
Sightlines



10

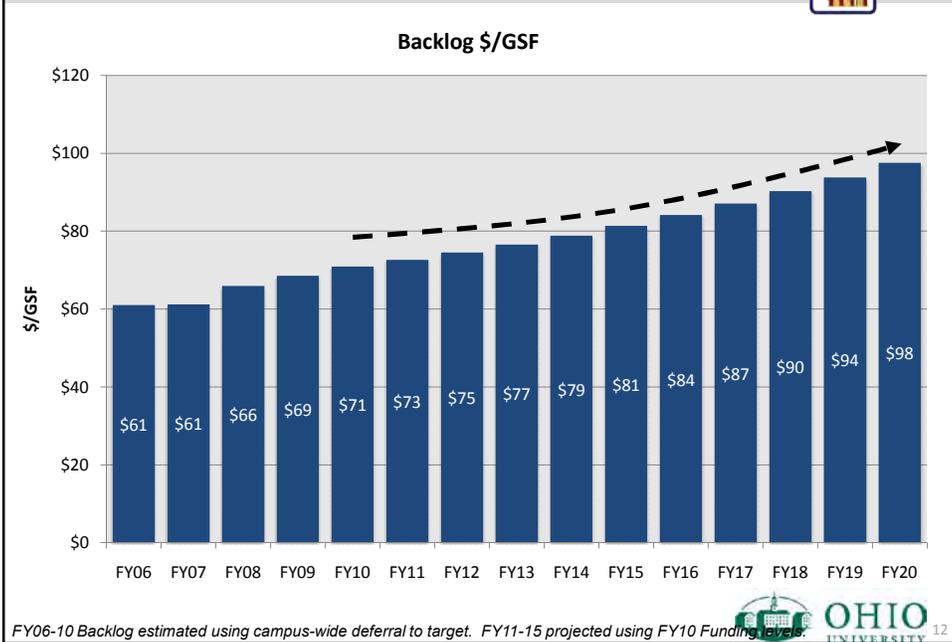
At current funding levels, backlog will grow by \$130 M by 2020

Gap between funding and target will increase from \$8 to \$18 M



Backlog will approach \$100/GSF by 2020

Campuses with high backlogs face a range of facilities operational problems

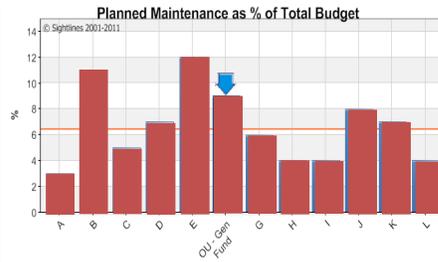
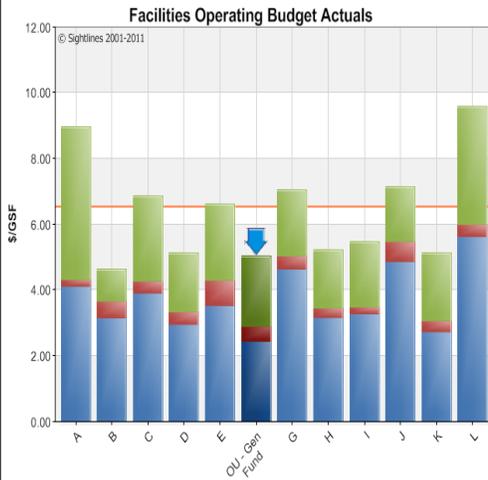


Ohio U spending less than peers operationally

Adding more value through planned maintenance spending than peers



Sightlines



PM: Includes materials, labor hours, and service contracts which extend the useful life of building components.

Examples: Elevator service contracts, changing belts/filters on HVAC equipment



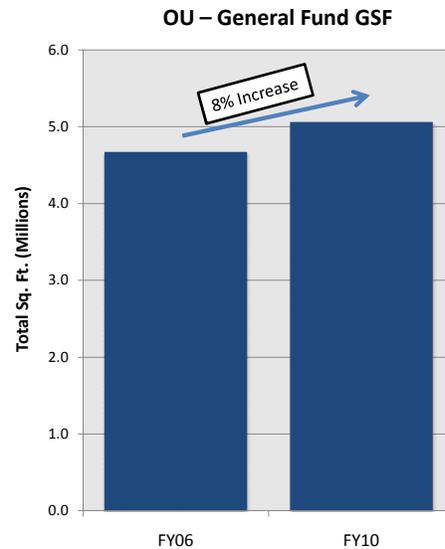
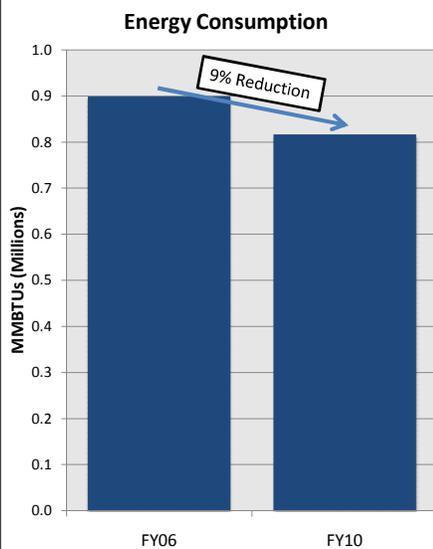
13

OU has been effective in managing energy

As campus has grown, Ohio U has been able to lower overall consumption



Sightlines



Overall, the General Funded space decreased normalized consumption by 16%.



14

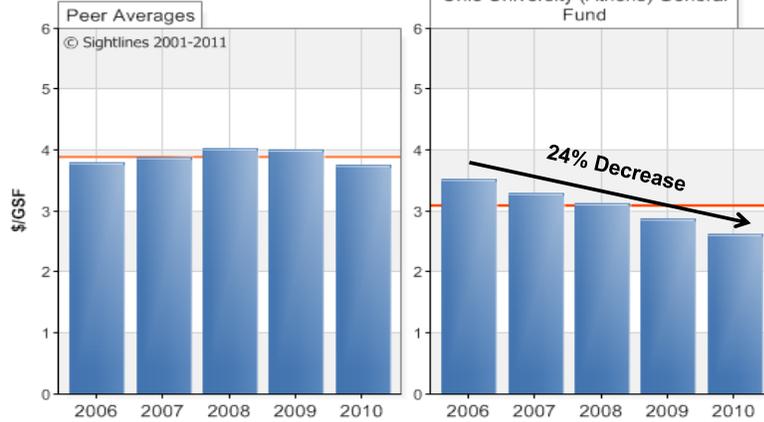
Daily Service spending steadily decreasing over time

Spending around \$1/GSF less than in 2006



Sightlines

Daily Service Budget



15

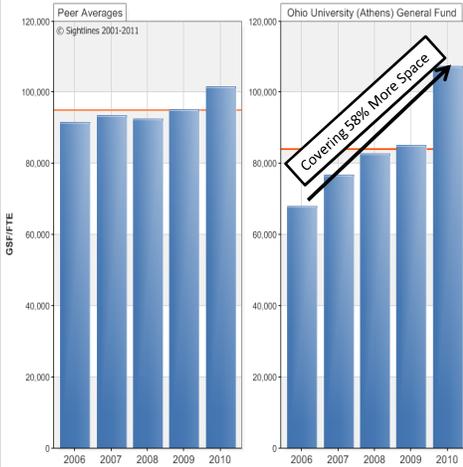
Substantial cuts to maintenance & custodial staff

Reductions in staff result in dramatic increases in coverage ratios

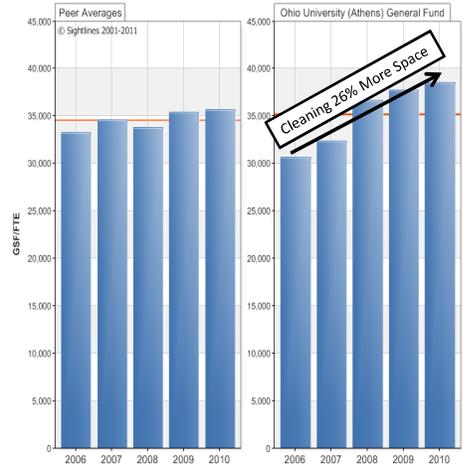


Sightlines

Maintenance Staffing



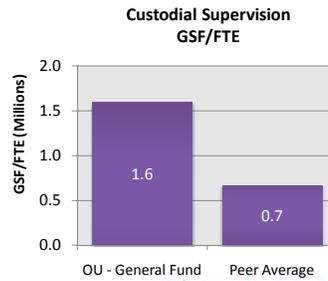
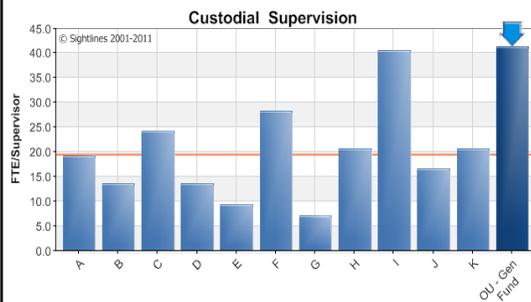
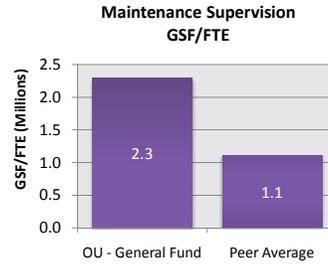
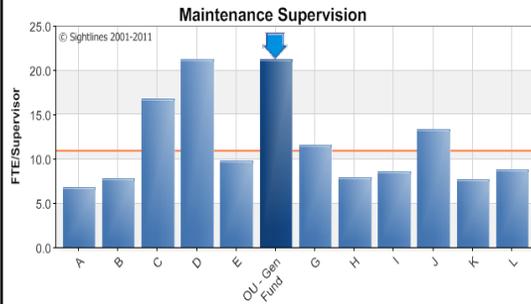
Custodial Staffing



16

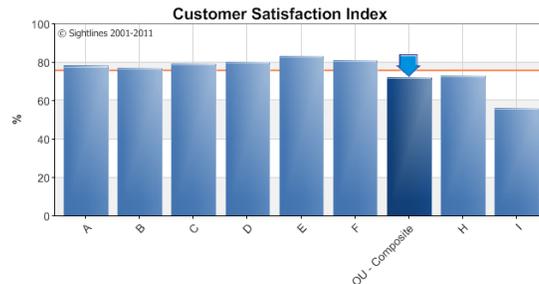
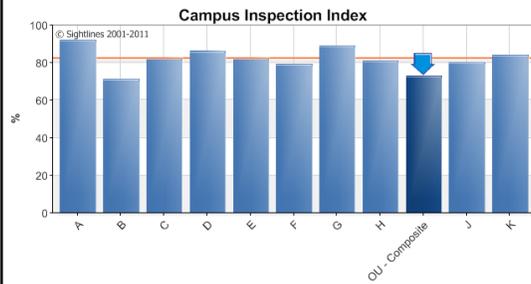
Supervisors responsible for more staff and space than peers

Only 2 Maintenance, 3 Custodial Supervisors to cover 5 million GSF



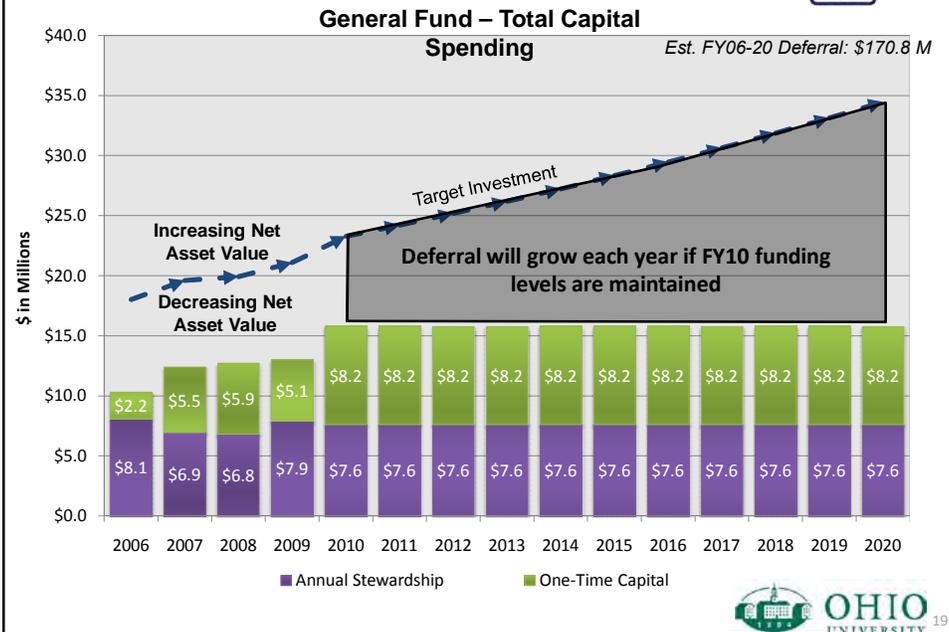
The Impact to Customers

Campus inspection and customer satisfaction lower than peers



At current funding levels, backlog will grow by \$130 M by 2020

Gap between funding and target will increase from \$8 to \$18 M



Concluding Comments



Core Observations:

- (1) Low historical investment has resulted in growth in the backlog of deferred projects.
- (2) Campus age profile contributes to the backlog need.
- (3) Cuts to facilities operating budget are significantly reducing service delivery and sustainability.
- (4) Strong PM program and decreased energy consumption are two areas of success that have reduced the impact of shrinking financial investment.

Strategies

Importance of creating a new paradigm which stresses a regular commitment of resources to existing facilities – “Keep Up”

Use state and one-time funds strategically to address problem buildings and alleviate operational strains – “Catch Up”

New paradigm should include examining staffing and supervisory ratios to ensure optimal performance.

Maintain strong PM program to increase productivity and effectiveness of facilities staff

Create incentives across campus to decrease energy demand



**APPROVAL OF PROJECT AND AUTHORIZATION TO DEVELOP
CONSTRUCTION DOCUMENTS, RECEIVE BIDS AND
AWARD CONSTRUCTION CONTRACTS FOR
ATHENA CLASSROOM RENOVATION,
FY 2012 CENTRAL FOOD FACILITY IMPROVEMENTS,
AND SOUTHERN CAMPUS ENTRY IMPROVEMENTS**

RESOLUTION 2011-

WHEREAS, three capital projects have been planned, developed and funded as follows:

- Athena Classroom Renovation with a total project budget of \$930,000 to be funded from University reserves, and
- FY 2012 Central Food Facility Improvements with a total project budget of \$5,100,000 to be funding from Culinary Auxiliary reserves, and
- Southern Campus Entry Improvements with a total project budget of \$780,000 to be funded \$580,000 from state appropriations and \$200,000 from Ohio University Regional Higher Education Reserves.

NOW THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees authorizes the receipt of bids and the President or his designee to accept and award construction contracts within the total project budgets identified.



Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration, CFO and Treasurer

Re: **CONSTRUCTION PROJECT APPROVAL REQUEST:**
Athena Classroom Renovation
FY 2012 Central Food Facility Improvements
Southern Campus Entry Improvements

The following construction projects in excess of \$500,000 in total project cost are presented to the Board for construction project approval. A resolution is provided that addresses these projects.

Athena Classroom Renovation

The Athena Theatre was constructed in 1900 and has been in use as a movie theatre since its opening. The brick building of approximately 18,600 gross square feet is located on Court Street in downtown Athens. Ohio University acquired the facility in 2001 and renovated the building with elevator, accessibility, restroom modifications and minor upgrades to the electrical and air conditioning systems. The theatre was managed for Ohio University by a private theatre management company for eight years. In 2009, the theatre was reorganized under the management of Ohio University's College of Fine Arts.

In fall 2012, Ohio University will be changing from a quarter system to a semester system and will have need for large classrooms. This project will fully renovate the second floor film viewing area to also serve as a large classroom of 196 seats. The project will provide seating with tablet arms, install audiovisual equipment, and add adequate lighting for daytime use. The project will also upgrade the lighting in the two first floor level film viewing rooms. These rooms will likely be further renovated at a later date as new projection systems are scheduled to be installed and would be utilized as classrooms at that time. In addition the restrooms in the building will be modified to meet the recently updated Americans with Disabilities Act requirements and all air conditioning equipment will be replaced. The project is budgeted at \$930,000 and will be funded from University reserves.

FY 2012 Central Food Facility Improvements

The Culinary Auxiliary commissioned a comprehensive study of the Central Foods Facility in 2007 and updated the study in 2009. The goal of the study was effective efficiency of the facility and its operations as well as rehabilitation of the 1972 building. Operational goals included significant savings from scratch production of items now purchased, labor efficiencies, better product quality and consistency, and less waste. The board approved the first phase of the plan in September 2010, which was budgeted at \$7.7 million and included a significant addition. That first phase is now approaching completion. The second phase of the plan involves 10,800 gross square feet of internal renovation.

The areas included are vegetable preparation, vegetable cooler, freezer, warehouse distribution offices, bakery freezer, rack wash and storage. The project is budgeted at \$5.1 million and will be fully funded by the Culinary Auxiliary. Subsequent phases are anticipated in future years, and will be brought to the Board for consideration as plans are further developed.

Southern Campus Entry Improvements

The Ohio University Southern Campus at Ironton was developed in 1985 and the first building was constructed at that time. Since then three more buildings have been added to the campus. The small footprint of the site and the density of the buildings has now evolved into a difficult pattern of vehicular and pedestrian circulation and parking. The main entrance is confusing and difficult to navigate. This project will reconfigure the entry, add parking, landscaping, and lighting, and improve signage. The project is budgeted at \$780,000 with \$580,000 to be funded from state appropriations and \$200,000 to be funded from Ohio University Regional Higher Education reserves.

Please let me know if you have questions.

Construction Projects

Resolution

Tab

3 Construction Projects

- Athena Classroom Renovation
 - 2nd Floor renovation to provide large classroom in conjunction with quarter to semester change - 196 seat capacity
 - \$930,000 project budget with funding from University reserves
- FY 2012 Central Food Facility Improvements – Phase 2
 - Renovations per the comprehensive study to rehabilitate the 1972 facility for production savings and operational efficiency
 - \$5.1 million project budget with funding from Culinary Auxiliary
- Southern Campus Entry Improvements
 - Reconfigure entry to accommodate growth and improve navigation
 - \$780,000 project budget with \$580,000 in state appropriation funding and \$200,000 from regional higher education reserves



Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration, CFO and Treasurer

Re: **Debt Affordability**

You will recall that, through an engagement with the PFM Group, the University sought to estimate its potential debt capacity to derive a range of debt that could be issued in to address the University's capital needs in the next five years.

The accompanying slides briefly present the University's current debt structure, the process behind the debt affordability study and the pro forma impact of additional debt to the University's financial position. While these slides are similar to those which were reviewed at this April's Resources Committee meeting, they have been updated to reflect changes in the University's financial position for FY2011 that will have an impact on the magnitude of the institution's debt capacity. To that end, we will discuss the University's projected debt burden ratio, or debt service to operating expenditures, which is considered to be one of the most important financial ratios to determine financial well-being.

Based on this analysis, PFM forecasts that the University could reasonably expect to issue approximately \$245 million to \$350 million in new debt over the next five years with minimal risk to its current ratings. As with any issuance, the rating agencies would clearly be interested in ensuring that the debt were being used strategically and aligned with the University's mission.

I hope you find the following information helpful. Please do not hesitate to contact me should you have any questions or comments.

Debt Affordability

Tab



Debt Affordability Debt Affordability Study

- The residential housing study has necessitated the University undertake a debt affordability analysis
- The University retained the firm PFM, Inc. (Public Financial Management) to assist in this analysis
- A debt affordability study is intended to assess an institution's ability to issue debt. The study analyzes such items as:
 - Outstanding debt and debt structures
 - Debt service as a percent of operating expenses
 - Balance sheet liquidity
 - Credit rating
 - Peer comparisons

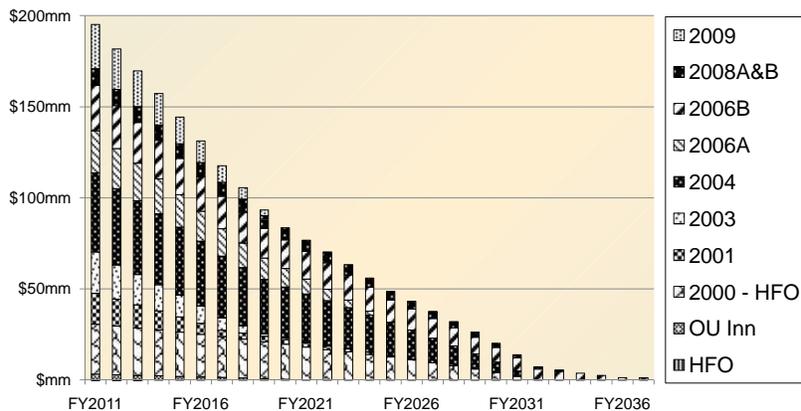


Debt Affordability Current Debt Profile

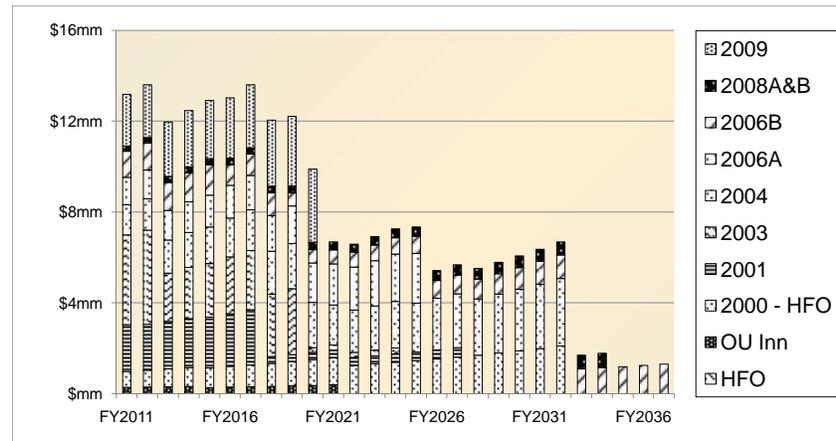
- **\$195.3 million in debt outstanding at June 30, 2011**
 - University – Eight general receipts bond series'
 - Foundation – Housing for Ohio, Inc., OU Inn
- **Composition:**
 - 77% Fixed Rate
 - 14% Variable Rate
 - 9% Synthetic Fixed Rate
- **Swap**
 - Notional Amount - \$16,415,000
 - Pay Fixed - Receive Floating
- **Ratings**
 - Moody's: Aa3
 - S&P: A+



Debt Affordability Outstanding Debt Balance



Debt Affordability Principal Repayment

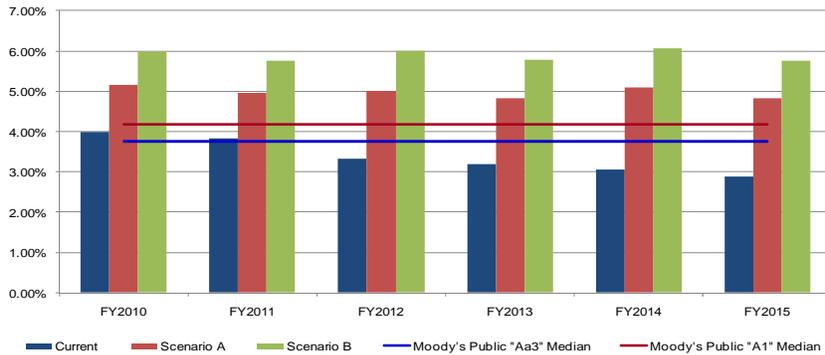


Debt Affordability Debt Capacity Analysis

- Quantitative
- Measures the impact of additional pro-forma debt
 - Total Resources to Debt
 - Expendable Resources to Debt
 - Debt Service to Operations
- Five-year forecast
- Assumptions
 - Level debt service
 - 4.0% growth in resources
 - Ratings remain constant
- Focus on Debt Service to Operational Expenses
 - 5.0%
 - 6.0%



Debt Affordability Debt Service to Operations



• **Debt Service to Operations.** This ratio measures an institution's total debt burden on annual operating expenses. The lower the percentage, the greater the institution's financial strength.



Debt Affordability Debt Capacity – FY2010 Base

- Scenario A - 5% Debt Service to Operations - \$200mm
 - \$100mm in year one
 - \$ 55mm in year three
 - \$ 45mm in year five
- Scenario B - 6% Debt Service to Operations - \$300mm
 - \$175mm in year one
 - \$ 75mm in year three
 - \$ 50mm in year five
- Debt retirement in years six through ten
 - Current - \$61mm
 - 5.0% - \$80mm
 - 6.0% - \$90mm



Debt Affordability Debt Capacity – Updated Base

- Debt Burden =
Annual Debt Service / Annual Operating Expenses
- FY2010 Base:
\$21.0 million / \$566.8 million = 3.7%
- FY2011 Base (estimated):
\$20.8 million / \$590.6 million = 3.5%

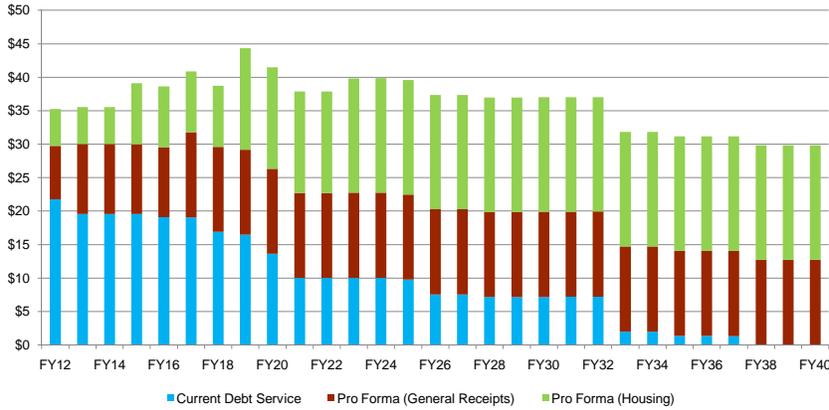


Debt Affordability Debt Capacity – FY2011 Base

- Scenario A - 5% Debt Service to Operations - \$245mm
 - \$155mm in year one
 - \$ 55mm in year three
 - \$ 35mm in year five
 - **Additional \$15.4mm in annual debt service**
- Scenario B - 6% Debt Service to Operations - \$350mm
 - \$260mm in year one
 - \$ 55mm in year three
 - \$ 35mm in year five
 - **Additional \$21.8mm in annual debt service**



Debt Affordability Annual Debt Service



**DEBT POLICY
RESOLUTION 2011 --**

WHEREAS, Ohio University is permitted by Ohio Law (Sections 3345.11 and 3345.12 of the Revised Code) to issue obligations to construct auxiliary facilities and educational facilities, or to refund obligations previously issued, and

WHEREAS, under the aforementioned authority, the University is required to obtain authorization of such obligations via resolution of its Board of Trustees, and

WHEREAS, parameters and guidance for management's use in planning, structuring, and ultimately issuing debt are provided pursuant to a University debt policy, and

WHEREAS, the Vice President for Finance and Administration will provide an annual report to the President and Board of Trustees that will detail all outstanding debt.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees recommends adoption of the Ohio University debt policy.



OHIO
UNIVERSITY

Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration and Treasurer

Re: **Debt Policy**

Pursuant to the Resources Committee's review of a proposed institutional debt policy during the June Board of Trustees meeting, a finalized version of such policy will be brought forward for discussion and, potentially, adoption during the September Board of Trustees meeting.

As discussed in June, components of the policy include the overall objectives when utilizing debt to fund capital projects as well as strategies for using debt effectively. The latter portion of the policy provides a framework for the issuance of debt including:

- the manner by which projects will be prioritized to utilize debt,
- the use of financial ratios to evaluate the University's debt position,
- the availability of various financial instruments that are allowable for use, and
- the methods through which debt and debt service will be administered internally.

In addition, the following additions were made to the version of the policy discussed in June:

- the policy statement's opening paragraph stresses the need to utilize debt strategically in the interest of preserving debt capacity for the University's core mission,
- the use of alternative financing sources, such as off-balance sheet non-University financing is considered, and
- a section regarding the management of debt, particularly related to liquidity and third party credit exposure, has been added to address recent changes to the credit markets.

The policy, as discussed in June, will be helpful to management in planning for the use of debt in conjunction with the University's construction improvement plan and other important initiatives.

Please do not hesitate to contact me should you have any questions or comments.

Policy Statement

In order to fulfill its mission, Ohio University (the “University”) will require ongoing strategic capital investments that will impact the University’s credit and financial statements. The use of financial leverage is an important vehicle for achieving this mission when used appropriately. Debt, especially tax-exempt debt, provides a low cost source of capital with which the University can fund capital investments to achieve its mission and strategic objectives. The University recognizes, however, that debt is a limited resource and one that is to be used strategically. The purpose of this policy is to afford management with the ability to consider various structures which preserve and, if possible, enhance debt capacity related to core mission activities.

The following objectives regarding debt, combined with management judgment, provide guidelines by which decisions will be made regarding its use and management. The debt policy and objectives are subject to periodic re-evaluation and change by the University’s Board of Trustees (“Board”).

Objectives

- Identify and prioritize projects eligible for debt financing. The University’s capital improvement plan (“CIP”) seeks to prioritize capital projects, including facilities and infrastructure, with the intent of accomplishing as many as financially feasible. Using debt to fund a portion of these projects will ensure the optimal use of debt capacity in fulfilling the University’s mission. Projects related to the core mission will be prioritized for debt financing; projects with associated revenues will receive priority consideration as well.
- Maintain the University’s favorable access to capital. Management’s determination of the timing of capital projects will not be compromised by the University’s access to capital sources, including debt. Management will utilize and issue debt in order to ensure timely access to capital.
- Limit risk of the University’s overall debt portfolio. The University will manage debt from the perspective of the entire debt portfolio, rather than on a transactional or project-specific basis. The University’s continuing objective to achieve the lowest cost of capital will be balanced with the goal of limiting exposure to the risk associated with market shifts.
- Manage and maintain the highest acceptable credit rating. Maintenance of strong credit ratings permits the University to finance capital projects through debt at favorable interest rates. Due to the significant importance of the total amount of debt outstanding, the University will limit its overall debt to a level that will maintain an acceptable credit rating; however, the attainment or maintenance of a specific rating is not an objective of this policy but, rather, warrants the need for a discussion regarding the use of strategic debt between management and the Board.

Debt Strategies

For the University to achieve the aforementioned objectives, it will utilize debt strategies and procedures related to both the external and the internal management of debt and interest. These strategies are to be reviewed and reassessed periodically by management.

1. Mission-based Capital Planning

Management will allocate the use of debt financing within the University to include the prioritization of debt resources among all uses, including academic facilities, auxiliary facilities, plant facilities and

related infrastructure, equipment, infrastructure projects, and other projects with University-wide impact. Generally, the following guidelines will be used, although they are not intended to be all-inclusive.

- Projects relating most directly to the mission of the University will receive the highest consideration for debt financing.
- A project that has a related revenue stream or can create budgetary savings will receive priority consideration. Every project considered for financing must be supported by a pro forma defining the additional uses of funds, for debt service and operational expenses, as well as sources of funds to defray those uses.
- Where available, other sources of funds will be considered prior to or in conjunction with using debt when appropriate and advantageous to the University. These sources include state appropriations, philanthropy, project generating revenues, research facilities and administration cost reimbursement, expendable reserves, and other sources. Debt is to be used conservatively and strategically.
- Projects with external funding, covering part or all of the capital investment or operational expenses, will receive priority consideration for external debt financing.

2. Core Ratios

The University will establish guidelines for overall debt using a select number of financial ratios. These ratios will be based, from a pro forma perspective, on the most recently audited financial statements, and should be consistent with some of the measures used by the University's external constituents, including the Ohio Board of Regents and the credit rating agencies. The ratios will guide capital planning and ensure central oversight of University-wide leverage levels. They will be calculated and reported annually, in addition to occurrences when the issuance of new debt is proposed to the Board.

3. Financial Instruments

Under the guidance of the University's Vice President for Finance and Administration, the University will pool debt, and, in doing so, manage debt on a portfolio basis to minimize cost and manage volatility. This seeks to provide the University with access to appropriate financing sources, including debt and liability management strategies based on borrowing needs. Financial instruments available for use in this strategy include but are not limited to:

- Tax-Exempt Debt

The University recognizes the benefits associated with tax-exempt debt, and therefore will manage the tax-exempt portfolio to maximize the portion of tax-exempt debt outstanding.

- Taxable Debt

The University will manage its debt portfolio to minimize its taxable component. Taxable debt will be utilized to fund projects ineligible for tax-exempt financing or for those projects for which the University wants to preserve maximum operating flexibility; however, the University will manage its overall debt portfolio and total financing sources in order to minimize the need for taxable debt.

- Interest Rate Swaps

The use of swaps will be employed primarily to manage the University's variable rate exposure. The University will utilize a framework to evaluate potential derivative instruments through evaluation of its variable rate allocation, market and interest rate conditions, and the compensation for undertaking counterparty exposure. In addition, the University will incorporate the cost/benefit of any derivative instrument. The merit of potential derivative transactions will be analyzed primarily based on the cost and inherent risk assumed by the University.

- Alternative Financing Sources

There are alternative financing sources that may be considered, such as off-balance sheet (non-University) financings. These financings may be more costly than traditional structures and will be used only when the economic benefit, timeliness and likely impact on the University's debt capacity and credit quality are understood and have been fully evaluated. Specifically, for any-third party or developer-based financing, management ensures the full credit impact of the structure is evaluated and quantified.

4. Portfolio Management of Debt

- Fixed and Variable Allocations

Due to the financing flexibility and typically low interest cost associated with variable rate debt, it is desirable to maintain a portion of the University's aggregate debt on a floating rate basis. However, variable rate debt also introduces volatility to the University's debt service obligations. Therefore, the University will balance the mix of variable and fixed rate debt according to a target guideline of up to 70% variable, although the actual percentage for debt outstanding will fluctuate from time-to-time due in part to financing needs, utilization of the commercial paper program, and prevailing market interest rates.

- Refunding Targets

The University will continuously monitor its outstanding tax-exempt portfolio for refunding and/or restructuring opportunities. The University will consider refinancing existing debt under an advance refunding when the overall savings on a net present value basis are equal to or greater than 3%, with each maturity refinanced achieving savings of 2% or more. The savings threshold may be lowered for a current refunding, at management's discretion. A refunding will also be considered if it relieves the University of certain limitations, covenants, payment obligations or reserve requirements that reduce flexibility.

- Credit Enhancement and Use of External Liquidity Facilities

The University recognizes that it may be exposed to interest rate, third party credit and other potential risks in areas other than direct University debt. Therefore, exposures will be considered on a comprehensive, University-wide basis. The University will balance liquidity requirements and credit enhancement products with its investment objectives, overall exposure to a third party credit, and the cost and renewal risk of third-party credit enhancement providers.

- Internal Liquidity Levels

The University is committed to maintaining adequate internal liquidity levels. The University will continually monitor select key ratios as described above, to ensure that its amount of debt outstanding compared to its liquid resources are at market and rating agency accepted levels.

5. External and Internal Debt Repayment

The University will use the following strategies to de-link external and internal debt repayment.

- Finance and Administration as a Central Bank

Since it is acknowledged that debt will remain a perpetual component of the University's capitalization and will be managed by the Division of Finance and Administration (F&A), the University's Vice President for Finance and Administration will structure transactions, provide funds and develop repayment schedules for individual units. In this regard, F&A is viewed as a central bank for financing of projects for and across divisions. The University will pool all debt and act as a central source of funds that borrows from the markets and receives capital funds from other sources and makes funds available to the divisions to achieve their objectives.

As mentioned above, debt will remain a long-term component of the University's balance sheet and division leaders will seek funding for projects from the central bank subject to the debt policy. Deans and Vice Presidents will be most interested in the access to capital, the project ranking criteria, the impact on the current budget, and the predictability of future payments. Therefore, it is desirable to decouple the source of financing (e.g., prevailing fixed or variable rates, synthetic debt, etc) from the use of funds to finance capital projects when possible. Project financing decisions will be made based on the mission based capital planning strategy continued in the Debt Policy, and not based on the timing of specific transactions.

- Single University-wide Interest Rate – Blended Rate

The University will charge a single interest rate for loaned proceeds regardless of use or source. The single University-wide rate will be adjusted periodically based on the University's blended cost of capital on all external debt. The blended interest rate will achieve the following objectives:

1. Provide a consistent source of capital to divisions with a predictable and consistent cost of capital. A single interest rate for divisions will make year-to-year budgeting easier for the divisions, since the cost of capital is established at the beginning of the year and is somewhat insulated from changes in market interest rates.

2. Align the interests of the University with the divisions. Since debt will be managed on a portfolio basis under debt policy guidelines, transactions will be structured to benefit the entire University, which will benefit the blended rate charged to all divisions.
3. Timing of borrowing for projects will not impact the rate borne by the division. The University will time and pool debt issuance for multiple projects to achieve the most economic transactions.

The blended interest rate will be influenced by a number of factors:

1. Any savings derived from refinancing of existing debt will lower the blended rate, benefiting all borrowers.
2. For purposes of the University's variable rate debt, the blended rate will assume a variable rate based on a multi-year moving average of the University's external short-term borrowing cost.
3. The University may elect to reserve funds collected in order to minimize year-to-year adjustments in the blended rate.

Debt Policy

(ADDITION notations indicate updates from June, 2011 presentation)

Tab



Debt Policy Development

- The University retained the firm PFM, Inc. (Public Financial Management) to assist in the analysis of the institution's debt affordability.
- Draft debt policy presented in June
- Revised debt policy
 - **ADDITION – Alternative Financing Sources**
 - **ADDITION – Portfolio Management of Debt**



Debt Policy Current Debt Profile

- **\$195.3 million in debt outstanding at June 30, 2011**
 - University – Eight general receipts bond series'
 - Foundation – Housing for Ohio, Inc., OU Inn
- **Composition:**
 - 77% Fixed Rate
 - 14% Variable Rate
 - 9% Synthetic Fixed Rate
- **Swap**
 - Notional Amount - \$16,415,000
 - Pay Fixed - Receive Floating
- **Ratings**
 - Moody's – Aa3
 - S&P – A1



Debt Policy

- **Objectives**
- **Debt Strategies**
 - Capital Planning
 - Financial Ratios
 - Financial Instruments
 - Internal Process



Debt Policy Objectives

- Identify and prioritize projects eligible for debt financing
- Maintain the University's favorable access to capital
- Limit risk of the University's overall debt portfolio
- Manage and maintain the highest acceptable credit rating



Debt Policy Capital Planning

- Mission-based
- Related revenue stream
- Availability of other sources of project funding
- Externally funded projects



Debt Policy Financial Ratios

- Guidelines
 - Senate Bill 6 – Viability Ratio
 - Debt Burden Ratio
- External Constituents
 - Ohio Board of Regents
 - Credit rating agencies



Debt Policy Financial Instruments

- Tax-exempt debt
- Taxable debt
- Interest rate swaps
- **ADDITION – Alternative Financing Sources**



Debt Policy Portfolio Management of Debt

- Fixed and Variable Allocations
- ADDITION - Refunding Targets
- ADDITION - Credit Enhancement and Use of External Liquidity Facilities
- ADDITION - Internal Liquidity Levels



Debt Policy Internal Process

- Central bank
- Single, blended University rate





Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration, CFO and Treasurer

Re: **DRAFT Board Resolution on Signature Authority**

Included with your agenda materials are drafts of a board resolution and Presidential Directive on Signature Authority.

At the February 24, 2011, Audit Committee meeting General Counsel John Biancamano was encouraged to move forward on revisions to the 2005 board action regarding signature authority and sub-delegations. The materials included with the September board agenda are for your review and discussion at the September Resources Committee. We anticipate incorporating recommendations from the board discussion and bringing a final resolution to the November meeting.

If you have any questions or suggestions, please feel free to contact me.

Signature Authority Resolution 2011 --

WHEREAS, in accordance with Chapters 3337 and 3345 of the Ohio Revised Code, the Board of Trustees is the governing body for Ohio University with authority to enter into contracts and incur obligations that are legally binding on the university; and

WHEREAS, in 2005 the Ohio University Board of Trustees adopted Resolution 2005-2019 regarding the delegation to university officers of authority to sign legal documents; and

WHEREAS, the Board desires to revise its signature delegation to clarify the authority of university officers in this regard and to manage the legal and financial risks relating to the proper approval of agreements with entities outside the university;

NOW THEREFORE, BE IT RESOLVED, that the President shall be the signatory on all matters required by law to be approved by the Board of Trustees, including leases of university land and bond financing documents;

BE IT FURTHER RESOLVED, that the President is authorized to approve:

- a. all policies and procedures of the university;
- b. all policies and procedures relating to the operations of the Faculty, Administrative and Classified Senates;
- c. the granting to faculty of tenure and promotions.

BE IT FURTHER RESOLVED, that the President is authorized to sign on behalf of the university all contracts and other documents in which the university incurs or discharges a legal obligation;

BE IT FURTHER RESOLVED, that in the President's absence, the Executive Vice President and Provost is authorized to serve as the President's designated alternate signatory;

BE IT FURTHER RESOLVED, that the President is authorized to make sub-delegations of signature authority to appropriate university officials in accordance with their functional responsibilities;

BE IT FURTHER RESOLVED, that the President is directed to implement appropriate safeguards to ensure compliance with signature authority delegations and to minimize the legal and financial risks associated with the approval of university contracts.

Directive on Delegation of Signature Authority

Pursuant to the authority granted to me by the University Board of Trustees in Resolution 2011-??, I hereby delegate authority to sign legal documents on behalf of the university to the officials listed below.

1. The Executive Vice President and Provost is authorized to sign:

- a. All agreements relating to the academic and educational missions of the university including affiliations with other educational institutions, faculty employment contracts, and international education program agreements, (“Academic Agreements”);
- b. Jointly with the Vice President of Finance and Administration, Academic Agreements that involve the expenditure or receipt of funds.
- c. I further authorize the Executive Vice President and Provost to develop a template for faculty employment letters of offer in consultation with the deans. The Provost is authorized to sign faculty offer letters or may delegate signature authority to the deans, provided that any significant deviation from the template must be approved by the Provost.

2. The Vice President for Finance and Administration is authorized to sign:

- a. Agreements in which the University pays or receives money or other consideration, including but not limited to the following:
 - i. Procurement of supplies and services, including consulting services,
 - ii. Equipment leases;
 - iii. leases for space (in cases where the University is either landlord or tenant),
 - iv. agreements for the purchase, sale, or gift of real estate, regardless of the price,
 - v. agreements for the sale of university goods or services, regardless of the price, including university consulting services; and the sale of any university asset, including contractual rights and privileges,
 - vi. research subcontracts for an aggregate amount greater than \$50,000 awarded to any one vendor in a 12 month period,

- vii. agreements in which obligations of other entities are modified or excused (other than legal settlements),
 - viii. the establishment of banking, securities, and other financial accounts or financial guarantees,
 - ix. construction contracts,
 - x. requests for proposals, requests for quotations, and requests for information for goods and services,
 - xi. jointly with the Executive Vice President and Provost, Academic Agreements that involve the expenditure or receipt of funds.
- b. Contracts involving the payment or receipt of amounts greater than \$1,000,000 that were not previously approved as part of a university budget shall be signed by both the President and the Vice President for Finance and Administration.

3. The Vice President for Research is authorized to sign:

- a. grant applications,
- b. externally funded research agreements,
- c. intellectual property licenses and related agreements,
- d. material transfer agreements, and
- e. externally funded sub-contracts/service agreements for less than \$50,000

4. The Associate Vice President for Human Resources is authorized to sign:

- a. Classified employee letters of offer in accordance with her authority as the appointing authority pursuant to University Board Resolution 2009-3095. ,
- b. I further authorize the Associate Vice President for Human Resources to develop a template for classified and administrative employee letters of offer. The Associate Vice President is authorized to sign classified and administrative employee offer letters or, at her option, may delegate signature authority to the planning unit heads, provided that any significant deviation from the template must be approved by her.

5. The Vice President for Student Affairs is authorized to sign:

- a. Student licensing agreements,

- b. Student organization-related agreements,
- c. Student Affairs related consultant and service agreements,
- d. Baker Center performance agreements for amounts less than \$50,000. Performance agreements greater than \$50,000 must be co-signed by the Vice President for Finance and Administration or his designee.

6. Procedures

- a. The officials listed in Sections 1 through 5, above, may further delegate their signature authority to appropriate employees in their units with the understanding that they remain responsible for compliance with the terms of this Directive and all university policies relevant to the contracting process.
- b. The Vice President for Business and Finance and the General Counsel are directed to develop and implement a procedure to ensure that all contracts receive an appropriate level of legal review. To promote efficiency in the review process, the General Counsel shall develop templates for frequently used contracts that may be signed without legal review, provided that significant changes to the templates must be approved by the Office of Legal Affairs.
- c. The General Counsel shall develop contract review guidelines summarizing university policies and state laws relevant to the contracting process. These guidelines shall be provided to all university officers with authority to sign contracts.
- d. The Executive Staff shall review this Directive each year during the month of June and shall make recommendations for any necessary modifications.

**FISCAL YEAR 2011-2012
ELEARNING & REGIONAL CAMPUSES
EXECUTIVE GRADUATE PROGRAM FEE**

RESOLUTION 2011 --

WHEREAS, the planning within the University Outreach and Regional Campuses results in a recommendation for the offering of the Masters of Science in Nursing in the online format effective in January 2012, and

WHEREAS, the current e-Learning tuition table establishes standard rates for the instructional fee, general fee and non-resident surcharge, and

WHEREAS, online graduate programs include an additional hourly program fee ranging from 64 to 281 dollars.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts a fee schedule for the online Masters of Nursing using the standard e-Learning rates for the instructional fee, general fee and non-resident surcharge, and a \$64 per hour program fee, effective as indicated above.



Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration, CFO and Treasurer

Re: **Executive Graduate Program Fee Approval**

Included with your agenda materials are a resolution for approval and a fee schedule for the new online Masters of Science in Nursing. The program is scheduled to be offered effective January, 2012.

If you have any questions or suggestions, please feel free to contact me.

OHIO UNIVERSITY
ELEARNING PROGRAMS
FY 2012 STUDENT TUITION AND FEE SCHEDULE
(PER HOUR)

Instructional Fees	General Fees	Program Fee	Resident Total	Non-Resident Surcharge	Non-Resident Total
323	2	64	389	13	402

Masters of Science in Nursing ¹

¹ Effective January 2012



Interoffice Communication

Date: August 15, 2011

To: The President and Board of Trustees

From: Stephen T. Golding, Vice President for Finance and Administration, CFO and Treasurer

Re: **Annual Insurance Update**

Included in your agenda materials is the Ohio University Insurance Program Report. I intend to present this report to the trustees annually, at the first full board meeting each fiscal year.

This report to the board provides a summary of the insurance market overall, the current state of risk and insurance programs at Ohio University, and a brief look at the university's history of claims.

This report is the first formal presentation of this information to the board as part of the risk management initiatives now being undertaken by the office of Risk Management and Safety.

If you have any questions or suggestions, please feel free to contact me.

OHIO UNIVERSITY INSURANCE PROGRAM REPORT

Submitted to the Board of Trustees

September 2011

Introduction

Risk Management seeks an environment in which each department takes ownership of its risks in keeping with responsibility center management so that the strategic objectives of the University may be achieved. It plays an important role in coordinating all of the activities of Ohio University to prevent losses from occurring and in transferring risk through insurance coverage, so as to minimize the adverse effects of losses on the University community.

Insurance Market Overview

The property and casualty industry was in a state of flux and uncertainty as this report was being written. The New Zealand earthquakes, Japan earthquake and tsunami and US tornadoes have caused some analysts to predict a hardening of the insurance market. The industry estimates that over \$50 billion in property losses have occurred so far this year, with the critical start of the hurricane season just beginning. U.S. property and casualty insurers' after tax net income increased nearly 21% to \$34.7 billion in CY 2010 from a year earlier. Thus, a continued strong investment environment may minimize the pressure to increase premiums.

Self-Insurance Program

Procuring traditional first-dollar insurance to cover the property, liability, automobile, and professional liability risks inherent in a major teaching and research institution is no longer an economically viable alternative. Self-Insurance, as an alternative at Ohio University, began in 1999. The University realized savings in insurance costs since then by retaining large deductibles for both property and liability insurance. The lower costs of the primary insurance layers allowed Ohio University to increase its overall limits of liability for better protection from catastrophic events, which could significantly impact the University.

Twelve universities joined with Ohio University a decade ago in order to jointly manage their risk, forming the Inter-University Council Insurance Consortium or IUCIC. Ohio University purchases insurance and pools risk through the IUCIC for exposures that remain after all

reasonable risk control measures have been pursued and when the magnitude of the threat and the potential for loss warrants the purchase. Such purchases through the IUCIC pool are for losses that are unexpected as well as for losses, which due to their size, would severely impact the financial stability of the University.

Property Insurance

Property insurance protects University buildings and contents against losses from major perils, including boiler and machinery, fire, earthquake, flood, lightning, windstorm, hail, smoke, riot, damage caused by vehicles or aircraft, sprinkler leakage, vandalism and terrorism, all subject to the terms of the policy and a \$100,000 deductible. The coverage for flood damage is up to \$25 million. After our self-insured retention of \$100,000, the University's policies provide for replacement cost coverage up to limits of \$100 million dedicated to the University and with an additional \$900 million shared with the other IUCIC universities. Total insurable property values are slightly above \$2.3 billion, including \$398 million for business interruption. The policy is priced based upon a rate per \$100 of value and quoted by our insurance carrier, Lexington Insurance Company. Within the last year, values for selected properties were evaluated and revised, providing a more accurate schedule. Our current rate is less than 2 cents per \$100 of value and reflects a 3.5% increase from the prior fiscal year. At the last renewal, property insurance premium costs rose from \$514,121 in 2010 to \$526,448 due to this shift in the market.

Liability Insurance

The University's liability coverage protects it against negligent and alleged negligent acts and omissions of employees or other University agents that result in bodily injury (including loss of life) or property damage to the property of others, subject to the terms of the policy. Our coverage includes liability arising from automobiles, premises and police professional. In general, the policy does not provide coverage for students except for those who are employed by the University or involved in internships nor is there coverage for third party organizations. Limits of liability are \$50 million and the deductible is \$100,000. Medical malpractice insurance is purchased by the University and offers coverage for the risk associated with the operation of Hudson Health Clinic including counseling and psychiatric services, which were retained by the University. Coverage is provided up to limits of \$1 million and with a \$25,000 deductible. The Ohio University College of Osteopathic Medicine and University Medical Associates maintain a

separate medical malpractice insurance program. Aviation insurance protects the University with respect to the operation of corporate aircraft, the airport and the flight training program. Costs declined at the renewal of insurance by 34% to a total of \$145,412.

Educator's Legal Liability Insurance

Ohio University purchases Educator's Legal Liability coverage from commercial insurers in order to provide protection to its trustees, officers, and employees against claims stemming from wrongful acts. A wrongful act is defined as any breach of duty, neglect, error, misstatement or omission. Policy limits for this coverage are \$30 million and there is a \$100,000 deductible. Liability coverage is written through Chartis, United Educators and National Surety Corporation. Costs for the renewal of all liability insurance protection dropped from \$478,701 in 2010 to \$420,200 at its renewal on July 1, 2011, a decline of 12%.

Worker's Compensation Coverage

Protection for employee work-place injuries is afforded through a comprehensive program, including medical treatment, rehabilitation and income replacement. Contractors are engaged to ensure appropriate emergency treatment, as needed, as well as services designed to facilitate the speedy recovery of the injured. Risk Management and Safety maintains a close relationship with the Bureau of Worker's Compensation as this office of State government handles the University's claims. Over the last four years, annual claims have remained at slightly above \$2 million, while contributions from University departments have generally exceeded these amounts.

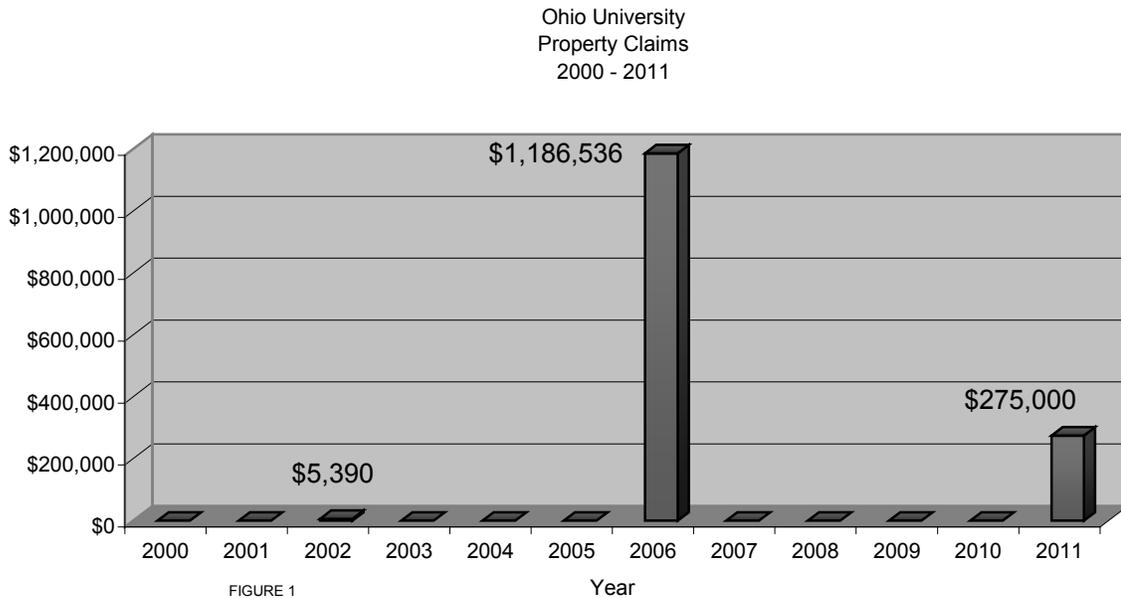
Claims Experience

The University did not sustain a major property or liability claim (a loss over \$500,000) during fiscal year 2010-11, and its claim activity over the last five years has involved only four major incidents. During a majority of the years over the prior decade, there was little claim activity. However, a major property loss occurring in April of 2006 involved the Grover Center, which sustained substantial water damage as a result of a defective valve. Total restoration costs of \$1.9 million were substantially reduced by a \$1 million settlement with the manufacturer of the valve. In the last five years, three major liability claims have been presented to the University. A student (burn victim) and who was injured in May of 2006 sued the University and received a \$500,000 settlement, most of which was paid for by insurers. We have two significant claims

currently in litigation. One plaintiff has sued the University, alleging medical malpractice for the treatment of flesh eating disease at Hudson Health Clinic in September of 2007. Her case is pending. A second plaintiff fell on stairs inside the Memorial Auditorium in January of 2010. He is alleging brain damage and his case is pending. Both of these cases are being vigorously defended. Obviously, these occurrences involve significant human suffering, dislocation and exposure to the University, which should not be down-played; however, given all of the operations and activities the University, a greater frequency of severe cases of this magnitude could be expected.

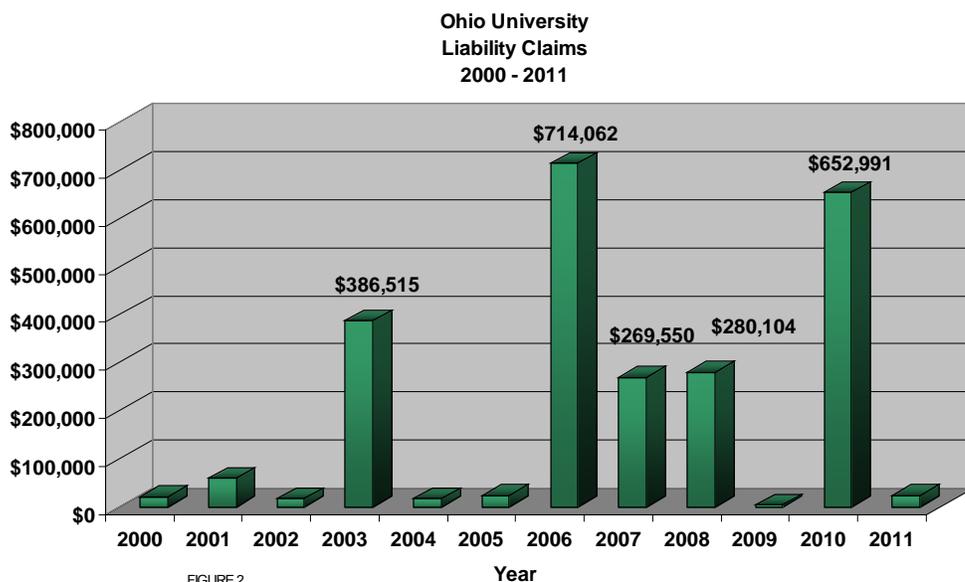
Property Claims

During only two of the last eleven years was there any notable property claim activity and in only one of them did the total value of property claims exceeded \$500,000. Claim frequency remained low and the only major recent loss was the previously mentioned Grover Center incident. Fire damaged a room at Clippinger Laboratories in April of this year, but the value of the cost of repairs is expected to be less than \$200,000. The following chart below, Figure 1, is a record of the University's property losses over the last decade.



Liability Claims

During five of the last eleven years the total of liability claims has been in excess of \$100,000 and in two of those years the total exceeded \$500,000. Our legal counsel's aggressive defense of lawsuits brought against the University continues to have a significant, favorable impact on our overall experience. Totals for each year include amounts for both claim payments and case reserves. A history of the University's liability losses over the last decade is displayed below in figure 2.



Conclusion

Risk Management and Safety continuously seeks to conserve funds while improving coverage and creating long terms partnerships in order to hold down costs. Our association with the IUCIC pool has proven to be a cost effective relationship; this affords us the opportunity to group purchase insurance at a reduced cost and to share risk in a beneficial manner. Our emphasis on loss prevention has demonstrated considerable savings over time. The University continues to improve its risk profile whenever possible.

Campaign Status Report

J. Bryan Benchoff

Vice President for University Advancement
President and CEO, Ohio University Foundation

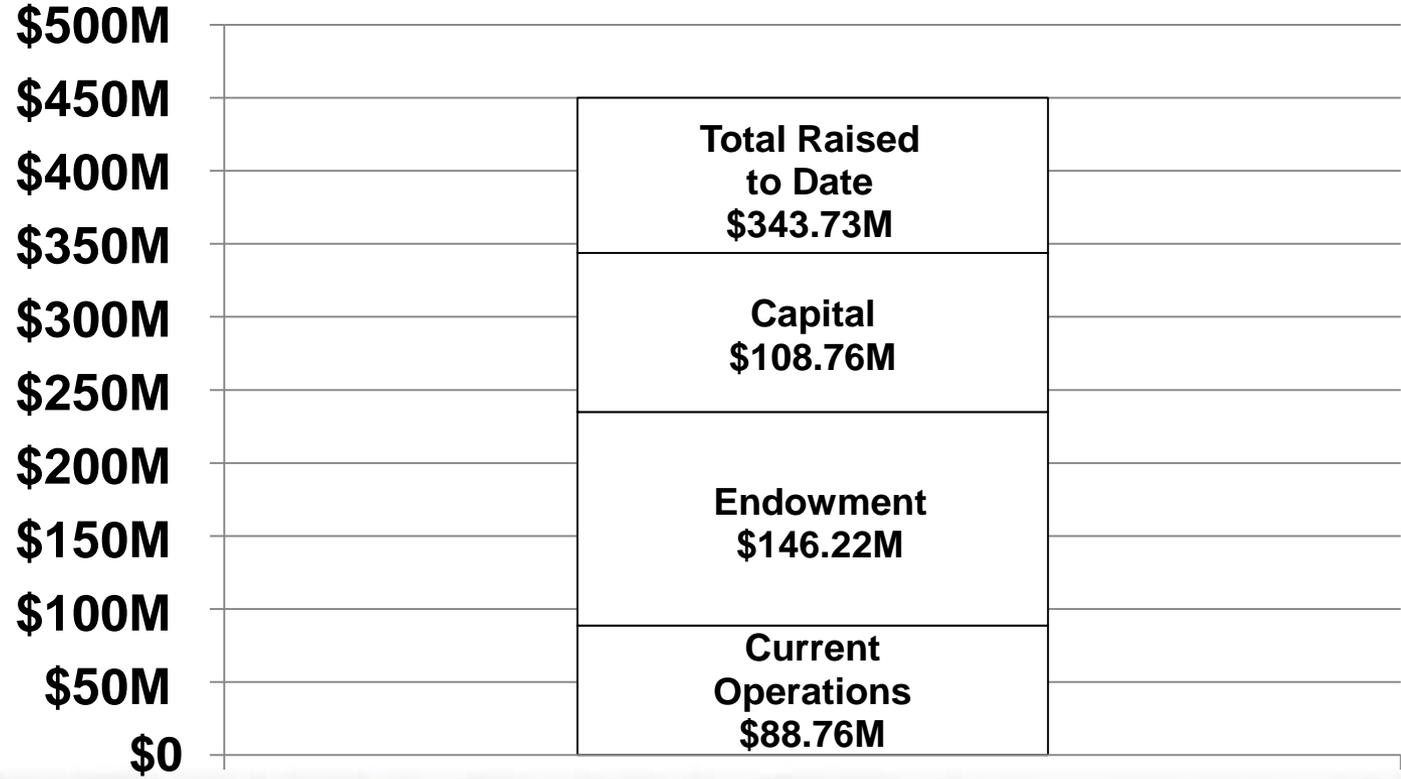
The best student-centered learning experience in America



OHIO
UNIVERSITY

Campaign Status Report

through 6/30/11

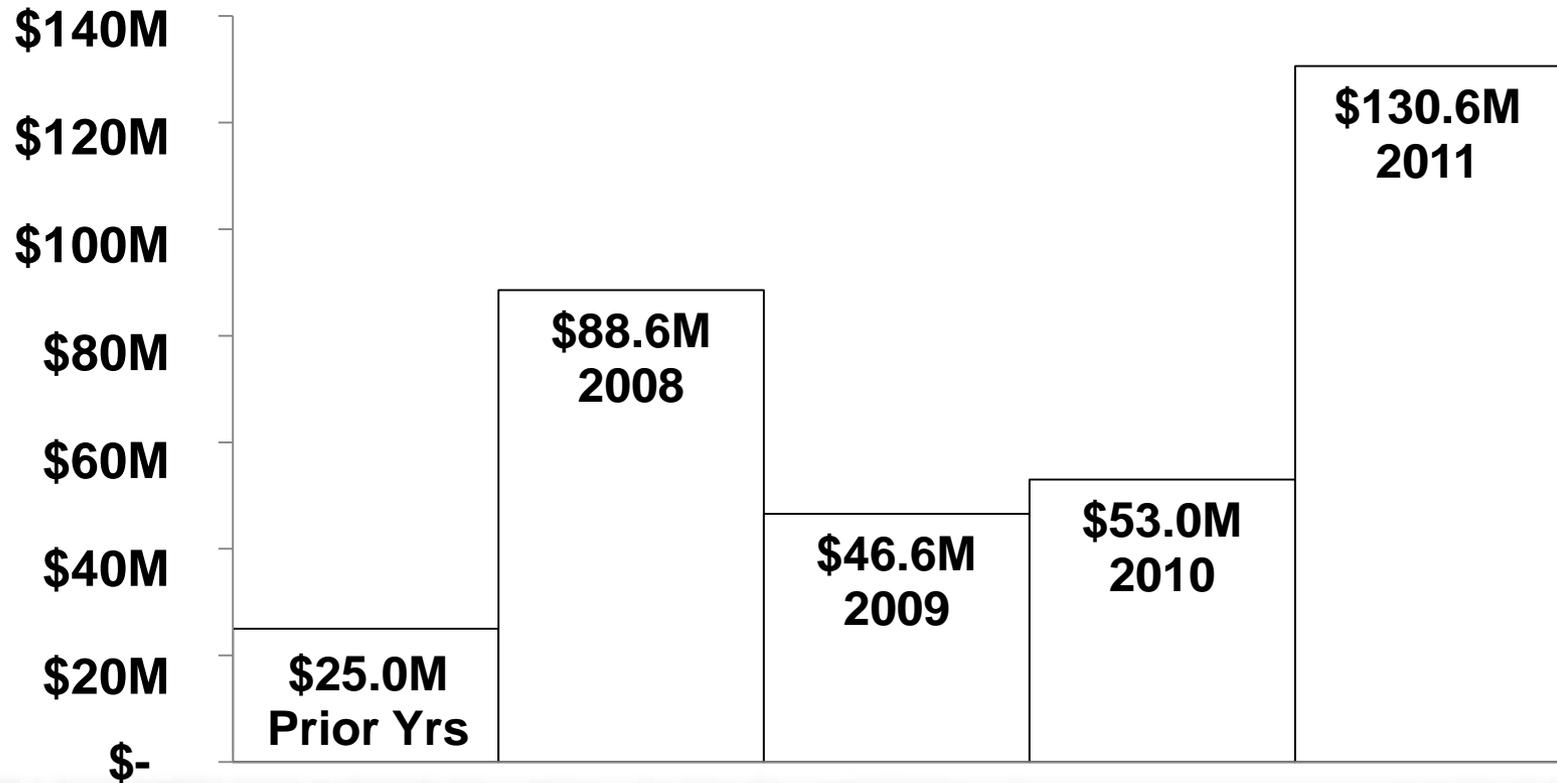


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Funds Raised by Fiscal Year



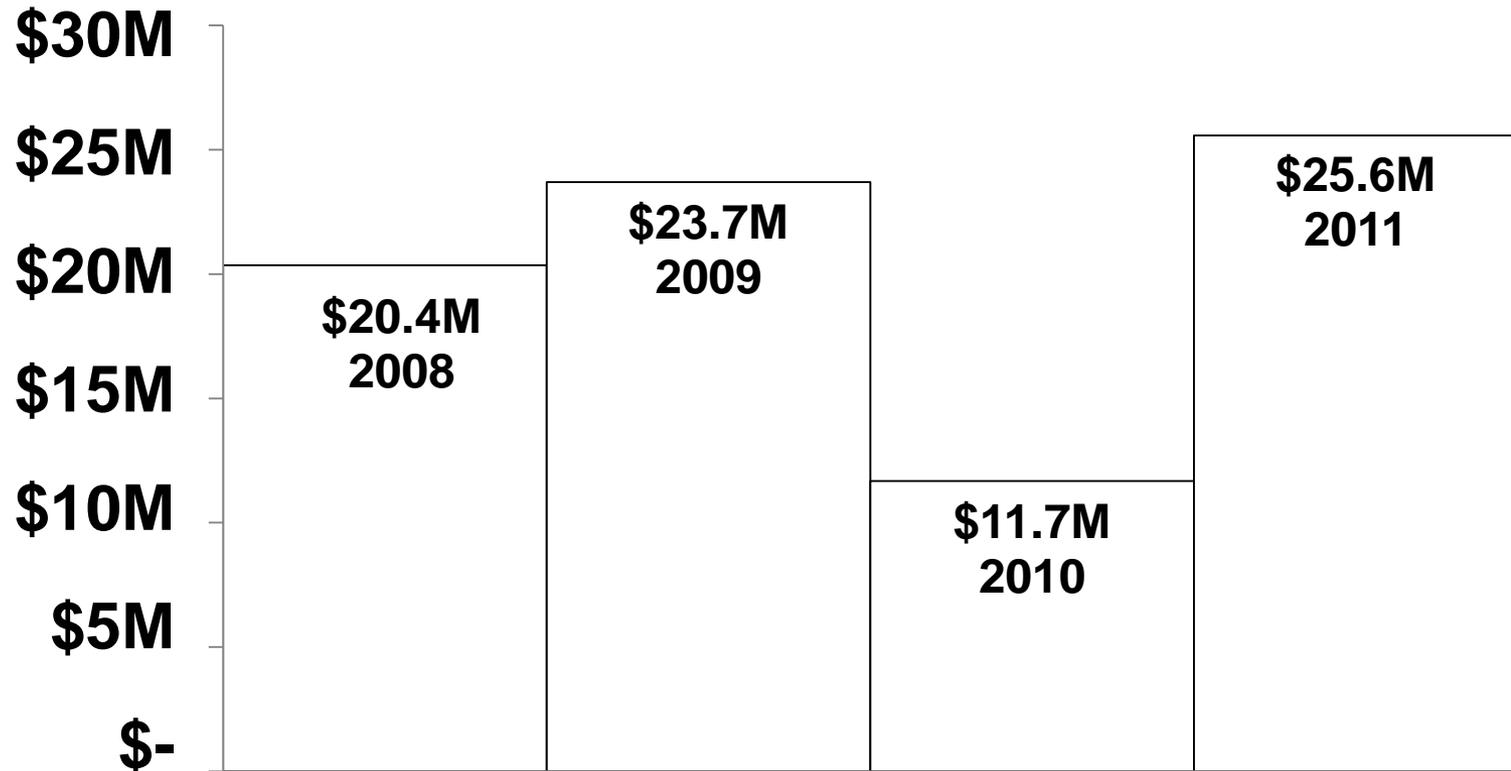
The best student-centered learning experience in America



OHIO
UNIVERSITY

Funds Raised by Fiscal Year

Without 3 Largest Transformational Gifts



The best student-centered learning experience in America



OHIO
UNIVERSITY

Key Accomplishments FY 10-11

- \$130.6M raised in new commitments
- 1,400+ visits and meaningful contacts made
- CSC trained and engaged in strategy
- Planning study completed
- Branding and promotional materials underway
- Individual campaigns created for each college/unit, including chairs and committees recruited
- Regional alumni campaigns designed
- Creative marketing firm engaged for design of collateral

College/Unit Campaigns

- 158 chairs and committee members recruited
 - Another 89 identified or pending recruitment
- Case statements and goals continue expansion and revision; collateral materials in production
- Many training meetings scheduled August – October
- Chairs' Summit – Athens, September 22 / 23
- Volunteer gifts
- Prospecting and cultivation of assignments

Goals for Regional Alumni Campaigns

- Build volunteer engagement, awareness for university priorities and need for support
- Create new relationships that lead to future participation and giving
- Energize existing alumni base
 - Build pride in the OHIO of today
 - Raise funds for regional scholarship initiatives
 - Identify opportunities where alumni will contribute
- Strengthen regional and affinity infrastructure
 - Build larger, more engaged alumni base through this campaign so they are involved in the next campaign

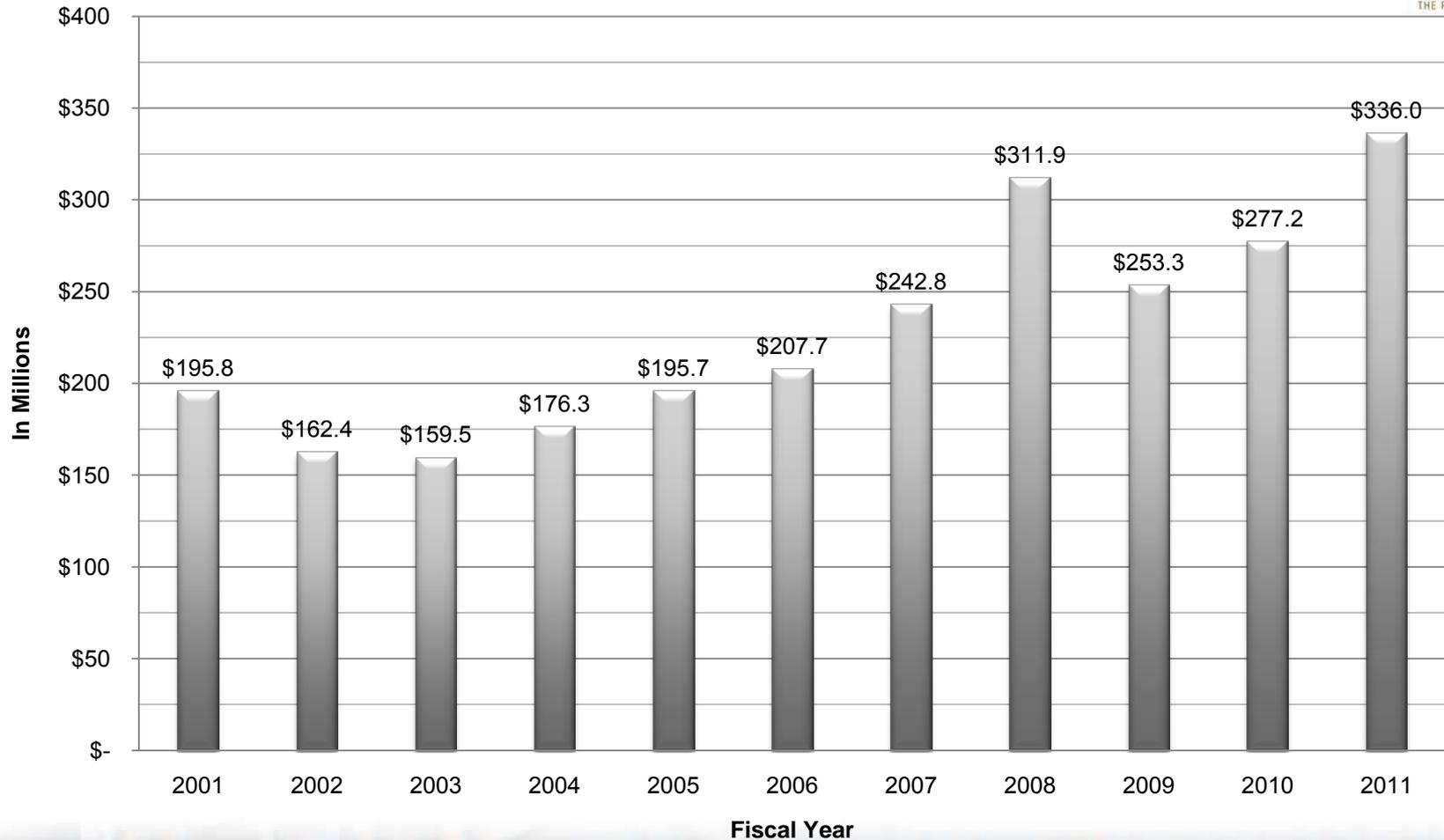
Overview of Regions

- 15 Regions/cities (5 in Ohio, 10 outside Ohio)
- Primary markets will reach 65% of alumni, plus parents and friends with highest giving history and potential
- Structured into three tiers of regions
 - **Tier 1** – Ohio cities – minimum 3 events per year
 - **Tier 2** – NY Metro, DC, Chicago, Florida, Massachusetts – minimum 2 events per year
 - **Tier 3** – LA, SF, Charlotte, Atlanta, Pittsburgh – 1 event per year

Ohio University and The Ohio University Foundation Endowment Market Values by Fiscal Year



OHIO UNIVERSITY
THE PROMISE LIVES CAMPAIGN



Note: The June 30, 2011 endowment market value is preliminary and unaudited.

The best student-centered learning experience in America



OHIO
UNIVERSITY

60 Day Observations

- Affinity, capacity and resources
- Staffing
- Capacity building for the future
- Building a culture of philanthropy

**FACULTY AND ADMINISTRATIVE
EMERITUS/EMERITA AWARDS
RESOLUTION 2011**

WHEREAS, the following individual has rendered dedicated and outstanding service to Ohio University for 16 years, and

WHEREAS, her colleagues and supervisors have recommended action to recognize her service,

THEREFORE, BE IT RESOLVED that emerita status be awarded to the following individual upon her retirement:

Norma Pecora Professor Emerita of Media Arts and Studies Scripps College of Communication

OVERVIEW OF ACCREDITATION

WHY IS THE UNIVERSITY'S ABILITY TO MAINTAIN ACCREDITATION IMPORTANT?

- Y Began a century ago as a voluntary quality assurance process when universities needed a mechanism to accept one another's degrees and courses
- Y The Higher Education Act of 1965 tied accreditation to federal financial aid so that without accreditation, our students would not be allowed to receive federal financial aid to attend college
- Y Ohio University also would not be eligible for federal and other grant funding
- Y Provides a public signal to stakeholders and prospective students that the institution operates with integrity and has attained a recognized level of performance
- Y Typically, students do not want to attend a non-accredited institution.

ACCREDITATION

Υ Accreditation comes in different forms. The university as a whole is accredited (Institutional Accreditation) and in many cases academic programs within certain academic units (i.e. colleges) are accredited (Specialized Accreditation).

ACCREDITATION OF THE UNIVERSITY

- Y Institutional accreditation is governed through eight regional accrediting agencies. Ohio University is accredited by the North Central Association of Colleges and Schools (NCA).
- Y The Higher Learning Commission (HLC), a division within NCA, is responsible for monitoring the accreditation of over 1000 institutions of higher learning in 19 states.
- Y Ohio University has been continuously accredited by HLC/NCA since 1913.
- Y Since 2002, Ohio University has been following the Academic Quality Improvement Program (AQIP), an accreditation track through North Central.

WHAT IS AQIP?

- Y Institutions who have strong records of maintaining accreditation through HLC/NCA are invited to join AQIP.
- Y In AQIP, institutions accept a philosophy of “Continuous Improvement” and work on defined short term (1-3 year) “Action Projects” of the institution’s choosing.
- Y Institutions who participate in AQIP maintain continuous accreditation by HLC/NCA, however they are still required to host a site visit from HLC and go through a re-accreditation process every 7 years.
- Y Ohio University was last reaccredited in 2009.

SAMPLE AQIP ACTION PROJECTS

Y Project Transition of the Academic Calendar from Quarters to Semesters

- The goal of this project will be to transition the academic calendar of Ohio University's main and regional campuses from a 10 week quarter calendar to a 14 week semester calendar. This action project will be divided into three objectives which will complete the transition of the calendar and allow academic programs/ courses to be offered in a semester format by 2012. These objectives include 1) Transitioning and strengthening the curriculum to a semester calendar 2) Loading the curriculum in the university Student Information System and 3) Advising transition students in completing their degree under a semester calendar.

Y Academic Support Unit Review Process

- The goal of this project will be to create and implement a formal process to periodically review academic support units across the institution. Academic Support Units are defined as offices and organizations within the institution which function to support the academic mission of Ohio University. Typically, but not always, these support units are housed in areas outside of the academic colleges. This review program will be designed to assess whether the office or unit is supporting the academic mission of the institution, operating at an acceptable level of efficiency and is meeting the needs of its stakeholders. The review process is also expected to adopt a culture of synergy between the support units and the academic mission of Ohio University. An effective review process will be instrumental in helping the institution operate as efficiently as possible while also effectively meeting the needs of its stakeholder groups.

ACADEMIC PROGRAM ACCREDITATION (SPECIALIZED ACCREDITATION)

- Y In addition to university accreditation, over 40 Academic degree programs at Ohio University are accredited through outside agencies.

- Y This type of accreditation is referred to as “Specialized Accreditation” and includes but is not limited to:
 - Programs with the College of Business: Association to Advance Collegiate Schools of Business (AACSB)
 - Programs within the Patten College of Education and Human Services: National Council for the Accreditation of Teacher Education (NCATE)
 - Programs within the Russ College of Engineering and Technology: Accreditation Board for Engineering and Technology (ABET)

ACCREDITATION TRENDS

Y Assessment and Outcomes Based Education

- Accreditation expectations over the last several years have focused on outcomes based education and the assessment of these outcomes.
- Specifically; what do we want our students to know/learn and how do we know these goals are being accomplished.
- Universities are expected to have defined outcomes and a strong assessment program.
- These trends also have been politically motivated; “No Child Left Behind” and the Spellings Report.
- Accreditation agencies, including NCA, are currently under fire by the Department of Education which is concerned about whether current accreditation practices are sufficient to measure quality and student achievement.

**ACADEMIC ASSESSMENT
AND INSTITUTIONAL
EFFECTIVENESS**

ASSESSMENT: WHAT IS IT AND WHO OVERSEES IT?

Assessment is the systematic collection, review, and use of information about educational programs undertaken for the purpose of improving learning and development.

At Ohio University the Office of Institutional Research holds central responsibility for University-wide assessment activities.

The fundamental mission of the Office of Institutional Research is to provide central information and analytical support for university planning, management, and assessment activities to help Ohio University fulfill its mission. In this capacity, IR assumes primary responsibility for analyzing and interpreting data about the performance of the university and the environment of the university; transforming data into information that supports university planning, policy making, decision making, and assessment; and communicating institutional information to the University community.

BACKGROUND ON OU ASSESSMENT

Ohio University has a long and well-documented history with student assessment and planning information. Since the early 1980's, Ohio University has been assessing its students.

In 1994 Ohio University developed its university-wide assessment plan, focusing on department-based assessment. Each academic department developed its own assessment plan, focusing on how assessment data would be used to improve teaching and learning.

In 2007 each academic department/school updated its learning objectives for students. Ohio University's Faculty Senate passed a resolution that all course syllabi should have learning objectives.

Also in 2007, a faculty committee developed General Education learning objectives.

BACKGROUND ON ASSESSMENT

The Offices of the EVPP and Institutional Research have provided central university-wide support for department-based assessment. In recent years, assessment at Ohio University has been done within three different frameworks.

First, regular academic program reviews, called Academic Assessment, are conducted by every academic program every seven years. In addition, in 2008, the University began Academic Support Unit Program Review (ASUPR). All academic support units must go through a self-study process every seven years as well.

Second, AQIP and our strategic planning process beginning with *Vision Ohio* have provided a framework for focused assessment of the first year experience. Many of the AQIP action items since 2002 have focused on this topic.

Third, Ohio University's academic units are accredited by 35 different agencies, each of which addresses academic quality appropriate to each academic discipline.

PRIMARY ASSESSMENT TOOLS

REGULARLY UPDATED & AVAILABLE ON INSTITUTIONAL RESEARCH WEB SITE

Student Entry indicators:

- Admissions statistics (undergraduate and graduate)
- Admissions updates (undergraduate and graduate)
- First-year student profiles
- ACT class profile
- First-year marketing studies

PRIMARY ASSESSMENT TOOLS

REGULARLY UPDATED & AVAILABLE ON INSTITUTIONAL RESEARCH WEB SITE

Process Indicators (quantity and quality of student experience):

- Enrollment updates (campus, college, major breakdowns)
- Student enrollment in colleges and majors; enrollment trends
- International enrollment
- Retention rates (undergraduate and graduate)
- Graduation rates (undergraduate and graduate)
- Longitudinal retention and graduation
- Time to graduation (undergraduate and graduate)
- Diversity enrollment (multicultural, international)
- Student Involvement Study
- National Survey of Student Engagement (NSSE)
- Student Treatment (Satisfaction) Study
- Academic program assessment (UCC 7-year review)

PRIMARY ASSESSMENT TOOLS

REGULARLY UPDATED & AVAILABLE ON INSTITUTIONAL RESEARCH WEB SITE

Student Outcomes Indicators (degrees and graduates):

- Degrees granted
- Follow-up studies of graduates
 - Career and Further Education Survey with department-specific questions
 - Survey of Alumni with college-specific questions

PRIMARY ASSESSMENT TOOLS

REGULARLY UPDATED & AVAILABLE ON INSTITUTIONAL RESEARCH WEB SITE

University Resources (staffing, productivity):

- Faculty productivity (course sections, credit hours, weighted student credit hours)
- Credit hours taught by department/college
- Faculty salary comparisons with peer institutions
- Budgeted FTE
- Student/faculty ratio
- Credit hours taught by type of instructor
- Diversity of faculty and staff
- Partnerships

PRIMARY ASSESSMENT TOOLS

REGULARLY UPDATED & AVAILABLE ON INSTITUTIONAL RESEARCH WEB SITE

External Accountability:

- Ohio Board of Regents Higher Education Information System
- University System of Ohio Strategic Plan Accountability Template
- IPEDS Federal Data Reports
- Student Right to Know and CSRDE Graduation Rates Reports
- US News and World Report college rankings, etc.
- Voluntary System of Accountability

ACADEMIC MARKETING

**RENEA MORRIS, EXECUTIVE DIRECTOR, UNIVERSITY
COMMUNICATIONS AND MARKETING**

**CRAIG CORNELL, VICE PROVOST FOR ENROLLMENT
MANAGEMENT**

WHERE WE BEGAN...

DISCOVER the PROMISE

2007-2008 marked Ohio University's **inaugural marketing campaign**
\$350,000 one time only investment + \$150,000 in carry-forward funds
supported the creation and production of 3 TV commercials and media
buys in Columbus and Cleveland

Academic Marketing Year 2

2008-2009 Media Buy Schedule

- Media**
- ONN (statewide cable)**
includes "Capital Square", "On the Hill", "Brain Game" and "9p News"
- NPR**
- WOUB radio network**
- WOSU-AM/FM (Columbus)**
- WCBE-FM (Columbus)**
- WCPN-FM (Cleveland)**
- Print**
- Cleveland Magazine/College 101**
- Ohio Magazine - Guide To Education**
- Outdoor**
- Cleveland Columbus**
- Online**
- USNews.com**
- TV**
- Cleveland OH**
- Columbus OH (maintenance)**
- Spot Cable**
- Cleveland (1 interconnect)**
- Columbus (2 interconnects)**

				2008								2009								
				Oct				Nov				Dec				Jan				Feb
29	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26			
				ONN (statewide cable)												ONN (statewide cable)				
				NPR												NPR				
				WOUB radio network												WOUB radio network				
				WOSU-AM/FM (Columbus)												WOSU-AM/FM (Columbus)				
				WCBE-FM (Columbus)												WCBE-FM (Columbus)				
				WCPN-FM (Cleveland)												WCPN-FM (Cleveland)				
				Print												Print				
				Cleveland Magazine/College 101												Cleveland Magazine/College 101				
				Ohio Magazine - Guide To Education								Ohio Magazine - Guide To Education								
				Outdoor												Outdoor				
				Cleveland Columbus												Cleveland Columbus				
				Online												Online				
				USNews.com												USNews.com				
				TV												TV				
				Cleveland OH												Cleveland OH				
				Columbus OH (maintenance)												Columbus OH (maintenance)				
				Spot Cable												Spot Cable				
				Cleveland (1 interconnect)												Cleveland (1 interconnect)				
				Columbus (2 interconnects)												Columbus (2 interconnects)				

DISCOVER THE PROMISE (Outside of Ohio)



\$230,000 one time only investment + \$170,000 carry-forward funds

2009-2010 campaign invested in its first out-of-state media market

Media buys in Columbus, Cleveland and **Pittsburgh, PA**

Fall media flight only

DISCOVER THE (REFRESHED) PROMISE



\$600,000 one time only investment + \$125,000 carry-forward funds

2010-2011 campaign achieved:

- More sustained market presence throughout year
- New creative, including 4 commercials
- Media buys in 3 key markets in Ohio and Pittsburgh
- More diversified marketing mix
- Uptick in apps and housing deposits from PA

Academic Marketing Year 4

2010-2011 Media Buy Schedule

Media

Print

US NEWS & WORLD REPORT-College issue
OHIO MAGAZINE - "Guide to Education"
THE PLAIN DEALER - "College Directory"
includes Thu, 9/16 Sun Newspapers
Cincinnati Magazine "Best Colleges"
Cincinnati Magazine "College Towns"
Pittsburgh Magazine "College Guide"
ALLOY Education-CollegeGuide
R+L Carriers New Orleans Bowl Program
Putnam County OH College Guide
Athens County Visitor's Guide
Athens Messenger Congradulations Ads
Cleveland School Guide Natl. College Fair

Recruiting Event

ISP Sports Promotion: Band Day Event/Online

Online

usnews.com

Google.com (state of Ohio & Pittsburgh)
Pandora (state of Ohio & Pittsburgh)

NPR

Athens: WOUB network
Cleveland: WCPN-FM
Cincinnati: WVXU-FM
Columbus: WOSU-AM/FM
WCBE-FM

A18-24 Radio (for target)

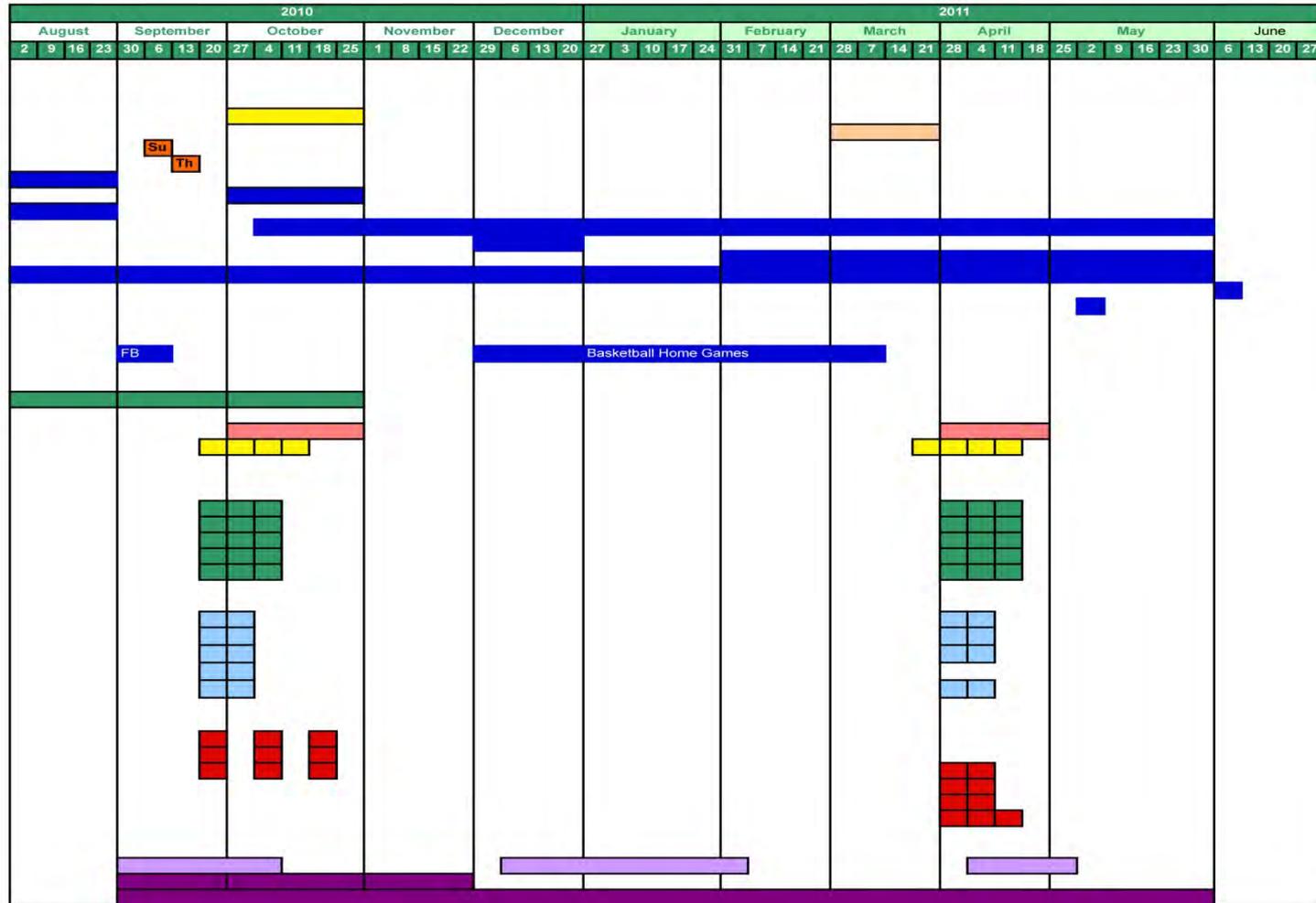
Cleveland
Akron
Cincinnati
Columbus
Dayton

TV/Cable

Cleveland (maintenance) - 4th Qtr 2010
Cincinnati (launch) - 4th Qtr 2010
Akron area only cable - 5 weeks 4Q10+2Q11
Cleveland (maintenance) - 2nd Qtr 2011
Cincinnati (maintenance) - 2nd Qtr 2011
Columbus (150 TRPS/wk plan) - 2nd Qtr 2011

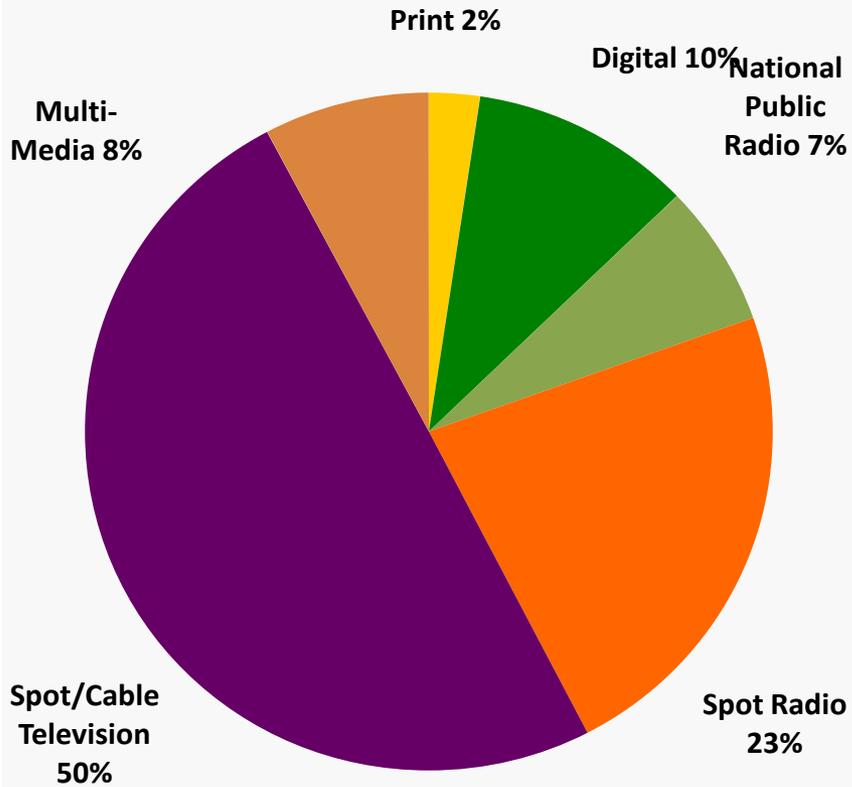
Multimedia

Cleveland - WKYC HighSchoolSports.net+TV
Columbus - NBC4mobile Football+WCMH TV
Pittsburgh - WPXI online & 6P News (:30)

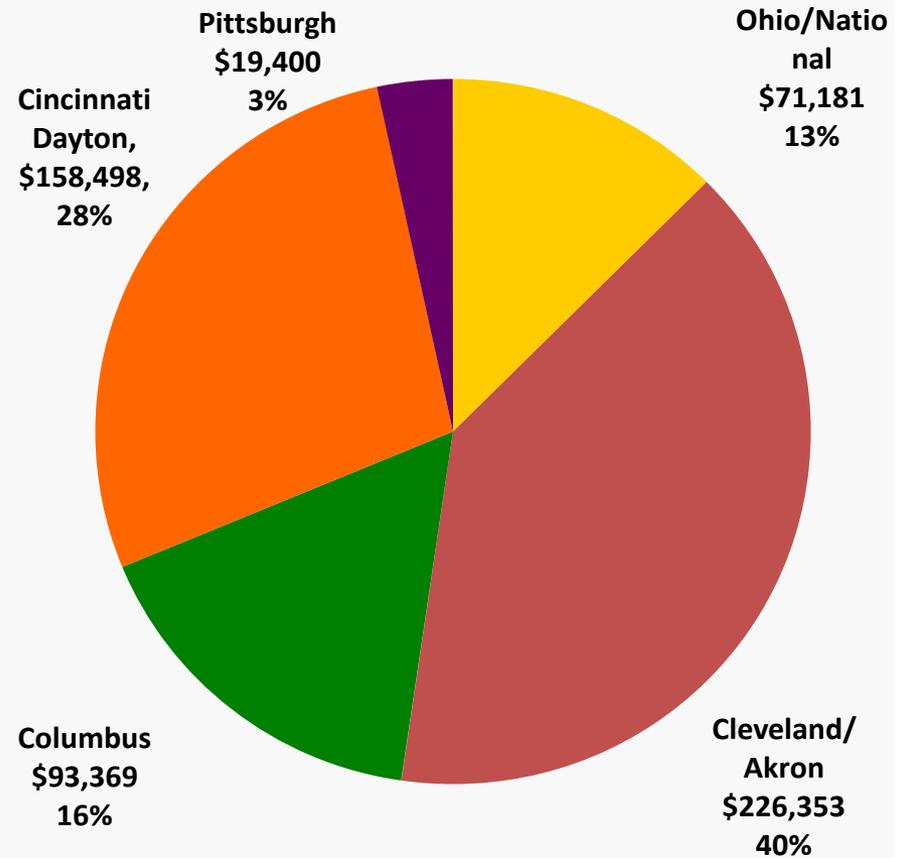


- Y 2011-2012 brings significant branding, marketing and enrollment challenges
- Y OHIO is armed to face the challenges with a \$600,000 base budget + \$150,000 one time only investment created through strategic reinvestment pool
- Y Research has informed us that the University's :
 - Brand perception is unclear
 - Ranking is behind its most direct competitors in terms of media penetration and brand awareness
 - State competitors continue to improve and increase their marketing efforts
 - Brand focus is critical
 - Strategic marketing program must be sustainable
 - Media buy must utilize an efficient, efficient marketing mix

Media Mix*



Media Spend* by Market



**Estimated*

**KONNEKER MEDAL
AND
KONNEKER FUND**

HONORING WILFRED KONNEKER

Dr. Wilfred Konneker, B.S. '43, M.S. '47, and HON '80, has been one of the University's most generous and accomplished alumni. Along with his wife, Ann, he has been a champion of academic excellence and student success. Dr. Konneker also helped the university to establish a research base in biotechnology, created the Innovation Center, and played a key role in the establishment of Diagnostic Hybrids.

At the July 2011 Foundation Board meeting, an award was created in his honor, the Konneker Medal for Commercialization and Entrepreneurship, and a fund established, the Konneker Fund for Learning and Discovery.

KONNEKER MEDAL FOR COMMERCIALIZATION AND ENTREPRENEURSHIP

Description: The Konneker Medal recognizes current/former faculty or students who have demonstrated excellence in innovation, invention, commercialization, and entrepreneurship.

Number of Awards and Frequency: Up to three awards may be given each year.

Who May Nominate: Candidates may be nominated by faculty, administrators, staff, students, alumni, board members, or friends of the University.

Selection: The Vice President for Research and Creative Activity will appoint a selection committee, which will develop selection criteria, an application process, timeline, etc.

Presentation of the Award: A medal shall be designed through a student and alumni competition. The winning design shall be struck and the award(s) will be presented at the Alumni Gala for former faculty/student recipients and the faculty/staff Fall Convocation for current faculty/student recipients.

KONNEKER FUND FOR LEARNING AND DISCOVERY

The Konneker Fund for Learning and Discovery will support innovative and high-impact initiatives in undergraduate and graduate education that will advance Ohio University's efforts (a) to realize its vision of becoming the nation's best transformative learning community and (b) to achieve material progress on the Four Fundamentals that define its academic mission.

Proposals to the Konneker Fund would specifically address the criteria of how their projects would be transformative for students and faculty, how they will contribute to continued institutional progress on the Four Fundamentals, and how they align with best practices documented in national research.

SEARCH UPDATES

UPDATES

Vice President for Research and Creative Activity and Dean of the Graduate College

Dean of the College of Arts and Sciences

Dean of the Scripps College of Communication

**PROVOST'S
UNDERGRADUATE
RESEARCH FUND**

**EVPP
Exemplar
of
Excellence**

PROVOST UNDERGRADUATE RESEARCH FUND BACKGROUND

- Y For 11 years, Athens undergraduates have been able to secure funding for research and creative activity through the Provost Undergraduate Research Fund (PURF).
- Y PURF has helped to encourage the development of a culture of undergraduate research and creative activity. It has been a critical element in the great success that we have had in winning nationally and internationally competitive academic awards. It is difficult to be competitive for Fulbrights, Trumans, Goldwaters, or Marshalls if you have not undertaken a substantial research or creative activity project as an undergraduate.
- Y Likewise, PURF awards have bolstered the graduate and professional school applications of many students. The discipline and creativity necessary to complete a substantive project signals to admissions committees that the student is capable of being successful in a challenging academic program.

PROVOST UNDERGRADUATE RESEARCH FUND PROCESS

- Y The PURF process is a competitive one. Students fill out a “grant” application that details the objectives of the project, the expected contribution to the student’s education, the timetable for the completion of the project, and an itemized budget.
- Y A panel of faculty drawn from all of the colleges reviews PURF applications. Overall process is administered by the Honors Tutorial College.
- Y PURF grants range from \$100 to \$1500. The total amount of available funding each year is \$50,000. Students must have a full-time faculty member serve as a supervisor of their project.
- Y PURF recipients are expected to provide an annual status report if their project stretches over more than one year and must also file a project completion report. At the conclusion of their project, they are required to present at the annual Student Research and Creative Activity Expo that takes place in Spring Quarter.

PURF INFORMATION

Υ 398 PURF Awards distributed since AY 2004-2005

Υ 42 PURF Awards given in AY 2010-11

- *Examples of projects funded in AY 2010-2011*

- “The Effects of Ionizing Radiation on the Expression of Adhesion Proteins”
- “Up Close and Personal: The Blurred Boundaries of Live Art and Its Audience”
- “Lifting the Veil: The Social and Legal impact of Banning Religious Speech in Contemporary France”
- “Development of a Sustainable Adapted Music Program at the Aboom School for Special Needs, Cape Coast, Ghana”
- “Finding Camelittle: Creating Children's Television in the Digital Age”
- “Design and Testing of Computer Controlled Vacuum Characterization System for Nano Sensors”



OHIO
UNIVERSITY

HDL Center Suite 275
Athens OH 45701

T: 740.593.1865
F: 740.597.1842

Date: August 15, 2011

To: The President and Board of Trustees

From: Kathryn Gilmore, CPA, CIA, CFE, Chief Audit Executive

Subject: FY 11 Annual Activity Report

Internal Audit's FY 11 annual activity report will be presented at the September 1, 2011 Audit Committee Meeting. The Institute of Internal Auditor (IIA) standards require that the Chief Audit Executive report to senior management and the Board on Internal Audit's performance relative to its annual plan.

I will be pleased to answer any questions you might have prior to or during the meeting regarding Internal Audit's performance.



Audit Committee

David A. Wolfort, Chair
September 1, 2011
Agenda Tab

Ohio University Internal Audit FY 11 Activity Report

**Chief Audit Executive Kathryn
Gilmore, CPA, CIA, CISA, CFE**



Agenda

- Internal Audit (IA) FY 11 Activity
 - Work Plan Performance
 - Staffing Activity
 - Finances

3



Work Plan Performance

Regularly Scheduled Audits

Planned Audits

- All 15 regularly scheduled audits were completed
- Scheduling conflicts and year-end close responsibilities delayed some management response submissions
- Four final reports were issued after year-end
 - General Accounting and Reporting - July 13
 - Accounts Payable and Procurement - July 20
 - Plant and Grant Accounting - August 2
 - Advancement and Foundation Accounting - August 2

Audits

Audit	Auditor	Report Date
Baker University Center	Davis	Issued 9/21/10
General Accounting and Reporting	Davis	Draft 6/7/11
Payroll	Ries	Issued 3/11/11
Plant and Grant Accounting	Ries	Draft 6/7/11
Residential Housing	Ennis	Issued 2/18/11
Scripps College of Communication	Ennis	Issued 6/9/11

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Follow-up Audits

Follow-up Audits	Initial Report	Auditor	Current Report
Accounts Payable	1/15/10	Ennis	Draft 6/17/11
Advancement and Foundation Accounting	8/27/10	Davis	Draft 5/31/11
College of Osteopathic Medicine	1/27/10	Davis	Issued 5/31/11
Facilities Department	9/17/09	Ennis	Issued 6/7/11
Human Resources	4/27/10	Davis	Issued 6/21/11
Procurement Services	1/15/10	Ennis	Draft 6/17/11
Southern Regional Campus	6/24/10	Ries	Issued 6/9/11
Student Affairs	7/1/10	Ennis and Gilmore	Issued 6/9/11
Zanesville Campus	9/4/09	Gilmore	Issued 7/2/10

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Special Projects

Quality Assessment

- Institute of Internal Auditors (IIA) requires that a quality assessment be conducted every 5 years by a qualified, independent reviewer or review team from outside the organization
- The review team found that IA fully conformed with the IIA Standards
- OU's quality assessment was conducted in April; the team included
 - Director of Internal Audit for University of Toledo
 - Internal Audit Director for Cuyahoga Community College

Quality Assessment (cont'd)

- Assessment was a result of collaboration with members of the Ohio College and University Internal Auditors (OCUIA)
- Total cost of the assessment was \$1,442, which was for travel and meeting expenses
- Peer institutions have been quoted as much as \$20,000 for a similar assessment conducted by the IIA
- As part of this process, IA will participate in a quality assessment of the University of Cincinnati

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Requested Projects

- Follow-up review of the Library's process for managing sensitive data on library cards
- Supplemental audit of the University's Travel and Purchasing Card process
- Review of management of computer parts inventory at the Southern Regional Campus
- Overload compensation information provided to Finance and the Provost's Office
- Revision of prior Internal Control training to be presented to the campus

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Other Special Projects

- Conducted State Compliance testing for our external auditors
- Administered the Ethics Hotline
- CAE and staff served on several standing committees
- CAE met regularly with the President, the Executive Vice President and Provost, the Vice President of Finance and Administration, and the Associate Vice President for Finance to discuss internal control matters
- CAE also represented IA at the deans and executive staff meetings

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Staffing Activity

Staffing Activity

- CAE served as chair of OCUIA (IUC group)
- Professional Certifications completed in FY 11
 - Certified Internal Auditor (CIA) - Senior Auditors Ennis and Ries
 - Certified Fraud Examiner - CAE and Audit Manager
 - Certified Information Systems Auditor (CISA) - all staff
- Current staff member's designations
 - CAE Kathryn Gilmore, CPA, CIA, CFE, CISA
 - Audit Manager Jeff Davis, CPA, CIA, CFE, CISA
 - Senior Auditor Brian Ennis, MBA, CPA, CIA, CISA
 - Senior Auditor Tressa Ries, MEd, CPA, CIA, CISA

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Staffing Activity

- Student Intern Program
 - Employed two interns
 - IA provides students with a broad spectrum of audit and accounting experience
 - Intern program was funded through PACE and Federal Work Study

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Expenditures and Budget

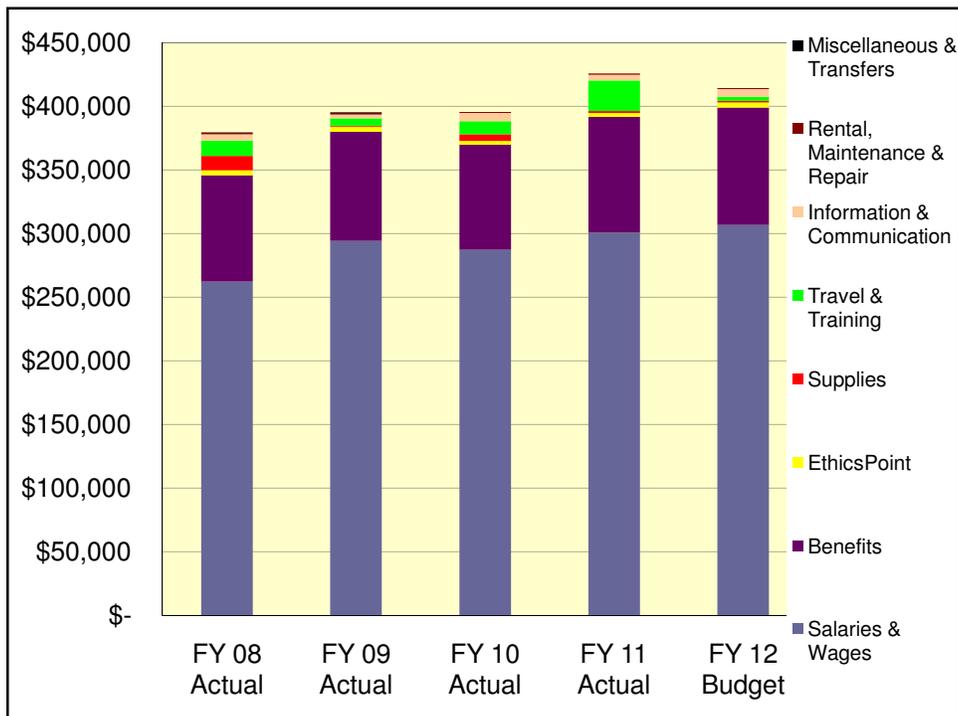
Finances

- FY 11 year-end budget carryover of \$1,765
- Finance provided \$16,146 for IA to sit for the CISA exam
- FY 12 operating budget is \$414,273
 - Personnel costs - 96% (\$398,934)
 - Ethics Hotline - 1% (\$4,000)
 - Telephone (\$2,073)
 - Discretionary funds (\$9,266)

Finances (cont'd)

- Discretionary funds (\$9,266) include
 - Copier service contract - \$890
 - Professional dues - \$1,175
 - Remaining \$7,201 allocated for equipment repair and replacement, supplies, long distance, telephone, postage, and travel (regional campus, Board meetings, etc.)
 - No funds are available for equipment replacement or for salary adjustments unless there is a position opening for a period of time

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Conclusion



OHIO
UNIVERSITY

HDL Center Suite 275
Athens OH 45701

T: 740.593.1865
F: 740.597.1842

Date: August 15, 2011

To: The President and Board of Trustees

From: Chief Audit Executive Kathryn Gilmore, CPA, CIA, CFE, CISA

Subject: Internal Audit Update

Internal Audit will present an update of progress in completing the FY 12 work plan at the September 1, 2011 Audit Committee Meeting. Audit plan completion and special projects will be addressed.

I will be pleased to answer any questions you might have prior to or during the meeting.



Audit Committee

David A. Wolfort, Chair
September 1, 2011
Tab



Internal Audit Update

Senior Auditor Tressa Ries, MEd, CPA, CIA, CISA
Chief Audit Executive Kathryn Gilmore, CPA,
CIA, CFE, CISA



Agenda

- Recent Special Projects
- Audit Plan Completion

3

Recent Special Project

- Requested consulting engagement related to Travel and PCard processes
- Chapter 7 testing for Plante and Moran

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Assurance Audit Plan Completion

AUDIT	AUDITOR	STATUS
General Accounting and Reporting	Davis	7/13/2011
Plant and Grant Accounting	Ries	8/2/2011
President's Office	Ries	Started
Printing Services	Ennis	Started
Provost's Office	Davis	Started
Airport	TBA	Open
Graduate College	TBA	Open
Technology Lifecycle Data Management	TBA	Open



Follow-up Audit Plan Completion

FOLLOW-UP AUDITS	PRIOR REPORT	AUDITOR	CURRENT REPORT
Advancement and Foundation Accounting	8/2/11	Davis	Open
Human Resources	6/21/11	Davis	Open
Accounts Payable	7/20/2011	Ennis	Open
Payroll	3/11/2011	Ries	Open
Plant and Grant Accounting	8/2/2011	Ries	Open
Procurement Services	7/20/2011	Ennis	Open
Residential Housing	2/18/2011	Ennis	Open
Scripps College of Communication	6/9/2011	Ennis	Open



Conclusion

Date: August 15, 2011

To: The President and Board of Trustees

From: Brice Bible, Chief Information Officer

Subject: Information Security Structure, Alignment and Status

In the upcoming Audit Committee meeting, OIT Information Security Director Matthew Dalton will present Information Security's Structure, Alignment and Status.

The presentation is the outcome of the response to Internal Audit's recent external quality review. The results of the external review included a recommendation that ongoing initiatives of the University's compliance functions report to the Board. President McDavis, Vice President Golding and General Counsel Biancamano agreed with this assessment and recommended that identified compliance functions report to the Audit Committee on a rotational basis.

Thank you for this opportunity.

Office of Information Technology Information Security Office

Board of Trustees
Audit Committee
September 1, 2011

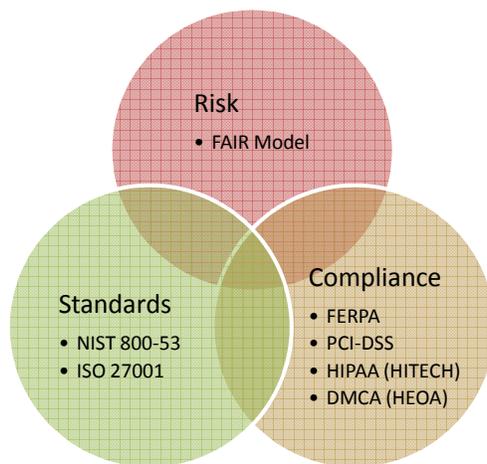
Agenda

- Brief History
- Approach
- Current Structure
 - Office
 - Extended
- Projects
 - Current
 - Upcoming
- Challenges
 - Culture
 - Resources
- Glossary (Reference Only)

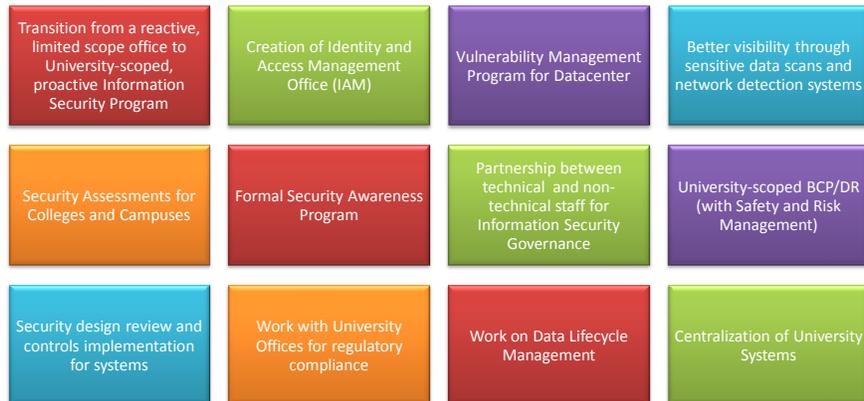
A Brief History of Information Security at Ohio University



Approach



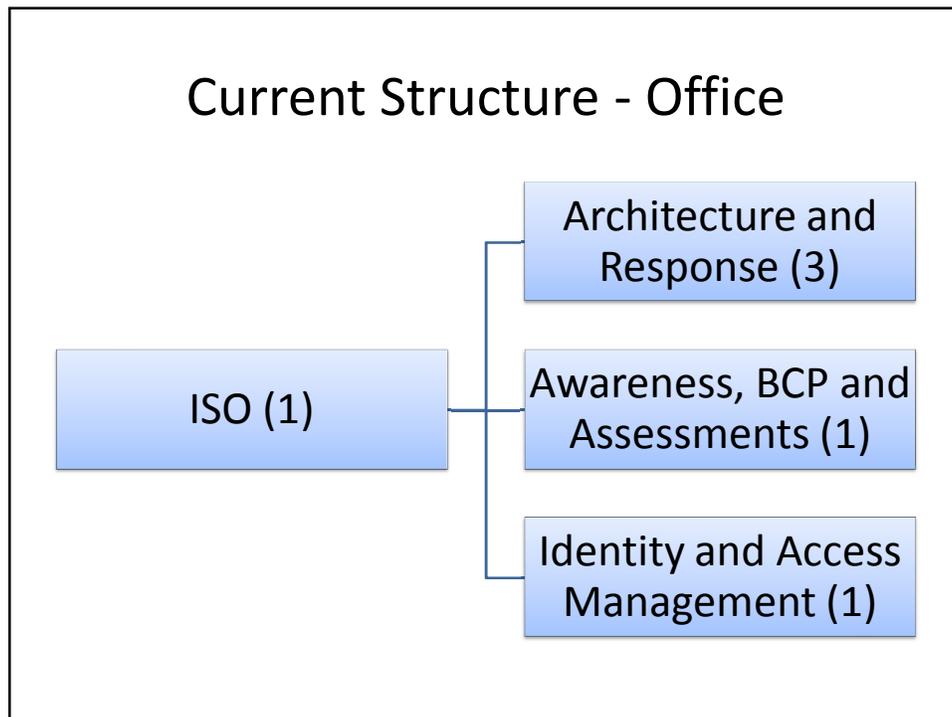
Major Milestones



Current Services

- Compliance & Risk Management, Incident Response and Investigations
- Security Architecture
- Security Awareness and Training
- Business Continuity Planning/Disaster Recovery
- Security Assessments
- IAM - Account and Role Provisioning
- IAM - Access Request Workflow Development
- Policy and Standards Development

Current Structure - Office



Current Structure – Extended

- University
 - Identity Management Governance Group
 - Data Handling Governance Group
 - Technical Security Delegates
- Regional
 - IUC-ISO
- National
 - HEISC
 - IdM
 - Risk, Compliance & Governance
 - Infragard
 - Educause
 - REN-ISAC

Challenges – Culture

- *Often IT security requires an event before it receives attention*
 - Policy
 - Practices
 - Decentralization
- Security Awareness/Priority is not ubiquitous at the University.
- Information Security is perceived by many as only a technology issue.

Challenges – Resources

- Major projects (Rufus, Directive 1, etc.) and budget reductions have stretched OIT thin
- The economy has made it difficult to backfill or augment resources
- Security, when done right, is not inexpensive
 - SIEM
 - DLP
 - UTM
 - Endpoint Protection
 - IAM
 - Training

Upcoming Initiatives

- On the Plate
 - University Information Security Program (800-53)
 - SANS Training
 - Two Factor Authentication
 - Enterprise Encryption
 - Further Mature IAM
 - University-wide Information Security Governance
 - IUC Collaborations
- On the Radar
 - DLP – Data Loss Prevention
 - UTM – Unified Threat Management
 - GRC – Governance, Risk and Compliance Solution

Glossary: BCP - CNS

BCP

Business Continuity Planning is the practice of allowing the business of the University to continue its operation through and after a disruptive event. This may mean severe illness, natural disaster, workplace event, or any other event that would disrupt the normal course of business. This is a compliment to DR and is the primary focus of non-technical staff.

CDW-G

CDW-G was hired in 2009 to review the Rufus initiative and determine what issues may impact the Security of the system. Their recommendation included issues specific to the Rufus Project, as well as some University wide issues.

CNS

Computer and Network Services - This group was one of the major IT groups on campus prior to the formation of OIT, and were responsible for several major services, including email, service desk, and core network infrastructure

Glossary: DLP – DR

DLP

A Data Loss Prevention Solution is used to ensure that sensitive data is not released from the University without authorization.

DMCA

The Digital Millennium Copyright Act of 1999 created several changes in copyright law. The most relevant item for Universities is likely the Safe Harbor provisions for ISPs. This requires the Intellectual Property Owner to provide notices to a University, which must then forward the notice to the subscriber (typically a student). This was augmented in 2008 by the HEOA

DR

Disaster recovery is the practice of bringing infrastructure services back into service after a disruptive event occurs. This is a compliment to BCP, and is the primary focus of technical staff.

Glossary: Educause – FAIR Model

Educause

This organization is the premier organization for technology professionals in higher education. They are responsible for working on national policy issues, bringing professionals together for common problem solving, establishing best practices, and many other services for Colleges and Universities.

Endpoint Protection

Endpoint Protection is an overarching concept that potentially includes anti-virus, desktop encryption, policy enforcement, network access control, and DLP.

FAIR Model

The Factor Analysis of Information Risk model calculates risk by taking into account threat strength and frequency, controls in place and expected loss of asset value.

Glossary: FERPA - GRC

FERPA	The Family Educational Rights and Privacy Act of 1974 governs what rights a student has to their data, as well as the expectations on schools on how to protect their students' educational record.
Gartner	Gartner came in right after the breach to perform a review of the IT structure at Ohio University in 2006. They returned in 2010 to perform a follow up assessment and determine how well IT had progressed.
GRC	A Governance, Risk and Compliance solution watches the network for behavior that would be against University policy, and takes steps to prevent it.

Glossary: HEISC – HEOA

HEISC	The Higher Education Information Security Council is a national body sponsored by Educause and Internet2 that is responsible for developing a response to Higher Education needs in information security from around the country.
HEOA	<p>The Higher Education Opportunities Act of 2008 creates additional requirements for Higher Education beyond the DMCA. These include:</p> <p>An annual disclosure to students describing copyright law and campus policies related to violating copyright law.</p> <p>A plan to "effectively combat the unauthorized distribution of copyrighted materials" by users of its network, including "the use of one or more technology-based deterrents".</p> <p>A plan to "offer alternatives to illegal downloading"</p>

Glossary: HIPAA – IAM

HIPAA

The Health Insurance Portability and Accountability Act of 1996 was enacted to allow patient information to more freely be available to health insurance agencies and other medical centers. Two requirements that emerged as a result were the Privacy and Security Rules, which detailed protections that needed to be established for the patients information. This was further augmented by the HITECH act.

HITECH

The Health Information Technology for Economic and Clinical Health Act was part of the American Recovery and Reinvestment Act of 2009. This made business associates of covered entities liable as well. In addition, new breach notification requirements were put in place if a breach of unsecured Protected Health Information (PHI) occurs.

IAM

Identity and Access Management is the practice of establishing a user's identity, including basic biographical/demographic information about the individual and their relationship to the University. Subsequently, Access Management is the practice of provisioning access to resources based on the various roles that person may have within the University.

Glossary: Infragard – IUC-ISO

Infragard

Infragard serves as a partnership between US businesses and the FBI. It is meant to facilitate information sharing between the private sector and federal law enforcement on a variety of issues, including cybercrime.

ISO 27001

This standard, along with 27002-9 are industry standards, similar to the NIST 800 series. Many companies and Universities use this standard as the foundation of their information security program.

ISS X- Force

ISS X-Force, now a part of IBM, is an information security company that specializes in incident response. They worked with the University to investigate and recover from the breach of 2006.

IUC-ISO

The Inter-University Council Information Security Offices is a group of all the Information Security Offices in Higher Education throughout the state of Ohio.

Glossary: NIST 800-53 – PCI-DSS

NIST 800-53

This standard, the "Recommended Security Controls for Federal Information Systems and Organizations", is required of all federal agencies as part of their information security program. The other sections of the NIST 800 series detail many other aspects of a robust information security program.

OIT

The Office of Information Technology is responsible for all major technology initiatives at the University. OIT was initially formed in 2006, with further solidification in 2007 on Brice Bible's arrival.

PCI- DSS

The Payment Card Industry Data Security Standard is the standard that most major payment cards have put in place for all merchants to adhere to when handling credit card or other payment card data. If PCI-DSS is not followed, potential consequences include hefty fines or loss of ability to accept their cards.

Glossary: President's Directive – SANS

President's Directive #1

This University-wide directive charged the University to realign all servers, networks and the staff supporting them to OIT.

REN-ISAC

The Research and Education Networking Information Sharing and Analysis Center is responsible for representing Research and Education in the larger ISAC community, and is also the primary sharing hub between Higher Education Information Security Response Centers.

SANS

The SANS Institute has specialized in information security training since 1989. They are considered one of the world's best, and often used by government and industry to train their information security professionals.

Glossary: SIEM – SunGard

SIEM	Security Information and Event Manager is a technology that gathers information from a larger number of devices, and correlates this information into actionable intelligence for compliance reporting and incident response.
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SunGard	SunGard was hired in 2010 to assist in developing a Business Impact Analysis and Business Continuity Planning Templates for the University.
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Glossary: Two Factor – UTM

Two Factor Authentication	Two Factor Authentication, or 2FA, is a technical control where multiple “factors” are used to ensure that the person logging in to a system is the actual individual. Typically, two factor refers to two of the three classes of factors below, and not two within the same class.	Something you know (password, PIN)
		Something you have (token, smartcard, phone)
		Something you are (fingerprint, voiceprint, iris)

UTM	A Unified Threat Manager is a network device that acts as an Anti-Virus Gateway, Anti-Spam Gateway, Web Proxy, Intrusion Prevention System, and many other items that previously required separate devices.
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