



OHIO
UNIVERSITY

Board of Trustees

Minutes

June 21, 2013

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CALL TO ORDER

Chair Sandra Anderson called the meeting to order at 10:03 a.m. and asked Board Secretary Peter Mather to call the roll.

ROLL CALL

Present — Chair Sandra Anderson, Trustees David Brightbill, David Wolfort, Janetta King, Kevin Lake, N. Victor Goodman, Dave Scholl, Janelle Simmons, and Cary Cooper.

Also in attendance were Student Trustees Amanda Roden and Keith Wilbur; National Trustees Henry Heilbrunn and J. Patrick Campbell; Alumni Association Representative William Hilyard; President Roderick McDavis; and Board Secretary Peter C. Mather.

APPROVAL OF THE AGENDA AND THE MINUTES

Chair Anderson pointed out that four resolutions would be moved from the Consent Agenda during the committee reports. With those changes, she asked for any objections to proceeding with the agenda as written and there was none.

Chair Anderson then asked for a motion to approve the amended Minutes of the Board of Trustees Meeting held on April 19, 2013. Trustee Goodman moved to approve the Minutes as amended, seconded by Trustee Lake, the motion carried.

REPORTS

Report of the Chair

Chair Anderson introduced and welcomed three new members to the Board of Trustees: Janelle Simmons, Cary Cooper, and Student Trustee Keith Wilbur. Each new member expressed gratitude for the opportunity to serve the University.

Chair Anderson then reported on the Board's Thursday activities. She explained that the Trustees toured Campus facilities to observe recent improvements, to see new construction projects, and to learn about the effects of deferred maintenance on specific programs and services. Chair Anderson noted that the tour highlighted challenges presented by the current state of the University's physical plant.

The Board toured Seigfred Hall, and heard from the Director of the School of Art and Design, David LaPalombara. Mr. LaPalombara discussed the nationally ranking of the programs, and described various facility needs in the building. The Board also viewed: the new Scripps College building; Galbreath Chapel, to observe the state of renovations; Alden Library, where they toured the mechanical rooms and observed some of the infrastructure challenges; the teaching

and research labs at Clippinger Hall; classrooms at Morton Hall; the Ridges; the Lausche Heating Plant; Peden Stadium; and the future site of the new Walter Field House.

Report of the President

President McDavis began his report by welcoming the new Trustees and by reviewing Ohio University's Strategic Priorities and the new Core Values. The Core Values are: Excellence is our hallmark; Integrity, Civility, and Diversity define our community; and, Stewardship enhances our legacy. The details of the President's report are available for review in the June meeting agenda.

University Spotlight

President McDavis introduced Dr. David Descutner, Executive Vice Provost of Undergraduate Studies and Interim Vice Provost for Diversity and Inclusion, who described OHIO's Summer Institute for Diversity Education (SIDE). Dr. Descutner praised President and Mrs. McDavis for their work with and support of the many diverse students who go through Ohio University. Dr. Descutner proceeded to introduce the staff of Diversity and Inclusion who made 2013 SIDE program possible, including: Cecil Walters, Linda Daniels, Winsome Chunnu-Brayda, Susanne Dietzel, Tyrone Carr, and Delfin Bautista. He also made special mention of Dr. Stephanie Sanders, lead coordinator of the SIDE program and Dr. Mark Orb, who serves as the program facilitator.

Dr. Descutner described SIDE as a three-day, 30 hour curriculum experience intended to develop cross-cultural competencies and skills. Participants in the program come from not only the local community and state agencies but also from the region and out-of-state. Dr. Descutner introduced four SIDE participants from the University to describe their experience in the program.

Kevin Geiger, Assistant Director, College Adjustment Program. Mr. Geiger described the experience at SIDE as transformational. Has worked with others in his department who also attended SIDE to incorporate what they learned in their own programs.

Dr. Brian McCarthy, Chair, Environmental and Plant Biology. Dr. McCarthy participated in SIDE in an effort to understand his own experience with diversity in the interactions he has had with other faculty members and students in the department. He stated that the impact of the program was profound and that what he learned has been incorporated into both his personal and professional lives.

Dr. Dawn McCarthy, Assistant District Ranger for Operations for the Wayne National Forest. Dr. McCarthy approached SIDE from a Federal perspective and noted that SIDE has helped her develop new approaches for interacting and communicating with people from many different

backgrounds. She said she was inspired by a speech by the US Forest Service chief to become an agent of change for the Wayne National Forest.

Catherine Russell, an alumna of Ohio University and a senior in the Scripps College of Communication. Catherine has been involved in many multi-cultural groups on campus. She feels she learned more from her experience in SIDE than she learned through all her work with campus groups during her time as a student. It was a very valuable experience that has shaped her personal and professional perspectives on cross-cultural work.

Following a discussion among Trustees and presenters, Dr. Descutner thanked the Trustees and the President for the opportunity to present. Chair Anderson expressed appreciation to the presenters and the President for familiarizing the Board with this important work. The President expressed his gratitude to the staff of the Office of Diversity and Inclusion for their significant work on campus.

Committee Reports

Chair Anderson introduced the Board's Committee Reports, beginning with the Joint Academics and Resources Committee report that occurred on Thursday morning.

Joint Resources/Academic Committee Report

Chair Anderson reported that the Trustees held a joint committee meeting addressing three topics: The 2014 RCM budget; a Guaranteed Tuition Model; and a discussion of Debt Capacity.

2014 RCM Budget

Chair Anderson noted that John Day, Associate Provost for Academic Budget and Planning, and Chad Mitchell, the University Budget Director, presented the FY14 Ohio University Budget, which will be the first University budget developed using responsibility centered management (RCM) principles.

The budget, which is tied to the University's strategic priorities, includes high priority capital construction projects, salary increases for faculty and staff and attention to affordability concerns of students and their families. The Board also received a detailed status report on RCM, including a discussion of sources and uses. In this presentation, Dr. Day described the adaptation of the infrastructure in terms of personnel, structure, and processes required to support successful RCM implementation.

In addition to presenting steps that have been taken to move to a successful RCM environment, Mr. Mitchell discussed next steps, which include analyzing the alignment of services with

institutional needs; evaluating centralized versus decentralized delivery mechanisms; and the financial and analytic capabilities to support a successful RCM implementation.

Mr. Mitchell moved into a discussion of matters specific to the 2014 budget. He noted that the colleges will be held harmless in this transitional year. Several levels of discussions are being taken within and among colleges, with consultants, and between colleges and the University administration to ensure an effective transition.

Mr. Mitchell pointed out that the University is expecting moderate revenue growth from core sources: State Subsidy (2%) and Undergraduate Tuition (1.6%), and also discussed priorities related to expenditures. He showed revenues and expenses for the proposed FY2014 budget. He pointed out that the revenue and expense matrix includes indirect costs for the various units; this is the first time these costs have been reflected in the budget. Mr. Golding noted that the revenue and costs are not entirely predictable at this point, partly due to uncertainty about enrollment for the coming year.

Chair Anderson pointed out that the presentation provided important background information as the Board considers approval of the 2014 Budget at this meeting.

Guaranteed Tuition Program

Chair Anderson noted that following the Budget and RCM presentation, Senior Vice President and Provost Pam Benoit presented the Ohio Tuition Guarantee proposal. This was the fifth presentation the Board has received on guaranteed tuition.

The Provost noted that the program would apply to all undergraduate students on the Athens Campus, and would exclude certain groups, such as eLearning and Continuing Education students. The proposal for locked in rates includes tuition and general fees, room and board, most course fees and other required fees, such as technology, orientation and graduation fees. Provost Benoit also mentioned that increasing financial aid is an additional, core aspect of this new tuition plan.

Provost Benoit discussed the establishment of cohort rates, which will be controlled by a formula that includes the consumer price index (CPI) and the legislatively mandated tuition cap. It is expected that Trustees will establish the incoming cohort rates by March of each year.

The legislation under consideration is permissive, granting each institution's Board of Trustees the authority to adopt a guaranteed tuition program. Institutions will establish the parameters and guidelines for their own programs. The Ohio Board of Regents must then approve the program prior to the initial implementation.

Provost Benoit discussed other implementation issues and described the formation of a team that will be charged with considering the policies and procedures necessary to implement the program.

Capital Improvement and Debt Discussion

Chair Anderson noted that the third major topic of the Joint Committee Meeting involved a discussion of the University Capital Improvement Plan and the capacity for debt. Vice President Golding led this discussion. The presentation by Mr. Golding was in response to a discussion that occurred at the April Joint Committee meeting. At that time, Mr. Golding presented a 6-year Capital Improvement Plan, which included a debt load of \$485 million. Trustees asked Mr. Golding to return with a scenario that included an additional \$100 million, or \$585 million in total.

Mr. Golding explained that the new scenario includes a focus on academic facilities and deferred maintenance. Mr. Golding discussed the accumulating costs of deferred maintenance, and provided specific estimated deferred maintenance-related costs given different investment options. He provided examples of possible projects if extra funds were available. While the per-gross-square-foot costs can be reduced through additional investments, those investments carry additional debt and associated risks.

Up to this point, the rating agencies have expressed appreciation of the University's measured and incremental approach to the utilization of additional debt. However, an additional \$100 million in debt over the next fiscal year carries certain risks. For example, over leveraging could lower the University's credit rating, which would carry additional interest costs.

Mr. Golding noted that this additional \$100 million debt issuance could potentially limit OU's debt capacity beyond FY18. He provided debt comparisons with our peer institutions given different borrowing scenarios.

Mr. Golding's presentation was followed by a rich discussion about the pros and cons of moving forward with the additional investment. Based on the discussion, the Board consensus was to move forward with pursuing the investment. Chair Anderson proposed that Mr. Golding return to the meeting in August with details on proposed projects made possible by the additional funds.

Resources Committee Report

Chair Anderson recognized Trustee King to present the Resources Committee Report.

Sources & Uses – April Interim

Trustee King noted that VP Golding presented on sources and uses to the Resources Committee. Projections for the 2013 year-end net operating results were based on the April, 2013 balances and result in \$771M in projected revenues, \$712M in projected expenditures for a net \$59.5M to the bottom-line.

VP Golding reviewed the nature of the projected fund balances - \$34.5M in unrestricted fund balance and \$25M in restricted, nondiscretionary grants, contracts and plant funds. He reminded the Trustees that the net fund balances over the past three years have made the debt issuance possible. This is the way we've been able to deal with the capital and infrastructure needs of the campus.

Trustee King noted that a request was made for a presentation on eLearning to the Joint Committee due to the increasing presence of on-line learning and the different infrastructure necessary to support that unit. The eLearning impact on the residential campus was also discussed as it pertains to capital improvement plans and the University's physical plant.

Resolution: FY2014 Budget Approval

Trustee King reported that the FY 2014 Budget (in Tab 7), which had been reviewed at the Joint Committee Meeting, was being forwarded to the Board for approval.

FISCAL YEAR 2013-2014 OPERATING BUDGET

RESOLUTION 2013 - 3337

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

WHEREAS, the University has adopted a new all-funds budgeting approach that shows a more comprehensive view of resource generation and allocation, and

WHEREAS, the University has developed a balanced budget consistent with the provisions of the state budget.

NOW THEREFORE, BE IT RESOLVED that the Fiscal Year 2013-2014 budgets of the expected resources and expenditures for the Athens Campus, Auxiliary Operations, Regional Campuses, and the Heritage College of Osteopathic Medicine as presented on the attached schedule 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 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 state appropriations.

Trustee King moved to approve the FY 2014 Budget Resolution, seconded by Trustee Goodman, all approved and the motion carried.

Trustee King noted that two resolutions had been approved by the Resources Committee for the Consent Agenda: eLearning and Off-Campus Graduate Rate Changes and OPERS and STRS Retirement System Rates.

Consent: eLearning and Off-Campus Graduate Rate Changes

VP Golding stated that the resolution will provide board approval of a single standard rate for eCampus programs, a rate conversion for the Program for the Incarcerated to a similar hourly rate with materials fee, and a reduction in materials fees for MBA online program. All the fees have been reviewed and recommended for approval by the Fee Committee of the university.

Consent: OPERS and STRS Retirement System Rates

VP Golding explained that Board action is necessary to update to current statutory rates. This language will tie the current contribution rates to the Ohio Revised Code sections that authorize the contribution rates.

Guaranteed Tuition Program

Trustee King indicated that the next item on the Resources Committee agenda was the Guaranteed Tuition Program, which was reviewed during the morning's Joint Session. The resolution to adopt the OHIO tuition guarantee program as outlined in Sub. H.B. No. 59, with the condition that it is approved by the Ohio Legislature and signed into law by Governor John Kasich, is attached for Board approval.

Trustee King explained that the resolution was taken off of the consent agenda by the Resources Committee due to the significance of the changes being proposed. She noted that extensive discussions have occurred on this topic throughout the fiscal year.

GUARANTEED TUITION

RESOLUTION 2013 – 3338

WHEREAS, public universities have become increasingly tuition dependent as state support has declined in order to maintain their quality and cover their critical costs, and

WHEREAS, annual tuition increases are not a sustainable business model as student and family budgets are constrained and these increases represent a compounded impact; and

WHEREAS, the Board of Trustees directed senior leadership to investigate alternative tuition models that would break the cycle of annual increases while maintaining the quality of the institution; and

WHEREAS, the Board of Trustees and the university community have substantively engaged in a discussion of the merits of a guaranteed tuition model during the AY 2012-2013 year; and

WHEREAS, a guaranteed tuition model offers an opportunity for transparency in budget planning for students and parents, a financial incentive for timely graduation, the potential to reduce student debt upon graduation, and the opportunity to enhance student recruitment while providing predictability in tuition revenues.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the OHIO tuition guarantee program as outlined in Sub. H.B. No. 59 with the condition that it is approved by the Ohio Legislature and signed into law by Governor John Kasich. The Board of Trustees approves the general parameters and guidelines presented at this meeting and directs senior leadership to take all steps necessary for implementation of a tuition guarantee program including approval by the Board of Regents no later than the Fall of 2015 and earlier if possible. The Board also requests that senior leadership provide periodic updates as to the progress towards achieving this goal.

Trustee King moved to adopt the OHIO Guaranteed Tuition Resolution, seconded by Trustee Wolford, all approved and the motion carried.

Resolution: FY 2014 Capital Improvement Plan

Trustee King noted that Harry Wyatt, Associate Vice President for Facilities, presented the FY 2014 Capital Improvement Plan (CIP) to the Resources Committee. Mr. Wyatt provided a brief update on the recent projects that have been completed or are in process – many of these projects were viewed on Thursday morning’s Trustee tour. Mr. Wyatt walked through each item of the FY 2014 Annual CIP, briefly reviewing updates for projects that are continuing into next year and providing background on the projects being presented for the first time. As the projects move forward, the Board will take action on specific approvals greater than \$500,000 and any future debt issuances.

Trustee King commented on how beneficial the campus tour was in providing context for this agenda item and the FY 2014 CIP approval. There was discussion of the Board approvals to date on certain projects such as the Housing Development Plan – VP Golding explained that with longer lived, phased projects the Board has more than one approval opportunity.

**APPROVAL OF THE OHIO UNIVERSITY
FY2014 CAPITAL IMPROVEMENT PLAN**

RESOLUTION 2013 - 3339

WHEREAS, the University has undertaken the development of a FY2014 Capital Improvement Plan, and

WHEREAS, this FY2014 Capital Improvement Plan has been developed in the context of the Board of Trustees approved FY 2013-FY 2018 Six Year Capital Improvement Plan and embodies the concepts incorporated within it, and

WHEREAS, the priorities of the Deans and Vice Presidents have been considered, and their endorsement of the plan given, and

WHEREAS, the Capital Funding and Priorities Committee has approved and made recommendation to the President, and

WHEREAS, the FY2014 Capital Improvement Plan has been approved by the President.

NOW THEREFORE, BE IT RESOLVED that the Ohio University Board of Trustees does hereby approve the attached FY2014 Capital Improvement Plan.

Trustee King moved for approval of the FY 2014 Capital Improvement Plan Resolution, seconded by Trustee Brightbill, all approved and the motion carried.

Lausche Heating Plant Replacement Plan

Trustee King noted that Mike Gebeke, Executive Director Facilities, presented on the progress of the Lausche replacement plan. Mr. Gebeke discussed the need for a replacement due to Lausche having met its useful life. Also EPA regulations, rising costs of coal, the university's desire to end the use of coal on campus, and expansion of chilled water are all being addressed in the plant replacement plan. The plant siting is most efficient next to the existing infrastructure and at some point in the future may be able to service O'Bleness Hospital. Mr. Gebeke discussed the physical components of the new natural gas powered plant and the redundancy that will be built in to handle down times.

Requests for Qualifications (RFQs) were due in May and based on the results of the RFQs, Requests for Proposal will be made of from the top three contractors. It is anticipated that a resolution will come to the Board at their October meeting for project approval.

Emeritus engineering professor Chuck Overby was in attendance at the Resources Committee meeting and was recognized for his efforts in championing co-generation technology in the early 1980s.

Consent: Construction Projects

Mr. Wyatt discussed the two projects that are included on the resolution for Board approval: Haning Hall New Elevator and Lausche Heating Plant Replacement Preliminary Infrastructure.

Series 2013 Bond Issuance Update

Ms. Beth Greene informed the Resources Committee that the University priced the \$145 million tax-exempt bond issue on May 22, 2013 structured as "net premium" bonds generating \$161 million in proceeds as follows:

- \$121 million for new campus projects;
- \$25 million to refinance the Series 2004 Bonds; and,
- \$14 million to restructure the Series 2001 Bonds.

The Bonds achieved an "all-in true interest cost" of 3.91% - for the \$121 million for new campus projects the all-in true cost is 3.95%. The pricing date of May 22 was at the beginning of the recent rising interest rate market – since that time interest rates have risen 60 bps so the university did quite well in the market. In addition, the University's credit ratings of "Aa3/A+" with a stable outlook were reaffirmed by Moody's and Standard and Poor's, respectively.

There was a brief discussion on gifted capital construction and whether the annual operating costs should also be covered through a gift endowment prior to adding square footage.

Trustee Campbell requested that copies of the Series 2013 Debt Issuance prospectus be provided to each Board member as a great primer for future bond activity.

Consent: Dublin Extension Campus Naming

VP Golding reviewed the resolution which provides for the naming of two buildings located at 7001 and 7003 Post Road on the Dublin Extension Campus in honor of OhioHealth Corporation in accordance with the applicable gift agreement.

University Dashboard

VP Golding shared the University Dashboard and noted that academic indicators were being presented in detail by the Provost during the Academics Committee discussion.

Regarding a question about the planning for the percentage of Group I faculty, VP Golding noted that during the budget hearings there were updates on the Deans' staffing plans – the Provost would be the most informed on this topic.

Capital Campaign Update

Vice President for Advancement, Bryan Benchoff, provided an update for the Capital Campaign noting campaign contributions totaling \$424 million toward the \$450 million goal as of May 28, 2013, with today's total at nearly \$425.25 million. \$425 million was the target for FY2013 year-end and that has been achieved. College campaign attainment, the sources of gifts, and the areas supported by the gifts were reviewed.

VP Benchoff focused on Alumni Demographics, indicating that 190,700 out of 201,500 living alumni are 'reachable' with good domestic addresses; 115,000 of those in Ohio. The majority of the 200,000 living alumni are 50 years old or younger, heading into their peak earning years.

The demographic information informs fund raising decisions and President McDavis recommended the same data be shared with the Admissions Office to inform their recruiting efforts. The Non-Ohio Metro Area concentrations of alumni happen to correspond with the decisions on where to purchase media packages.

Academics Committee Report

Chair Anderson recognized Trustee Wolfort to present the Academics Committee Report.

Academic Quality: Student Success

Trustee Wolfert noted that David Descutner, Dean and Executive Vice Provost for Undergraduate Education, provided an overview of University efforts to help undergraduate students complete degrees and to encourage them to make the most of their time at Ohio University. Dean Descutner pointed out that the University has a holistic approach to student success as indicated by its mission statement. That statement affirms that the “intellectual and personal growth of the individual” is the central purpose of the University.

In order to help achieve this aim, the University has developed a number of interlocking strategies designed to set expectations, provide student assistance in meeting those expectations, and creating opportunities for students to set and achieve personal goals.

Dean Descutner explained that the student success tactics selected by the University are based on national research on how best to support student success; on the Four Fundamentals, the key to Ohio University’s 4X4 strategic planning approach; and on data collection and analysis conducted by the Office of Institutional Research.

Dean Descutner then shared a number of student success initiatives and programs that have been enhanced or developed since 2004. Some notable examples:

- A comprehensive First Year Experience Program that includes a significantly improved Bobcat Student Orientation;
- A Learning Community Program that enrolls more than 2700 first year students as well as many faculty who teach first year seminars for these students and serve as their academic advisors;
- The President’s First Year Convocation.

Student success is an institution-wide responsibility and nearly every unit in the University contributes. Dean Descutner praised the work of colleagues who are dedicated to the effort to continually improve the experience of Ohio University students.

The presentation concluded with a discussion of the overarching University goals for student success, which include improvement in course completion, persistence/retention and graduation rates as well the ability to track placement of graduates. Examples of specific measures in place to help achieve these goals are:

- Improved advising;
- Enhanced first-year courses;
- More effective interventions with targeted populations of first-year students, including first generation and veterans; and,

- Richer integration of colleges/schools with Student Affairs' offices including the Career and Leadership Center, Residence Life, and the Campus Involvement Center.

Core Values

Executive Vice President and Provost Pam Benoit described the process by which the University developed a set of core value statements. These value statements are intended to capture the fundamental ideals that should guide the work of Ohio University. Provost Benoit explained that the core values emerged from discussions held over the past two years. She indicated that the process has been iterative and has involved the University leadership, the senates, and constituent groups across the University. The core value statements are:

- Excellence is our hallmark: outstanding people, ideas, and programs drive our educational mission.
- Integrity, civility, and diversity define our community: these values guide our leadership in a global society.
- Stewardship enhances our legacy: as Ohio's first institution of public higher education, we are mindful of our accountability to the public trust.

Promotion and Tenure

Provost Benoit presented the results of the annual faculty promotion and tenure process. Twenty-two faculty members were promoted to the rank of professor and 31 were awarded the rank of associate professor with tenure. Benoit praised the accomplishments of the faculty who advanced in rank and noted the significance of reaching these important professional milestones.

Fall 2013 Enrollment Update

Craig Cornell, Vice Provost for Enrollment Management, provided an update on the preliminary size and composition of the 2013 entering class. He also informed the Trustees about the degree to which each of the enrollment variables aligned with goals established in the Strategic Enrollment Management Plan.

Overall, the enrollment picture looks strong, particularly for undergraduates. Vice Provost Cornell reported that in freshmen applications, admits and housing deposits the University has experienced increases over last year ranging from 12% to 19%.

Increases also were seen in the areas of transfer, international and multicultural students with the growth in the latter, up 45% in applications and 21% in housing deposits, giving Ohio University the highest growth percentage-wise in the state.

Based on current information, Vice Provost Cornell also predicts that the academic quality of the incoming freshman class (based on ACT composite and high school GPA) will be equal to last year. Last year's class was one of the strongest academic classes ever admitted to the University.

Scholarship Task Force Update

Vice Provost Cornell also provided an update on the Scholarship Task Force for the Athens campus. He indicated that continued competitive pressures, limitations in the grid-based Gateway Award Program for Athens and the desire to open new recruitment markets have begun to chip away at the efficacy and purchasing power of our student scholarships.

The need to effectively align our scholarship award programs with the Strategic Enrollment Management Plan, while taking into account increased competition for students and external pressure related to declining state and federal student support, motivated the formation of a Student Scholarship Task Force (SSTF). The SSTF was appointed and charged by Provost Benoit to review the University's current award program and to make recommendations about the next iteration of scholarship programs at Ohio University. The goal is to have the new approach to scholarships for the Athens campus ready for the Fall 2014 class.

Vice Provost Cornell indicated that the Student Scholarship Task Force has proposed the following parameters for a new scholarship program:

- A continued commitment to recruiting students with strong academic credentials.
- A continued commitment to need-based aid and affordability.
- A continued commitment to facilitating the matriculation of students with need and strong academic credentials.
- A continued commitment to targeted awards as a means of encouraging the enrollment of underrepresented students and supporting programs of distinction, such as the Honors Tutorial College or the College of Fine Arts, which have specific requirements relating to academic achievement and/or artistic talent.

In addition, areas that needed to be considered in our development of new scholarship strategies were identified. These included:

- The importance of making student yield (i.e. the transition of admitted student to enrolled students) a foundational element of our approach to student aid.
- Flexibility to allow for the consideration of a variety of factors in determining a student's aid package.
- The ability to adjust aid programs continually to keep up with increases in both inflation and student costs.
- Maximizing net tuition revenue by awarding the correct amount of aid that will limit both under- and over-awarding aid to students.

AQIP Update

Provost Benoit reminded the Trustees that the University is preparing for reaffirmation of its accreditation with the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools. The reaffirmation process is scheduled to take place in 2015-16.

As was reported at a previous Board meeting, the criteria for accreditation were significantly revised on January 1, 2013. Provost Benoit indicated that at the last Board meeting Trustees were introduced to these new criteria:

- Criterion 1: Mission
- Criterion 2: Integrity: Ethical and Responsible Conduct

Criterion 2 requires that the University demonstrate that it acts with integrity and that its conduct is ethical and responsible. There are 5 core components of the criterion:

- a) The institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows fair and ethical policies and processes for its governing board, administration, faculty, and staff.
- b) The institution presents itself clearly and completely to its students and to the public with regard to its programs, requirements, faculty and staff, costs to students, control, and accreditation relationships.
- c) The governing board of the institution is sufficiently autonomous to make decisions in the best interest of the institution and to assure its integrity.
- d) The institution is committed to freedom of expression and the pursuit of truth in teaching and learning.
- e) The institution ensures that faculty, students, and staff acquire, discover, and apply knowledge responsibly.

The University will need to demonstrate its commitment to each of these components during the reaffirmation process.

University Dashboard

Lack of time prevented Provost Benoit from giving the full University Dashboard presentation but she did comment on the decline in the six-year graduation rate (from 69% in 2004 to 65% in 2005).

Provost Benoit noted that the rate was affected by a higher percentage of students transferring out, reflecting the increased mobility of higher education students. Finally, Provost Benoit pointed out that despite the drop, Ohio University still maintains the third highest graduation rate in the state.

Consent Agenda

The following consent agenda items were recommended for approval:

- Tab 20: Consent Agenda, Regional Higher Education Coordinating Council Appointments
- Tab 26: Consent Agenda, Graduate College Awarding IIP Degree
- Tab 27: Consent Agenda, Program Review – Lancaster Campus Medical Assisting Technology
- Tab 28: Consent Agenda, Program Review – CHSP Applied Health Sciences & Wellness
- Tab 29: Consent Agenda, Program Review – Patton College Department of Counseling and Higher Education
- Tab 30: Consent Agenda, Program Review – Patton College Department of Education Studies
- Tab 31: Consent Agenda, Program Review – Patton College Department of Teacher Education

Governance Committee Report

Chair Anderson recognized Trustee Lake to present the Governance Committee Report.

New Trustee Orientation

The Committee discussed the schedule for the new trustee orientation. Secretary Mather distributed the schedule from the 2012 orientation. It was a half-day session held the day before the Board retreat in August. This year, the orientation will be held in Athens on August 28th. The Board meeting will be at Columbus State on August 29th, followed by the retreat on the 30th.

The Committee discussed the possibility of having the orientation before the June meeting in future years. It was noted that the June meeting agenda is usually pretty full with the budget and other end-of-year financial issues. There was a consensus that August is the best time for the orientation program.

Board Retreat

The Committee discussed the substance of the retreat. The following topics were suggested:

- Shared governance;
- Faculty and staff compensation;
- The President's 5 year priorities and how they extend into our long term strategic vision for the University;

- Where do we want the University to be in 2020?
- Do we have a sustainable business model?

The Committee discussed the possibility of bringing in a facilitator from the Association of Governing Boards. The Committee asked Dr. Mather to consult with President McDavis and Chair Anderson, using the suggestions from the Committee, to develop the retreat agenda.

National Trustee Update

Secretary Mather presented President McDavis' recommendation for the new national trustee to succeed Trustee Heilbrunn. Peggy Viehweger is a Graduate of the College of Arts and Sciences and a member of the Foundation Board. The Committee reviewed her background and was impressed with her qualifications. As a result of this review, the Committee moved to recommend Ms. Viehweger to succeed National Trustee Heilbrunn.

APPOINTMENT OF NATIONAL TRUSTEE

RESOLUTION 2013 – 3340

WHEREAS, the Ohio University Board of Trustees desires to invite two distinguished out-of-state University alumni to sit with Trustees and to participate in the deliberations of the Board and the life of the University, **for terms not to exceed three years respectively**

NOW, THEREFORE, BE IT RESOLVED that Peggy Viehweger, AB '71 from Chicago, IL be appointed as National Trustee to the Ohio University Board of Trustees for a term of three years.

Trustee Lake moved to nominate Ms. Viehweger to fill the National Trustee vacancy, seconded by Trustee Brightbill, all approved and the motion carried.

Trustee Lake welcomed Ms. Viehweger to the Board of Trustees and thanked National Trustee Heilbrunn for his service.

Audit Committee Report

Chair Anderson recognized Trustee Goodman to present the Audit Committee Report.

Compliance Update: OIT Information Security

Trustee Goodman reported that Brice Bible, Chief Information Officer and Matthew Dalton, Director, Information Technology Security, presented on the operations of the OIT Information Security Office (ISO) in continuation of the compliance presentation series for the Audit Committee. Mr. Dalton's presentation included general history and overview of information technology at Ohio University, the structure and function of the ISO, as well as compliance items and standards. Discussion ensued regarding encryption, security requirements and risk management for the University community.

Plante and Moran FY13 Audit Update

Plante and Moran, the external auditor, made a presentation to the Board on the ongoing FY13 Audit. Danny Sklenicka of Plante and Moran provided an update related to the interim work currently in process and the future deadlines related to the external audit submission to the Auditor of State. Discussion ensued regarding the implementation of GASB 68 related to the presentation on the financial statements. Trustee Goodman requested that Plante Moran update the Audit Committee regarding GASB 68 at the next meeting.

Internal Audit Update

Trustee Goodman reported that Chief Audit Executive, Jeffrey Davis, provided an update on the Internal Audit (IA) Office operations which included:

- Audit Status Update
- Audit Process
- FY14 Audit Plan and Schedule
- ICA Compliance Audit
- Audit Committee Charter

Mr. Davis updated the Audit Committee on the completed audits for FY13 which included final reports being issued for eight audits and seven follow-up audits and a draft report being issued for one audit. In addition, IA is currently in the report writing phase for the eLearning audit.

Mr. Davis discussed Internal Audit's process, plan objectives and the University auditable units. In addition, the FY14 Audit Plan detailing the planned University units to be audited during the upcoming fiscal year was presented. The scheduled units for audit include: Risk Management and Safety, Voinovich Center, Education Abroad, Bursar, OIT-Information Security, OIT Applications-SIS, ICA Compliance and External Audit Compliance Testing. Follow-up audits for FY14 include: University College, eLearning Ohio, Graduate College, University Library, OIT-Lifecycle Management, OIT-On Base and Payroll and Tax Compliance. Additional audit time is budgeted for investigations, special projects and participation in committee meetings.

Mr. Davis discussed Internal Audit's role related to Intercollegiate Athletics (ICA) Compliance testing which includes performing audit procedures as outlined in the Association of College and University Auditors NCAA Division I Compliance Audit Guide. Internal Audit commenced audit testing during FY13 and will perform testing in FY14 related to Campus and Clinics, Extra Benefits and Student-Athlete Employment.

Discussion ensued regarding NCAA compliance and the reporting structure. Trustee Goodman requested that the reporting structure be reviewed in light of recent events at other institutions. The Audit Committee has asked President McDavis to review the reporting structure and return to the Committee with his recommendation regarding alternative compliance structure and reporting options.

The Audit Committee discussed the Internal Audit Plan Resolution and moved it forward to the full Board for approval.

INTERNAL AUDIT ANNUAL AUDIT PLAN

RESOLUTION 2013 - 3341

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 2013 through June 2014, 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.

Trustee Goodman moved to approve the Internal Audit Plan Resolution, seconded by Trustee Lake, all approved and the motion carried.

Mr. Davis and Mr. Golding provided an update regarding two of the previous audit findings related to the Plante and Moran audit in FY13 that indicated reporting to the US Department of Education was incomplete. Trustee Goodman stated that this issue was the result of the conversion to the Student Information System. The University responded and the DOE accepted the response. Because of the quick response of the University no penalties were levied.

Executive Committee Report

Open Meeting

Chair Anderson reported that Secretary Mather, Trustee King, and Chair Anderson attended the annual conference of the Association of Governing Boards and reports were made to the Committee to encourage other members of the Board to attend future conferences.

The Committee further discussed President McDavis' report with respect to the Promise Lives Campaign. The Committee also spoke about the new State Share of Instruction Funding formula, through which the University expects to see an increase in funding.

Consent: Honorary Degrees

Chair Anderson announced that two Honorary Degrees will be presented at commencement this year. One degree will go to Her Excellency Ambassador Tebelemo Mazile Seretse, and the second Honorary Degree will be presented to Raymon B. Fogg, Sr.

The Committee then moved into Executive Session to discuss personnel matters. The evaluation of President McDavis took place during this session, in which the Committee discussed with President McDavis his implementation of the University's Strategic Priorities. Chair Anderson indicated that the report on President McDavis' evaluation, which will be finalized for the August Board meeting. In summary, the Trustees believe Dr. McDavis is the right leader, at the right time, taking the University in the right direction. Mrs. McDavis' service was also discussed and the Committee expressed appreciation for her important work.

Resolution: To Re-Elect President McDavis

ELECTION OF PRESIDENT

RESOLUTION 2013 – 3342

RESOLVED that Roderick J. McDavis be elected President of Ohio University for the year beginning July 1, 2013, and ending June 30, 2014.

Chair Anderson moved for approval of the Resolution to re-elect President McDavis, seconded by Trustee Brightbill, all approved and the motion carried.

Resolution: To Re-Elect Treasurer Stephen Golding

ELECTION OF TREASURER

RESOLUTION 2013 – 3343

RESOLVED that Stephen Golding be elected Treasurer of Ohio University for the period beginning July 1, 2013, and ending June 30, 2014.

Chair Anderson moved for approval of the Resolution to re-elect Treasurer Stephen Golding, seconded by Trustee Wolfort, all approved and the motion carried.

Resolution: To Re-Elect Secretary Peter Mather

ELECTION OF SECRETARY

RESOLUTION 2013 – 3344

RESOLVED that Peter C. Mather be elected Secretary for the Board of Trustees beginning July 1, 2013, through June 30, 2014.

Chair Anderson moved for approval of the Resolution to re-elect Secretary Peter Mather, seconded by Trustee King, all approved and the motion carried.

Chair Anderson then directed the Board's attention to current business.

CONSENT AGENDA

Chair Anderson asked for a motion to approve all remaining items on the Consent Agenda.

Trustee Scholl moved for approval of all remaining items on the Consent Agenda, seconded by Trustee Brightbill, all approved and the motion carried.

FISCAL YEAR 2013-2014 eLEARNING AND OFF-CAMPUS GRADUATE PROGRAM INSTRUCTIONAL FEE, GENERAL FEE AND NON-RESIDENT SURCHARGE

RESOLUTION 2013 -- 3345

WHEREAS, the Ohio University 2013-2014 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, House Bill 59 allows the combined instructional and general fees for undergraduate students to increase by 2.0%, and

WHEREAS, the planning within the Athens Campus resulted in specific recommendations to combine rates for the Independent and Distance Learning programs into the eCampus Undergraduate program rate to create a single standard rate, to convert the rates for the Program for the Incarcerated to a similar hourly rate with a Specialized Services and Materials fee of \$100 to cover paper materials and mailing, and to reduce the Specialized Services and Materials fee for the MBA Online program from \$114 to \$80 since course materials and textbooks will no longer be provided.

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the 2013-14 Proposed Tuition Schedule - eCampus (Attachment A) and the reduction in the MBA Online program fee, effective Fall Semester 2013, unless otherwise noted.

**ADOPTION OF EMPLOYER PICKUP PLAN FOR OHIO PUBLIC
EMPLOYEES AND STATE TEACHERS RETIREMENT SYSTEM**

RESOLUTION 2013 -- 3346

WHEREAS, pursuant to Board of Trustees Resolution 1983-679, Ohio University committed to participation in the salary reduction employer pickup plan of employee contributions for both the Ohio Public Employees Retirement System (OPERS) and State Teachers Retirement System (STRS) at percentages authorized by Ohio Revised Code Sections 145.47 and 3307.26, respectively; and

WHEREAS, effective, July 1, 2013, Ohio University desires to continue to pickup and pay the total amount of employee contributions, at the rate in effect, pursuant to the statutes referenced above;

NOW THEREFORE, BE IT RESOLVED, the President is authorized to continue to implement the pickup of the employees' contributions to the OPERS and STRS for all eligible employees at the percentage rates authorized by law.

**APPROVAL OF PROJECT AND AUTHORIZATION TO DEVELOP
CONSTRUCTION DOCUMENTS, RECEIVE BIDS AND AWARD
CONSTRUCTION CONTRACTS FOR
HANING HALL NEW ELEVATOR and LAUSCHE HEATING PLANT
REPLACEMENT PRELIMINARY INFRASTRUCTURE**

RESOLUTION 2013 - 3347

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

- Haning Hall New Elevator with a total project budget of \$500,000 to be funded by state appropriations, and
- Lausche Heating Plant Replacement Preliminary Infrastructure with a total project budget of \$5 million. Funding from University reserves will be reimbursed from

a university bond issuance.

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 contracts within the total project budgets identified.

NAMING OF 7001 AND 7003 POST ROAD, DUBLIN OHIO

OHIOHEALTH MEDICAL EDUCATION BUILDING 1

and

OHIOHEALTH MEDICAL EDUCATION BUILDING 2

**IN HONOR OF OHIOHEALTH CORPORATION
PREEMINENT HEALTHCARE PARTNER, THE OHIO UNIVERSITY HERITAGE
COLLEGE OF OSTEOPATHIC MEDICINE**

RESOLUTION 2013 - 3348

WHEREAS, OhioHealth Corporation (OhioHealth) has provided steadfast support for Ohio University's efforts to expand the educational reach of its Heritage College of Osteopathic Medicine to central Ohio, and

WHEREAS, OU-HCOM, with OhioHealth as its preeminent healthcare partner, will embark on an educational enterprise—increasing the numbers of primary care physicians that will ultimately serve the healthcare needs of the citizens of Ohio, and

WHEREAS, OhioHealth has provided a generous gift that has aided in the development of the Ohio University Heritage College of Osteopathic Medicine central Ohio extension campus, and

WHEREAS, this commitment from OhioHealth as OU-HCOM's preeminent partner, is necessary for the establishment of the OU-HCOM central Ohio extension campus and represents a substantial shared commitment to the future of health care in the region that reflects the shared missions of service and dedication to the future of health care in Ohio by OhioHealth and Ohio University, and

WHEREAS, this gift will influence the Ohio University for many years as it seeks to transform the healthcare and medical education landscape of central Ohio.

NOW THEREFORE BE IT RESOLVED that the buildings at 7001 and 7003 Post Road, Dublin, Ohio, will henceforth be named, respectively, **OhioHealth Medical Education Building 2 and OhioHealth Medical Education Building 1.**

APPOINTMENT TO REGIONAL COORDINATING COUNCILS

RESOLUTION 2013 – 3349

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

Ohio University - Chillicothe

Rick A. McNelly

For a three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016, vice Tom Beard whose term expired.

Michael B. Haller

Reappointment of a second three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Bill McKell

Reappointment of a second three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Ohio University - Eastern

Andrew Hutyera

Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Tracey Lancione-Lloyd

Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

John Mattox Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Gerald Narcisi Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Deborah Hanson Shutler Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Keith Sommer Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Ohio University - Lancaster

Steve Wigton For a three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016, vice Mina Ubbing, whose term expired.

Carri Brown Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Mike Courtney Reappointment of a second three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Ohio University - Southern

James Payne Reappointment of a second three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Ohio University - Zanesville

Abby A. Nguyen For a three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016, vice Daniel Vincent, whose term expired.

James (J.P.) Feldner Reappointment of a third three-year term beginning July 1, 2013, and ending at the close of business June 30, 2016.

Stoey Stout

Reappointment of a second three-year term
beginning July 1, 2013, and ending at the close of business
June 30, 2016.

**TRANSFER OF INDIVIDUAL INTERDISCIPLINARY PROGRAM DEGREES
TO THE GRADUATE COLLEGE**

RESOLUTION 2013 – 3350

WHEREAS, the Graduate College was re-established as an academic unit in 2008, with part of its mission to foster interdisciplinary graduate education and research, and

WHEREAS, degrees awarded under the Individual Interdisciplinary Program are currently conferred by academic colleges other than the Graduate College, and

WHEREAS, the Individual Interdisciplinary Program was restructured by the Graduate Council in 2011 with the intention that it would be administered by the Graduate College, and

WHEREAS, the Graduate Council, which is made up of representatives from all of the colleges with graduate degree programs, has unanimously recommended that degrees under the Individual Interdisciplinary Program be awarded by the Graduate College.

NOW, THEREFORE, BE IT RESOLVED, that the Ohio University Board of Trustees recognizes the Ohio University Graduate College as a degree-conferring college, with responsibility for administration and conferral of degrees under the Individual Interdisciplinary Program, including the Master of Arts, Master of Science, and Doctor of Philosophy with Individual Program of Study.

**MAJOR AND DEGREE PROGRAM REVIEWS
LANCASTER CAMPUS – MEDICAL ASSISTING TECHNOLOGY**

RESOLUTION 2013 – 3351

WHEREAS, the continuous review of academic programs is essential to the maintenance of quality within an educational institution, and

WHEREAS, Ohio University has had for many years a rigorous program of internal review, and

WHEREAS, Section 67 of Am. Sub. H.B. 694 requires the college and university Board of Trustees to “initiate on-going processes for the review and evaluation of all programs of instruction presently conducted by the institutions for which they are responsible.”

THEREFORE, BE IT RESOLVED, that the Board of Trustees of Ohio University hereby accepts the program review for the Medical Assisting Technology program on the Lancaster campus.

**MAJOR AND DEGREE PROGRAM REVIEWS
COLLEGE OF HEALTH SCIENCES AND PROFESSIONS – APPLIED HEALTH
SCIENCES AND WELLNESS**

RESOLUTION 2013 – 3352

WHEREAS, the continuous review of academic programs is essential to the maintenance of quality within an educational institution, and

WHEREAS, Ohio University has had for many years a rigorous program of internal review, and

WHEREAS, Section 67 of Am. Sub. H.B. 694 requires the college and university Board of Trustees to “initiate on-going processes for the review and evaluation of all programs of instruction presently conducted by the institutions for which they are responsible.”

THEREFORE, BE IT RESOLVED, that the Board of Trustees of Ohio University hereby accepts the program review for the Applied Health Sciences and Wellness program within the College of Health Sciences and Professions.

**MAJOR AND DEGREE PROGRAM REVIEWS
PATTON COLLEGE OF EDUCATION –
DEPARTMENT OF COUNSELING AND HIGHER EDUCATION**

RESOLUTION 2013 – 3353

WHEREAS, the continuous review of academic programs is essential to the maintenance of quality within an educational institution, and

WHEREAS, Ohio University has had for many years a rigorous program of internal review, and

WHEREAS, Section 67 of Am. Sub. H.B. 694 requires the college and university Board of Trustees to “initiate on-going processes for the review and evaluation of all programs of instruction presently conducted by the institutions for which they are responsible.”

THEREFORE, BE IT RESOLVED, that the Board of Trustees of Ohio University hereby accepts the program review for the Department of Counseling and Higher Education program within the Patton College of Education.

**MAJOR AND DEGREE PROGRAM REVIEWS
PATTON COLLEGE OF EDUCATION –
DEPARTMENT OF EDUCATION STUDIES**

RESOLUTION 2013 – 3354

WHEREAS, the continuous review of academic programs is essential to the maintenance of quality within an educational institution, and

WHEREAS, Ohio University has had for many years a rigorous program of internal review, and

WHEREAS, Section 67 of Am. Sub. H.B. 694 requires the college and university Board of Trustees to “initiate on-going processes for the review and evaluation of all programs of instruction presently conducted by the institutions for which they are responsible.”

THEREFORE, BE IT RESOLVED, that the Board of Trustees of Ohio University hereby accepts the program review for the Department of Education Studies program within the Patton College of Education.

**MAJOR AND DEGREE PROGRAM REVIEWS
PATTON COLLEGE OF EDUCATION –
DEPARTMENT OF TEACHER EDUCATION**

RESOLUTION 2013 – 3355

WHEREAS, the continuous review of academic programs is essential to the maintenance of quality within an educational institution, and

WHEREAS, Ohio University has had for many years a rigorous program of internal review, and

WHEREAS, Section 67 of Am. Sub. H.B. 694 requires the college and university Board of Trustees to “initiate on-going processes for the review and evaluation of all programs of instruction presently conducted by the institutions for which they are responsible.”

THEREFORE, BE IT RESOLVED, that the Board of Trustees of Ohio University hereby accepts the program review for the Department of Teacher Education program within the Patton College of Education.

HONORARY DEGREE AWARD

RESOLUTION 2013 - 3356

WHEREAS, the University Committee on Honorary Degrees has recommended that Ohio University honor the person listed below through the conferral of an honorary degree,

**Her Excellency Ambassador Tebelelo Mazile Seretse
Honorary Doctor of Public Service**

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Ohio University approves the degree recommended be conferred at an appropriate time in the future.

Her Excellency Ambassador Tebelelo Mazile Seretse

Her Excellency Ambassador Seretse is the first woman appointed ambassador to the United States from Botswana. In this role, she has championed economic development through education and proven herself to be an unequalled advocate for the rights of women, young people, and the elderly.

Throughout her career, Ambassador Seretse has worked to open doors to allow for the elevation of women into positions of authority and the expansion and accessibility of education for all Botswana citizens. She played a primary role in the adoption and advancement of the UN Millennium Development Goals in Botswana. Additionally, she has been instrumental in the development and expansion of the educational system and infrastructure of Botswana, bringing free primary and secondary education to the entire populace.

Since visiting Ohio University several years ago, Ambassador Seretse has championed the relationship between Ohio University and Botswana – acting as a catalyst in creating and expanding opportunities for Ohio University faculty and students. Nowhere is this more apparent than the latest memorandum of understanding executed between the University of Botswana and Ohio University.

Ambassador Seretse’s career is a powerful, positive example of leadership placed in the service of compassion and inclusiveness. In the process of leading her country to an important role on the global stage, she has created enormous opportunities for her people and the students and faculty of Ohio University.

HONORARY DEGREE AWARD

RESOLUTION 2013 - 3357

WHEREAS, the University Committee on Honorary Degrees has recommended that Ohio University honor the person listed below through the conferral of an honorary degree,

Raymon B. Fogg, Sr.

Honorary Doctor of Humane Letters

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Ohio University approves the degree recommended be conferred at an appropriate time in the future.

Raymon B. Fogg

Ohio University alumnus Ray Fogg founded Fogg Building Methods in 1959 as a comprehensive, single-source construction, design and building management service. After 40 years of innovating the building industry with new development, contracting and financing services, Mr. Fogg has earned a reputation as the premier commercial builder

in northeastern Ohio. His company has built more than 3,700 buildings – many of which he personally designed – in the Cleveland area and owns five industrial parks developed by the firm.

In addition to his entrepreneurial endeavors, Mr. Fogg is a longtime humanitarian and philanthropist who serves on the boards of several service organizations. Over the course of his lifetime, he has made significant humanitarian contributions through charitable work in developing nations, including Guatemala, Honduras and Somalia. In these regions, his building expertise has had a profound effect on the local community and improving their quality of life through sound construction of homes, churches, schools and community spaces. Through the dedication of his time, talents and equipment at his disposal, he was able to make a significant impact on individual lives by providing emergency medical transportation, relief supplies and construction management services to communities in dire need of such assistance.

Mr. Fogg has been a Trustee of the Ohio University Foundation Board since 2002. His service to the board has been wide-ranging, from academic to financial and business counsel. With his support during the Ohio University Bicentennial Campaign, he became the fourth-highest Russ College donor in the campaign. These funds established the Raymon Fogg Professorship in Civil Engineering – a small piece of his more than \$750,000 in lifetime giving to OHIO – a strategy to support the critical need to recruit and retain outstanding faculty in the Russ College.

UNFINISHED BUSINESS

Chair Anderson asked if there was any unfinished business the Board and President McDavis confirmed there was none.

NEW BUSINESS

Chair Anderson asked if there was any new business the Board should attend to and President McDavis confirmed there was no new business.

COMMUNICATIONS, PETITIONS, AND MEMORIALS

Chair Anderson asked if there were any items to attend to and President McDavis stated there was one item for the Board.

Presentation of Certificate of Appreciation

President McDavis spoke about outgoing National Trustee Henry Heilbrunn's service to the University and presented him with a Certificate of Appreciation. Reading from the Certificate, President McDavis quoted:

A Certificate of Appreciation, Presented to Henry Heilbrunn, June 21, 2013, National Trustee 2010-2013.

- For your thoughtful dedication to your responsibilities as a National Trustee of Ohio University;
- For your unflagging interest in and commitment to matters of accountability, integrity, and fiscal responsibility throughout the University community;
- For your valuable expertise in helping the Ohio University community reshape the future of higher education through strategic planning and priority setting;
- For your commitment to quality and integrity in higher education, and for helping Ohio University grow its national prominence;
- For those personal and professional qualities which have garnered our highest admiration and esteem,

We thank you and affirm our appreciation. Conferred as a mark of esteem by the President and Board of Trustees, on this day, June 21, 2013.

ANNOUNCEMENT OF NEXT STATED MEETING DATE

Chair Anderson announced the next meeting of the full Board of Trustees will take place on August 29, 2013 at Columbus State Community College, with the Board Retreat to take place on August 30, 2013, also in Columbus.

ADJOURNMENT

Chair Anderson thanked the Board for their work and adjourned the meeting at 12:10pm.

APPENDIX



JOINT ACADEMICS / RESOURCES COMMITTEE MEETING OHIO UNIVERSITY – ATHENS CAMPUS Margaret M. Walter Hall, Governance Room June 20, 2013 –10:30 AM

The Trustees held a joint committee meeting yesterday morning, addressing three topics: The 2014 RCM budget; a Guaranteed Tuition Model; and a discussion of Debt Capacity.

RCM Budget

John Day, Associate Provost for Academic Budget and Planning and Chad Mitchell, the University Budget Director presented the FY14 Ohio University Budget, which will be the first University budget developed using Responsibility Centered Management (“RCM”) principles.

We received an overview of the FY2014 budget. The budget, which is tied to the University’s strategic priorities, includes high priority capital construction projects, salary increases for faculty and staff and attention to affordability concerns of students and their families.

We received a detailed status report on RCM, including a discussion of sources and uses. This also included a discussion on the adaptation of the infrastructure in terms of personnel, structure, and processes required to support successful RCM implementation.

In addition to presenting steps that have been taken to move to a successful RCM environment, Mr. Mitchell discussed next steps, which include analyzing the alignment of services with institutional needs; evaluating centralized versus decentralized delivery mechanisms; and the financial and analytic capabilities to support a successful RCM implementation.

Mr. Mitchell moved into a discussion of matters specific to the 2014 budget. He noted that the colleges will be held harmless in this transitional year. Several levels of discussions are being taken within and among colleges, with consultants, and between colleges and the university administration to ensure an effective transition. There was considerable discussion about these processes.

Mr. Mitchell pointed out that we are expecting moderate revenue growth from core sources: State Subsidy (2%) and Undergraduate Tuition (1.6%), and also discussed priorities related to expenditures. He showed revenues and expenses for the proposed FY2014 budget. He pointed out that the revenue and expense matrix includes indirect costs for the various units—this is the first time these costs have been reflected in the budget. Mr. Golding noted that the revenue and costs are not entirely predictable at this point, partly due to uncertainty about enrollment for the coming year.

The presentation provided important background information to the Board as we consider approval of the 2014 Budget at this meeting.

Guaranteed Tuition Program

Following the Budget and RCM presentation, Senior Vice President and Provost Pam Benoit then moved on the next item on the Joint Committee Agenda, The Ohio Tuition Guarantee proposal. This is the fifth presentation the Board has received on Guaranteed Tuition. Provost Benoit reviewed the rationale for the program, as well as a re-introduction of the basic concepts, including that this model includes a constant tuition rate over four years.

The Provost noted that the program would apply to all undergraduate students on the Athens Campus, and would exclude certain groups, including students under eLearning tuition and Continuing Education students. The proposal for locked in rates includes tuition and general fees, room & board, most course fees and other required fees, such as technology, orientation and graduation fees. Provost Benoit also mentioned that increasing financial aid is an additional, core aspect of this new tuition plan.

Provost Benoit discussed the establishment of cohort rates, which will be controlled by a formula that includes the consumer price index (CPI) and the legislatively mandated tuition cap. The trustees will establish the incoming cohort rates by March of each year.

The legislation under consideration is permissive, granting each institution's Board of Trustees the authority to adopt a Guaranteed Tuition program. Institutions will establish the parameters and guidelines for their own programs. The Ohio Board of Regents must then approve the program prior to the initial implementation.

Provost Benoit discussed other implementation issues and discussed the formation of an implementation team that will be charged with considering the policies and procedures necessary to implement the program.

Capital Improvement and Debt Discussion

Vice President Golding then discussed the final presentation regarding the Future Six Year Capital Improvement Plan and Update on the Capital Plan and Debt Capacity.

This meeting is in response to a discussion that occurred at the April Joint Committee meeting. At that time, Mr. Golding presented a 6-year Capital Improvement Plan that included a debt load of \$485 million. Trustee asked Mr. Golding to present a scenario with an additional \$100 million, or \$585 million in total.

This new scenario includes a focus on academic facilities and deferred maintenance costs. Mr. Golding discussed the accumulating costs of deferred maintenance, and provided specific estimated deferred maintenance-related costs given different investment options.

While the per gross square foot costs can be reduced through additional investments, those investments carry additional debt and associated risks.

Up to this point, the rating agencies have expressed appreciation of the University's measured and incremental approach to the utilization of additional debt. However, an additional \$100 million in debt over the next fiscal year carries certain risks. For example, over leveraging could lower the University's credit rating, which would carry additional interest costs.

Mr. Golding noted that this additional \$100 million issuance could potentially limit OU's additional debt capacity beyond FY18. He provided peer debt comparisons given different borrowing scenarios. These comparisons revealed that Ohio University is under-leveraged compared with its peers. Borrowing an additional \$100 million would move us from an institution that is among the least leveraged to being one of the most leveraged.

Mr. Golding's presentation was followed by a rich discussion about the Pros and Cons of moving forward with the additional investment. Based on the discussion, several members of the board expressed moving forward with the investment. Based on the discussion, Chair Anderson proposed that Mr. Golding return to the meeting in August with details on additional debt.

The meeting was adjourned by Chair Anderson at 1:05pm.



**ACADEMICS COMMITTEE MEETING
OHIO UNIVERSITY – ATHENS CAMPUS
Margaret M. Walter Hall, Governance Room
June 20, 2013 – 1:30 PM**

Committee Chair David Wolfort called the meeting to order at 1:40. Other Trustees present were Sandra Anderson, David Brightbill, Kevin B. Lake, David Scholl, Janelle Simmons, and Keith Wilbur. Faculty Senate Representative David Thomas was also present.

Academic Quality: Student Success

David Descutner, Dean and Executive Vice Provost for Undergraduate Education, provided an overview of university efforts to help undergraduate students complete degrees and to encourage them to make the most of their time at Ohio University. Dean Descutner pointed out that the university has an holistic approach to student success as evidenced by its mission statement. That statement affirms that the “intellectual and personal growth of the individual” is the central purpose of the University.

In order to help achieve this aim, the University has developed a number of interlocking strategies designed to set expectations, provide students assistance in meeting those expectations, and creating opportunities for students to set and achieve personal goals.

Dean Descutner described how the student success tactics selected by the University are based on national research on how best to support student success, on the Four Fundamentals that the key to Ohio University’s 4X4 strategic planning approach, and on data collection and analysis done by the Office of Institutional Research.

Dean Descutner then shared with the trustees a number of student success initiatives and programs that have been enhanced or developed since 2004. Some notable examples include:

- A comprehensive First Year Experience Program that includes a significantly improved Bobcat Student Orientation.
- A Learning Community Program that enrolls more than 2700 first year students as well as many faculty who teach first year seminars for these students and serve as their academic advisors.
- The President’s First Year Convocation.

Student success is an institution-wide responsibility and nearly every unit in the University contributes. Dean Descutner praised the work of colleagues who are dedicated to the effort to continually improve the experience of Ohio University students.

The presentation concluded with a discussion of the overarching University goals for student success, which include improvement in course completion, persistence/retention and graduation rates as well the

ability to track placement of graduates. Examples of specific measures in place to help achieve these goals are:

- Improved advising
- Enhanced first-year courses
- More effective interventions with targeted populations of first-year students, including first generation and veterans.
- Richer integration of colleges/schools with Student Affairs' offices including the Career and Leadership Center, Residence Life, and the Campus Involvement Center.

Core Values

Executive Vice President and Provost Pam Benoit outlined the process by which the University developed a set of core value statements. These value statements are intended to capture the fundamental ideals that should guide the work of Ohio University. Provost Benoit described how the core values emerged from discussions held over the past two years. She indicated that the process has been iterative and has involved the University leadership, the senates, and constituent groups across all of the campuses. The core value statements are:

- Excellence is our hallmark: outstanding people, ideas, and programs drive our educational mission.
- Integrity, civility, and diversity define our community: these values guide our leadership in a global society.
- Stewardship enhances our legacy: as Ohio's first institution of public higher education, we are mindful of our accountability to the public trust.

Promotion and Tenure

Provost Benoit presented the results of the annual faculty promotion and tenure process. Twenty-two faculty members were promoted to the rank of professor and 31 were awarded the rank of associate professor with tenure. Benoit praised the accomplishments of the faculty who advanced in rank and noted the significance of reaching these important professional milestones.

Fall 2013 Enrollment Update

Craig Cornell, Vice Provost for Enrollment Management, provided an update on the preliminary size and composition of the 2013 entering class. He also informed the trustees on the degree to which each of the enrollment variables aligned with goals established in the Strategic Enrollment Management Plan.

Overall, the enrollment picture looks strong, particularly for undergraduates. Vice Provost Cornell reported that in freshmen applications, admits and housing deposits the University has experienced increases over last year ranging from 19% to 12%.

Increases also were seen in the areas of transfer, international and multicultural students with the growth in the latter, up 45% in applications and 21% in housing deposits, making the University first in the state for this particular population.

Based on current information, Vice Provost Cornell also predicts that the academic quality of the incoming freshman class (based on ACT composite and high school GPA) will be equal to last year. Last year's class was one of the strongest academic classes ever admitted to the university.

Scholarship Task Force Update

Vice Provost Cornell also provided an update on the Scholarship Task Force for the Athens campus. He indicated that continued competitive pressures, limitations in the grid-based Gateway Award Program for the Athens and the desire to open new recruitment markets have begun to chip away at the efficacy and purchasing power of our student scholarships.

The need to effectively align our scholarship award programs with the Strategic Enrollment Management Plan, while taking into account increased competition for students and external pressure related to declining state and federal student support, motivated the formation of a Student Scholarship Task Force (SSTF). The SSTF was appointed and charged by Provost Benoit to review the university's current award program and to make recommendations about the next iteration of scholarship leveraging programs at Ohio University. The goal is to have the new approach to scholarships for the Athens campus ready for the Fall 2014 class.

Vice Provost Cornell indicated that the Student Scholarship Task Force has proposed the following parameters for a new scholarship program:

- A continued commitment to recruiting students with strong academic credentials.
- A continued commitment to need-based aid and affordability.
- A continued commitment to the facilitating the matriculation of students with need and strong academic credentials.
- A continued commitment to targeted awards as a means of encouraging the enrollment of underrepresented students and supporting programs of distinction, such as the Honors Tutorial College or the College of Fine Arts, which have specific requirements relating to academic achievement and/or artistic talent.

In addition, areas that needed to be considered in our development of new scholarship strategies were identified. These included:

- The importance of making student yield (i.e. the transition of admitted student to an enrolled student) a foundational element of our approach to student aid.
- Flexibility to allow for the consideration of a variety of factors in determining a student's aid package.
- The ability to adjust aid programs continually to keep up with increases in both inflation and student costs.
- Maximizing net tuition revenue by awarding the correct amount of aid that will limit both under- and over-awarding aid to students.

AQIP Update

Provost Benoit reminded the trustees that the University is preparing for reaffirmation of its accreditation with the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools. The reaffirmation process is scheduled to take place in 2015-16.

As was reported at a previous Board meeting, the criteria for accreditation have been significantly revised as of January 1, 2013. Provost Benoit indicated that at the last Board meeting, trustees were introduced to these new criteria and a presentation was given on HLC:

- Criterion 1: Mission. Provost Benoit provided a brief introduction to HLC
- Criterion 2: Integrity: Ethical and Responsible Conduct.

Criterion 2 requires that the University demonstrate that it acts with integrity and that its conduct is ethical and responsible. There are 5 core components of the criterion:

- f) The institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows fair and ethical policies and processes for its governing board, administration, faculty, and staff.
- g) The institution presents itself clearly and completely to its students and to the public with regard to its programs, requirements, faculty and staff, costs to students, control, and accreditation relationships.
- h) The governing board of the institution is sufficiently autonomous to make decisions in the best interest of the institution and to assure its integrity.
- i) The institution is committed to freedom of expression and the pursuit of truth in teaching and learning.
- j) The institution ensures that faculty, students, and staff acquire, discover, and apply knowledge responsibly.

The University will need to demonstrate its commitment to each of these components during the reaffirmation process.

University Dashboard

Lack of time prevented Provost Benoit from giving the full University Dashboard presentation but she did comment on the decline in the six-year graduation rate (from 69% in 2004 to 65% in 2005).

Provost Benoit pointed out that the decrease in the graduation rate was related to a decline in retention rates in previous years. She also indicated that an increased transfer out rate, which reflects the fact that students are becoming increasingly mobile when it comes to seeking their degrees, affected the graduation rate. Finally, Provost Benoit noted that despite the drop, Ohio University is still third in the state when it comes to graduation rates.

Consent Agenda

The following consent agenda items were recommended for approval:

- Tab 20: Consent Agenda, Regional Higher Education Coordinating Council Appointments
- Tab 26: Consent Agenda, Graduate College Awarding IIP Degree
- Tab 27: Consent Agenda, Program Review – Lancaster Campus Medical Assisting Technology
- Tab 28: Consent Agenda, Program Review – CHSP Applied Health Sciences & Wellness
- Tab 29: Consent Agenda, Program Review – Patton College Department of Counseling and Higher Education
- Tab 30: Consent Agenda, Program Review – Patton College Department of Education Studies

- Tab 31: Consent Agenda, Program Review – Patton College Department of Teacher Education



**RESOURCES COMMITTEE MEETING
OHIO UNIVERSITY – ATHENS CAMPUS
Margaret M. Walter Hall, Room 125/127
June 20, 2013 – 1:30 PM**

Committee Chair Janetta King called the meeting to order at 1:45 pm. Other board members present included Trustee Victor Goodman, Trustee Cary Cooper, Trustee Pat Campbell, Alumni Representative Bill Hilyard, Student Trustee Amanda Roden, Faculty Representative Judith Lee, and President Roderick J. McDavis.

Sources & Uses – April Interim VP Golding introduced Kris Sano, Deputy Controller, who prepared the Sources & Uses materials for this board meeting in place of Julie Allison, who is serving as project lead for the Service Alignment Initiative. VP Golding opened the presentation by referencing the RCM Joint Session discussion and promised that budget vs. actual will be a meaningful presentation in the future due to the changes evolving with the all-funds RCM budgeting implemented for FY2014. Projections for the 2013 year-end net operating results were based on the April, 2013 balances and result in \$771M in projected revenues, \$712M in projected expenditures for a net \$59.5M to the bottom-line.

VP Golding reviewed the nature of the projected fund balances - \$34.5M in unrestricted fund balance and \$25M in restricted, nondiscretionary grants, contract and plant funds. \$23.8M of the unrestricted fund balance pertains to the Athens campus with major contributors to the bottom line of

- \$26M in tuition and fees revenue mainly attributed to continued increases in eLearning and the practice of budgeting 98% of tuition and fees;
- \$19M in investment income due to favorable market performance in FY13; annual investment income is not budgeted continuing a decision made after the 2008 market demise; and,
- Favorable eLearning revenues are offset by significant increases in the costs of course content services reflected in the Professional Services expenditure line.

The balances attributed to Auxiliaries, College of Medicine, Regional campuses are held by those units for their strategic plans and capital expenditures. The Provost uses balances resulting from eLearning activities to sustain eLearning and for other priority academic initiatives.

In summary, VP Golding reminded trustees that the ‘net from operations’ for last 3 years, have provided the net resources that have made the level of debt issuance to date possible. This is the way we’ve been able to deal with the capital and infrastructure needs of the campus.

Trustee Campbell requested a presentation on eLearning due to the larger presence and the different infrastructure necessary to support that unit. The eLearning impact on a residential campus was also discussed as it pertains to our capital improvement plans and the physical campus. An upcoming eLearning presentation will be discussed with the Provost as a possible item for a future joint Resources and Academics meeting.

Resolution: FY2014 Budget Approval VP Golding reminded the committee that the details of the FY 2014 Budget were reviewed during the morning's Joint Session. The resolution to approve the all-funds operating budget is attached for board approval.

The committee recommended moving the FY 2014 Budget resolution to the full Board for approval. Trustee Goodman moved; Trustee Cooper provided the second; unanimously carried.

Consent: eLearning and Off-Campus Graduate Rate Changes VP Golding stated that the resolution will provide board approval of a single standard rate for eCampus programs, a rate conversion for the Program for the Incarcerated to a similar hourly rate with materials fee, and a reduction in materials fees for MBA online program. All the fees have been reviewed and recommended for approval by the Fee Committee of the university.

Consent: OPERS and STRS Retirement System Rates VP Golding discussed that board action is necessary to update to current statutory rates. This language will tie the current contribution rates to the Ohio Revised Code sections that authorize the contribution rates.

The pension rate changes in the future for state retirement systems is a completely different issue and is still being worked on at the state level. This meeting's retirement system rates resolution has nothing to do with those changes.

Consent: Guaranteed Tuition Program VP Golding reminded the committee that the details of the Tuition Guarantee Program were reviewed during the morning's Joint Session. The resolution to adopt the OHIO tuition guarantee program as outlined in Sub. H.B. No. 59, with the condition that it is approved by the Ohio Legislature and signed into law by Governor John Kasich, is attached for board approval.

Trustee King asked that this resolution be taken off the consent agenda and discussed in the full board meeting tomorrow due to the significance of the changes being proposed. She praised the depth of the discussions that have occurred over this fiscal year leading up to board action to be taken tomorrow.

The Committee recommended moving the Guaranteed Tuition resolution to the full Board for approval. Trustee Goodman moved; Trustee Cooper provided a second; unanimously carried.

Resolution: FY 2014 Capital Improvement Plan VP Golding introduced Harry Wyatt, Associate Vice President for Facilities. Mr. Wyatt noted that the FY 2014 CIP is a snapshot in time of the planned projects for the coming fiscal year. Mr. Wyatt provided a brief update on the recent projects that have been completed or are in process – many of these projects were viewed on the morning's Trustee tour. Mr. Wyatt walked through each item of the FY 2014 Annual CIP, briefly reviewing updates for projects that are continuing into next year and providing background on the projects being presented for the first

time. As the projects move forward, the board will take action on specific approvals greater than \$500,000 and any future debt issuances.

Trustee King commented on how beneficial the campus tour was in providing context for this agenda item and the FY 2014 CIP approval. There was discussion of the board approvals to date on certain projects such as the Housing Development Plan – VP Golding explained that with longer lived, phased projects the board has more than one approval.

The Committee recommended moving the FY 2014 Capital Improvement Plan resolution to the full Board for approval. Trustee Goodman moved; Trustee Cooper provided the second; unanimously carried.

Lausche Heating Plant Replacement Plan Mr. Wyatt introduced Mike Gebeke, Executive Director Facilities, to present the progress on the Lausche replacement plan. Mr. Gebeke discussed the need for a reliable plant due to Lausche having met its useful life. Also EPA regulations, rising costs of coal, the university's desire to end the use of coal on campus, and expansion of chilled water are all being addressed in the plant replacement plan. The plant siting is most efficient next to the existing infrastructure and at some point in the future may be able to service O'Bleness hospital.

Mr. Gebeke discussed the physical components of the new natural gas powered plant and the redundancy that will be built in to handle down times. By-products of the process will be recycled for additional power generation resulting in an 85% efficiency rating. The plans for this plant meet the needs of the campus for the 20 year capital plan and Mr. Gebeke expressed that the university will be poised for future developments in utility production that might come about. Payback for the co-generation component is less than 10 years.

Requests for Qualifications (RFQs) were due in May and based on the results of the RFQs, Requests for Proposal will be made of the top three contractors. It is anticipated that a resolution will come to the Board at their October meeting for project approval.

Emeritus engineering professor Chuck Overby was in attendance at the Resources Committee meeting. Over the course of his career, Mr. Overby has been a champion and contributor to this technology, proposing co-gen technology back in 1982. He praised the board's decision to move forward with this technology.

Consent, Construction Projects

Mr. Wyatt discussed the two projects that are included on the resolution for board approval: Haning Hall New Elevator and Lausche Heating Plant Replacement Preliminary Infrastructure.

Series 2013 Bond Issuance Update

VP Golding introduced Director of Debt Management, Beth Greene. Ms. Greene informed the committee that the University priced the \$145 million tax-exempt bond issue on May 22, 2013 structured as "net premium" bonds generating \$161 million in proceeds as follows

- \$121 million for new campus projects;
- \$25 million to refinance the Series 2004 Bonds; and,

- \$14 million to restructure the Series 2001 Bonds.

The Bonds achieved an “all-in true interest cost” of 3.91% - for the \$121 million for new campus projects the all-in true cost is 3.95%. The pricing date of May 22 was at the beginning of the recent rising interest rate market – since that time interest rates have risen 60 bps so the university did quite well in the market. In addition, the University’s credit ratings of “Aa3/A+” with a stable outlook were reaffirmed by Moody’s and Standard and Poor’s, respectively.

There was a brief discussion on gifted capital construction and whether the annual operating costs should also be covered through a gifted endowment prior to taking on additional square footage. These discussions are very worthwhile to continue on campus but it is difficult to incorporate into the giving discussions since the endowment required to generate annual spending allowances would be significant.

Trustee Campbell requested that copies of the Series 2013 Debt Issuance prospectus be provided to each of the board members as a great primer for future bond activity. Ms. Greene will provide the prospectuses tomorrow.

Consent, Dublin Extension Campus Naming VP Golding reviewed the resolution which provides for the naming of two buildings located at 7001 and 7003 Post Road on the Dublin Extension Campus in honor of OhioHealth Corporation in accordance with the applicable gift agreement.

University Dashboard VP Golding shared the University Dashboard and remarked that various academic indicators were being presented in detail by the Provost during the Academics Committee discussion.

Regarding a question about the planning for the percentage of Group I faculty, VP Golding noted that during the budget hearings there were updates on the Deans staffing plans – the Provost would be the most informed on this topic.

Capital Campaign Update

Vice President for Advancement, Bryan Benchoff, provided an update for the Capital Campaign noting campaign contributions totaling \$424.5 million toward the \$450 million goal as of May 28, 2013, with today’s total at nearly \$425.25 million. \$425 million was the target for FY2013 year-end and that has been achieved! College campaign attainment, the sources of gifts, and the areas supported by the gifts were reviewed.

VP Benchoff focused on Alumni Demographics, indicating that 190,700 out of 201,500 living alumni are ‘reachable’ with good domestic addresses; 115,000 of those in Ohio. The majority of the 200,000 living alumni are 50 years old or less, heading into their peak earning years which should bode well for future fund raising.

The demographic information informs fund raising decisions and President McDavis recommended the same data be shared with the Admissions Office to inform their recruiting efforts. The Non-Ohio Metro Area concentrations of alumni happen to correspond with the decisions on where to purchase media packages.

Meeting adjourned at 3:23 p.m.



GOVERNANCE COMMITTEE MEETING
OHIO UNIVERSITY – ATHENS CAMPUS
Margaret M. Walter Hall, Room 125
June 20, 2013 – 3:30 PM

In attendance were Chair KB Lake, Trustees Anderson, Wolfort, Scholl, Simmons and Heilbrunn, Student Trustee Roden, Secretary to the Board Peter Mather and General Counsel John Biancamano.

1. National Trustee Update

Dr. Mather presented the President's recommendation for the new national trustee to replace Trustee Heilbrunn. Peggy Viehweger is a Graduate of the College of Arts and Sciences and a member of the Foundation Board. The Committee reviewed her background and was impressed with her qualifications. Trustee Scholl made a motion to nominate Ms. Viehweger. Trustee Simmons seconded. The Committee voted unanimously to recommend her to the full Board to fill the National Trustee vacancy

2. New Trustee Orientation and Board Retreat

The Committee discussed the schedule for the new trustee orientation. Dr. Mather distributed the schedule from the 2012 orientation. It was a half-day session held the day before the Board retreat in August. This year, the orientation will be held in Athens on August 28. The Board meeting will be at Columbus State on August 29, followed by the retreat on the 30th.

The Committee discussed the possibility of having the orientation before the June meeting in future years. It was noted that the June meeting agenda is usually pretty full with the budget and other end-of-year financial issues. There was a consensus that August is the best time for the retreat.

The Committee discussed the substance of the retreat. The following topics were suggested:

- a. Shared governance;
- b. Faculty and staff compensation;
- c. The President's 5 year priorities and how they extend into our long term strategic vision for the University;
- d. Where do we want the university to be in 2020;
- e. Do we have a sustainable business model.

There was general agreement that the retreat should focus on long-term strategic issues. The Committee discussed the possibility of bringing in a facilitator from the Association of Governing Boards.

At the conclusion of the discussion, the Committee asked Dr. Mather to consult with President McDavis and Chair Anderson, using the suggestions from the Committee to develop the retreat agenda.

The meeting adjourned at 4:53 p.m.



**AUDIT COMMITTEE MEETING
OHIO UNIVERSITY – ATHENS CAMPUS
Margaret M. Walter Hall, Room 127
June 20, 2013 – 3:30 PM**

Trustee N. Victor Goodman, called the meeting to order at 3:39 p.m. Other committee members present were Trustee Cary Cooper, Trustee William Hilyard, Trustee Janetta King, National Trustee J. Patrick and Student Trustee Keith Wilbur. President Roderick McDavis and Trustee Brightbill were also present.

Compliance Update - OIT Information Security

Brice Bible, Chief Information Officer and Matthew Dalton, Director, Information Technology Security, presented on the operations of the OIT Information Security Office (ISO) in continuation of the compliance presentation series for the Audit Committee. Mr. Dalton's presentation included general history and overview of information technology at Ohio University, the structure and function of the ISO, as well as compliance items and standards. Discussion ensued regarding encryption, security requirements and risk management for the University community in relation to current policies and practices.

Plante and Moran FY13 Audit Update

Plante and Moran, the external auditor, made a presentation to the Board on the ongoing FY13 Audit. Danny Sklenicka of Plante and Moran provided an update related to the interim work currently in process and the future deadlines related to the external audit submission to the Auditor of State. Discussion ensued regarding the implementation of GASB 68 related to the presentation on the financial statements.

Internal Audit Update

Chief Audit Executive, Jeffrey Davis, provided an update on the Internal Audit (IA) Office operations which included:

- Audit Status Update
- Audit Process
- FY14 Audit Plan and Schedule
- ICA Compliance Audit

- Audit Committee Charter

Mr. Davis updated the Audit Committee on the completed audits for FY13 which included final reports being issued for eight audits and seven follow-up audits and a draft report being issued for one audit. In addition, IA is currently in the report writing phase for the eLearning audit.

Discussion ensued regarding NCAA compliance and the reporting structure. The Audit Committee Chair requested that the reporting structure be reviewed in light of current events at other institutions.

Mr. Davis discussed Internal Audit's process, plan objectives and the University auditable units. In addition, the FY14 Audit Plan detailing the planned University units to be audited during the upcoming fiscal year was presented. The scheduled units for audit include: Risk Management and Safety, Voinovich Center, Education Abroad, Bursar, OIT-Information Security, OIT Applications-SIS, ICA Compliance and External Audit Compliance Testing. Follow-up audits for FY14 include: University College, eLearning Ohio, Graduate College, University Library, OIT-Lifecycle Management, OIT-On Base and Payroll and Tax Compliance. Additional audit time is budgeted for investigations, special projects and participation in committee meetings.

Mr. Davis discussed Internal Audit's role related to ICA Compliance testing which includes performing audit procedures as outlined in the Association of College and University Auditors NCAA Division I Compliance Audit Guide. Internal Audit commenced audit testing during FY13 and will perform testing in FY14 related to Campus and Clinics, Extra Benefits and Student-Athlete Employment.

Mr. Davis provided a brief overview of the Audit Committee Charter which details the committee oversight and responsibilities related to external audit, internal audit, internal controls and compliance.

The Audit Committee discussed the Internal Audit Plan Resolution. Trustee King moved to place the Internal Audit Plan Resolution to full Board and Trustee Cooper seconded the motion.

Mr. Davis and Mr. Golding provided an update regarding two of the previous audit findings related to the Plante and Moran audit in FY13.

There was no unfinished business.

Meeting adjourned at 5:05 p.m.



**EXECUTIVE COMMITTEE MEETING
OHIO UNIVERSITY – ATHENS CAMPUS
Ohio University Inn – John W. Galbreath Room 127
June 21, 2013 – 7:30 AM**

Chair Anderson called the meeting to order at 7:38am.

Association for Governing Boards Annual Conference

Trustee King, Chair Anderson, and Secretary Mather reported on their experience at the Association for Governing Boards Conference in April in San Francisco. Trustees were encouraged to attend this annual meeting in the future. Secretary Mather will provide dates and location information for the 2014 Conference.

Promise Lives Campaign

President McDavis shared news on the Promise Lives Campaign, and expressed confidence that the University is on track to meet Campaign goals.

State Share of Instruction Funding Update

President McDavis announced good news on SSI; it appears that Ohio University is benefiting more than expected from the new formula. This was a result of strong graduation rates, apparently helped by the quarter to semester transition. Trustee Goodman noted the importance of paying attention to how the regional campuses were affected by the emphasis on program completion within the new SSI formula.

The Election of President, Treasurer, and Secretary

Resolutions were moved to the full Board meeting for action.

Honorary Degree Awards

Secretary Mather presented two nominees for honorary degrees: Her Excellency Ambassador Tebelelo Mazile Seretse and Raymon B. Fogg, Sr. Resolutions for the conferral of these degrees were moved forward as part of the Consent Agenda.

UMA/AMA Merger and Ohio Health

Mr. John Biancamano and Dr. Ken Johnson provided an overview of the relationship between OhioHealth and Ohio University. The presentation included a discussion of the Heritage College's Dublin Campus. They also noted that Ohio Health is taking over the management of O'Bleness Hospital. This change will include transitioning the Nelsonville hospital to an urgent care facility.

Mr. Biancamano described new collaborations between UMA and AMA, and the implications for how this will affect the educational mission of UMA. The University has retained Price Waterhouse as a consultant in this transition. Student health will be operated by the merged entity.

Executive Session was entered at 8:43am by roll call vote for the purposes of compensation and real estate matters.

Executive Session was exited at 9:37, and the meeting was adjourned.