NEW ISSUE

In the opinion of Peck, Shaffer & Williams LLP, Bond Counsel, under existing law (i) interest, including original issue discount, on the captioned bonds (the “Series 2008G Bonds”), is excludible from gross income of the holders thereof for purposes of federal income taxation and (ii) interest on the Series 2008G Bonds is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, all subject to the qualifications described herein under the heading “TAX MATTERS”. Receipt of interest on the Series 2008G Bonds is also exempt from certain taxes in Ohio (see “TAX MATTERS” herein).

The University has deemed this Official Statement to be final for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(3).

$19,210,000
UNIVERSITY OF CINCINNATI
General Receipts Bonds,
Series 2008G

Dated: Date of Issuance

Principal is payable each June 1 as shown on the cover page hereof. Semi-annual interest is payable June 1 and December 1, commencing June 1, 2009 at The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio. The Series 2008G Bonds are issuable as fully registered bonds without coupons.

<table>
<thead>
<tr>
<th>Principal Payment Date (June 1)</th>
<th>Amount</th>
<th>Interest Rate</th>
<th>Yield</th>
<th>CUSIP No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$1,125,000</td>
<td>4.00%</td>
<td>3.20%</td>
<td>914119 NL2</td>
</tr>
<tr>
<td>2012</td>
<td>1,685,000</td>
<td>4.00%</td>
<td>3.60%</td>
<td>914119 NM0</td>
</tr>
<tr>
<td>2013</td>
<td>1,755,000</td>
<td>4.00%</td>
<td>3.92%</td>
<td>914119 NN8</td>
</tr>
<tr>
<td>2014</td>
<td>1,820,000</td>
<td>4.00%</td>
<td>4.15%</td>
<td>914119 NP3</td>
</tr>
<tr>
<td>2015</td>
<td>1,895,000</td>
<td>4.25%</td>
<td>4.38%</td>
<td>914119 NR9</td>
</tr>
<tr>
<td>2016</td>
<td>1,975,000</td>
<td>5.00%</td>
<td>4.70%</td>
<td>914119 NS7</td>
</tr>
</tbody>
</table>

2011 $1,125,000 4.00% 3.20% 914119 NL2 2017 $1,670,000 5.00% 5.02% 914119 NX6
2012 1,685,000 4.00 3.60 914119 NM0 2017 400,000 5.50 5.02 914119 NS7
2013 1,755,000 4.00 3.92 914119 NN8 2018 175,000 5.00 5.27 914119 NY4
2014 1,820,000 4.00 4.15 914119 NP3 2018 2,000,000 5.50 5.27 914119 NT5
2015 1,895,000 4.25 4.38 914119 NQ1 2019 2,295,000 5.25 5.56 914119 NU2
2016 1,975,000 5.00 4.70 914119 NR9 2020 2,415,000 5.50 5.78 914119 NV0

The Series 2008G Bonds are subject to optional redemption, as described herein.

The Series 2008G Bonds are to be secured by a lien on and payable from the General Receipts (as defined on page 6 herein) of the University, on a parity with the $909,185,000 (which includes $17,000,000 General Receipts Bond Anticipation Notes, Series 2008H (the “Series 2008H Notes”), anticipated to be issued on or about the same day as the Series 2008G Bonds but does not include $30,000,000 General Receipt Bond Anticipation Notes, Series 2008A, which will be refunded by the Series 2008G Bonds and the Series 2008H Notes) of outstanding Obligations, as described herein, issued pursuant to a Trust Agreement dated as of May 1, 1974, as supplemented, which was amended and restated in its entirety by the Amended and Restated Trust Agreement dated as of May 1, 2001 between the University of Cincinnati (the “University”) and The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio, Trustee (the “Trustee”).

The Series 2008G Bonds will be issuable under a book-entry system, registered in the name of The Depository Trust Company (“DTC”) or its nominee. There will be no distribution of Series 2008G Bonds to the ultimate purchasers. See “BOOK-ENTRY ONLY METHOD” herein.

The University is a state university of the State of Ohio. The Series 2008G Bonds are not obligations of the State of Ohio, and not general obligations of the University and the faith and credit of the University is not pledged to the payment thereof. The Series 2008G Bonds are payable from the General Receipts of the University. Certain receipts of the University, including State appropriations, are excluded from General Receipts. The holders and owners of the Series 2008G Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of principal, interest or any premium.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2008G Bonds are offered when, as and if issued and received by the Underwriters, subject to the unqualified approval of legality by Peck, Shaffer & Williams LLP, Cincinnati, Ohio. Certain legal matters will be passed upon for the University by Thompson Hine LLP and for RBC Capital Markets Corporation, by Baker & Hostetler LLP. It is expected that the Series 2008G Bonds in definitive form will be available for delivery in New York, New York through DTC, on or about December 18, 2008.

This Official Statement dated December 12, 2008
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APPENDIX A - The University of Cincinnati
APPENDIX B - Summary of Restated Trust Agreement
APPENDIX C - Form of Legal Opinion of Bond Counsel

- i -
The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide certain information with respect to the issuance of $19,210,000 General Receipts Bonds, Series 2008G of the University of Cincinnati (the “University”), Cincinnati, Ohio.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of Series 2008G Bonds to potential investors is made only by means of the entire Official Statement.

The Issuer

The Series 2008G Bonds are being issued by the University, a state university of the State of Ohio.

Sources of Payment for the Series 2008G Bonds

The Series 2008G Bonds are payable from and secured by a lien on the General Receipts of the University. The Series 2008G Bonds are not obligations of the State of Ohio and are not general obligations of the University, and the faith and credit of neither the University nor the State shall be pledged to the payment thereof, and the holders and the owners of the Series 2008G Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of principal, interest or any premium. The Series 2008G Bonds are not obligations of the State of Ohio, and not general obligations of the University and the faith and credit of the University is not pledged to the payment thereof. The Series 2008G Bonds are payable from the General Receipts of the University. Certain receipts of the University, including State appropriations, are excluded from General Receipts.
Purpose of the Series 2008G Bonds

The net proceeds of the Series 2008G Bonds will be used to (a) current refund $18,000,000 of the University’s General Receipts Bond Anticipation Notes, Series 2008A (the “Prior Notes”) which were originally issued to finance the following early project expenditure projects: (i) utility energy savings projects ($8,000,000), (ii) Scioto Residence Hall upgrades ($5,000,000) and (iii) Morgens Residence Hall upgrades ($5,000,000), (b) pay capitalized interest and (c) pay costs of issuance.

Description of the Series 2008G Bonds

The Series 2008G Bonds are subject to optional redemption as herein described (see “Optional Redemption” herein).

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2008G Bonds. The Series 2008G Bonds are fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered Series 2008G Bond certificate will be issued for each maturity and will be deposited with DTC.

The Series 2008G Bonds will be issued under a book entry system, registered in the name of DTC or its nominee. There will be no distribution of Series 2008G Bonds to the ultimate purchasers (see “BOOK-ENTRY ONLY METHOD” herein).

Tax Matters

In the opinion of Peck, Shaffer & Williams LLP, Bond Counsel, under existing law, (i) interest on the Series 2008G Bonds is excludible from gross income of the holders thereof for purposes of federal income taxation and (ii) interest on the Series 2008G Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, all subject to the qualifications described herein under the heading “TAX MATTERS”. Receipt of interest on the Series 2008G Bonds shall also be exempt from certain taxes in Ohio.

See Appendix C hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the Series 2008G Bonds.

Parties to the Issuance of the Series 2008G Bonds

The University of Cincinnati is the issuer of the Series 2008G Bonds. Counsel for the University is Thompson Hine LLP, Cincinnati, Ohio. The Trustee for the Series 2008G Bonds is The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio. Legal matters with regard to the tax-exempt status of the interest of the Series 2008G Bonds are subject to the approving legal opinion of Peck, Shaffer & Williams LLP, Cincinnati, Ohio, Bond Counsel. The Underwriter for the Series 2008G Bonds is RBC Capital Markets Corporation, Cincinnati, Ohio. Certain legal matters will be passed upon for the Underwriter by Baker & Hostetler LLP.
Authority for Issuance

Issuance of the Series 2008G Bonds is authorized pursuant to general laws of the State of Ohio, particularly Chapter 3345 of the Ohio Revised Code (the “Act”). The Ohio Board of Regents approved the pledge of fees to secure the Series 2008G Bonds on December 3, 2008. The Series 2008G Bonds are being issued pursuant to the Act and the resolution of the University’s Board of Trustees (the “Board”), adopted September 23, 2008 (the “Bond Resolution”). See “AUTHORITY” herein.

Disclosure Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement and continuing disclosure documents of the University are intended to be made available through one or more repositories. Copies of the basic documentation relating to the Series 2008G Bonds, including the authorizing resolution and the note forms, are available from the Trustee.

The University has deemed this Official Statement to be final for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(3).

Additional Information

Additional information concerning this Official Statement, as well as copies of the basic documentation relating to the Series 2008G Bonds, is available from RBC Capital Markets Corporation, 300 Mercantile Library Building, 414 Walnut Street, Cincinnati, Ohio 45202-3910, (513) 621-2000, through the offering period for the Series 2008G Bonds.
REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2008G Bonds of the University. No dealer, broker, salesman or other person has been authorized by the University to give any information or to make any representation, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the University. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2008G Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the University since the date hereof.

The Series 2008G Bonds have not been registered by the University under any federal or state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity or agency (except the University) will have, at the request of the University, passed upon the accuracy or adequacy of this Official Statement or approved the Series 2008G Bonds for reoffering.

All financial and other information presented in this Official Statement has been provided by the University from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the University. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

Insofar as the statements contained in this Official Statement involve matters of opinion or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty. No representation is made that any of such statements have been or will be realized, and such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information may not be current; however, attempts were made to date and document sources of information.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code (the “Revised Code”) or uncodified, or to the provisions of the Ohio Constitution or the University’s resolutions, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed or supplemented.

As used in this Official Statement, “debt service” means principal of, interest and any premium on, the obligations referred to, and “State” or “Ohio” means the State of Ohio.
AUTHORITY

The issuance of the Series 2008G Bonds was authorized pursuant to general laws of the State of Ohio, particularly Section 3345.12 of the Ohio Revised Code (the “Act”). The Series 2008G Bonds were issued pursuant to the Act and the Amended and Restated Trust Agreement dated as of May 1, 2001 (the “Restated Trust Agreement”) by and between the University and The Bank of New York Mellon Trust Company, N.A., Cincinnati, Ohio, as Trustee.

In 1974, the predecessor of the University and The Fifth Third Bank (which later sold its corporate trust business to The Bank of New York Mellon Trust Company, N.A.), as Trustee, entered into a Trust Agreement dated as of May 1, 1974 (the “Original Agreement”). Upon conversion from a municipally owned institution to a state-owned institution on July 1, 1977, the duties and obligations of the predecessor of the University under the Original Trust Agreement, as supplemented, were assumed by the Board of Trustees of the University, pursuant to the terms of the Third Supplemental Trust Agreement dated as of July 1, 1977. The Original Trust Agreement incorporated the General Bond Resolution, adopted by the Board of Directors of the predecessor of the University on May 7, 1974, under which the University issued multiple series of its Bonds.

On May 16, 2001, the University supplemented and amended the Original Trust Agreement in its entirety when the University and the Trustee executed and delivered the Restated Trust Agreement. The terms and provisions of the Restated Trust Agreement control both outstanding Bonds and all obligations of the University issued pursuant to the Restated Trust Agreement. Please see “THE TRUST AGREEMENT” herein.

Under the Act, the University is authorized to construct auxiliary facilities and educational facilities, both defined under the Act (herein the “University Facilities”), borrow money to pay for such construction, and repay or restore moneys advanced for that purpose from other funds of the University. It is empowered to issue, on behalf of the University, bonds and notes in anticipation of the issuance of bonds, said notes and bonds to be secured by a pledge of and lien on the General Receipts, as hereafter defined, of the University, provided said notes and bonds are not general obligations of the State. The Series 2008G Bonds were issued under the foregoing authority and are special obligations of the University, acting by and through the Board.

The University is a state university, which is a body politic and corporate and an instrumentality of the State of Ohio. The Series 2008G Bonds are not obligations of the State of Ohio and are not general obligations of the University and the faith and credit of the University is not pledged to the payment thereof, and the holders and owners of the Series 2008G Bonds have no right to have excises or taxes levied by the General Assembly for the payment of principal, interest or any premium. Certain receipts of the University, including appropriations, are excluded from General Receipts. The Series 2008G Bonds are payable from the General Receipts of the University.

SECURITY

Payment of the principal and interest on the Series 2008G Bonds is secured by a pledge of the General Receipts of the University (as defined below), which amounted in Fiscal Year 2008 to $473,147,000. The pledge of the General Receipts secures all outstanding Obligations of the University issued under the Restated Trust Agreement on a parity basis. Obligations are defined in the Restated Trust Agreement as the University’s Bonds and Notes. Additional Obligations may be issued by the University under the Restated Trust Agreement, and such additional Obligations will be secured by a
pledge of the General Receipts on a parity with the pledge securing the then outstanding Obligations, provided, among other things, that the General Receipts for the most recently completed Fiscal Year are at least one and one-half times the Maximum Annual Debt Service on all Obligations outstanding and to be outstanding after the issuance of the Obligations then under consideration.

The University has General Receipts Bond Anticipation Notes outstanding in the amount of $66,055,000 ($30,000,000 Series 2008A Notes and $36,055,000 Series 2008E Notes) which have been issued under the Restated Trust Agreement and are secured by a pledge of the General Receipts on parity with the pledge securing other outstanding Obligations. $18,000,000 of the Series 2008A Notes will be current refunded from the proceeds of the Series 2008G Bonds and it is anticipated that the remaining $12,000,000 of the Series 2008A Notes will be current refunded and an additional $5,000,000 issued on or about the date of the issuance of the Series 2008G Bonds through the issuance of the University’s Series 2008H Notes.

The General Receipts of the University are defined as all moneys received by the University, except: (i) moneys raised by state appropriations and taxation, (ii) any grants, gifts, donations and pledges and receipts therefrom which under restrictions imposed in the grant or promise thereof or as a condition of the receipt thereof are not available for payment of Debt Service Charges, and (iii) any special fee charged pursuant to Section 154.21(D) of the Ohio Revised Code and receipts therefrom.

Rate Covenant

The University has covenanted in the Restated Trust Agreement that so long as any Obligations are outstanding, the University will fix, make, adjust and collect such fees, rates, rentals, charges, and other items of General Receipts so that there will inure to the University General Receipts, in view of other revenues and resources available to the University, sufficient (i) to pay Debt Service Charges then due or to become due in the current Fiscal Year, (ii) to pay all costs and expenses required to be paid under the Restated Trust Agreement and (iii) all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University.

Optional Redemption

The Series 2008G Bonds stated to mature on or after June 1, 2019 are subject to redemption at the option of the University in whole or in part on any date on or after December 1, 2018, on thirty days notice, at the price of the principal amount redeemed plus accrued interest to the redemption date. The University shall have the right to choose specific maturities of Series 2008G Bonds for optional redemption and if less than all of a maturity is to be called for redemption, the Trustee shall select which Series 2008G Bonds in that maturity are to be redeemed by lot in such manner as determined by the Trustee.

PURPOSE OF SERIES 2008G BONDS

The net proceeds of the Series 2008G Bonds will be used to (a) current refund $18,000,000 of the Prior Notes, (b) pay capitalized interest and (c) pay costs of issuance. The net proceeds of the Prior Notes were used to finance the following early project expenditure projects: utility energy savings projects ($8,000,000), upgrades to Scioto Residence Hall ($5,000,000) and upgrades to Morgens Residence Hall ($5,000,000).
### ESTIMATED SOURCES AND USES OF FUNDS

**Sources:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series 2008G Bonds</td>
<td>$19,210,000.00</td>
</tr>
<tr>
<td>Net Original Issue Discount</td>
<td>(12,789.45)</td>
</tr>
<tr>
<td>University Contribution</td>
<td>$585,000.00</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>$19,782,210.55</strong></td>
</tr>
</tbody>
</table>

**Uses:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escrow for Prior Notes</td>
<td>$18,585,000.00</td>
</tr>
<tr>
<td>Costs of Issuance, including Underwriter’s Discount</td>
<td>$191,801.52</td>
</tr>
<tr>
<td>Capitalized Interest</td>
<td>$1,005,409.03</td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td><strong>$19,782,210.55</strong></td>
</tr>
</tbody>
</table>

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
The following table presents for each bond year ending June 1, the amount required for the payment of principal due on the University’s outstanding Bonds whether by maturity or mandatory redemption, for the payment of interest on said Bonds, and for the total debt service on said Bonds. The table also presents the annual Debt Service Charges for the University’s outstanding notes, determined in accordance with the provisions of the Restated Trust Agreement. The General Receipts of the University for the year ending June 30, 2008, were $473,147,000. Maximum Debt Service on all Obligations is $78,848,549.42 (2018). Coverage of maximum debt service on all Obligations for the fiscal year 2018 would be 6.00 times (based on General Receipts of $473,147,000).

**AMORTIZATION SCHEDULE**

<table>
<thead>
<tr>
<th>Bond Year Ending June 1</th>
<th>General Receipts Bonds Series 2008G Bonds</th>
<th>General Receipts Bonds Other than Series 2008G Bonds*</th>
<th>General Receipts Bond Anticipation Notes**</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Principal</td>
<td>Interest</td>
<td>Subtotal</td>
</tr>
<tr>
<td>2009</td>
<td>$413,046.53</td>
<td>$413,046.53</td>
<td>$60,768,775.97</td>
</tr>
<tr>
<td>2010</td>
<td>$912,250.00</td>
<td>$912,250.00</td>
<td>$68,234,840.65</td>
</tr>
<tr>
<td>2011</td>
<td>$1,125,000.00</td>
<td>$2,037,250.00</td>
<td>$67,222,900.65</td>
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<tr>
<td>2012</td>
<td>$1,685,000.00</td>
<td>$2,552,250.00</td>
<td>$67,622,800.91</td>
</tr>
<tr>
<td>2013</td>
<td>$1,755,000.00</td>
<td>$2,554,850.00</td>
<td>$69,849,966.64</td>
</tr>
<tr>
<td>2014</td>
<td>$1,820,000.00</td>
<td>$2,549,650.00</td>
<td>$69,413,716.87</td>
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<tr>
<td>2015</td>
<td>$1,895,000.00</td>
<td>$2,551,850.00</td>
<td>$69,912,689.36</td>
</tr>
<tr>
<td>2016</td>
<td>$1,975,000.00</td>
<td>$2,551,312.50</td>
<td>$68,554,128.77</td>
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<tr>
<td>2017</td>
<td>$2,070,000.00</td>
<td>$2,547,625.50</td>
<td>$71,578,837.09</td>
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<tr>
<td>2018</td>
<td>$2,175,000.00</td>
<td>$2,547,062.50</td>
<td>$72,211,486.92</td>
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<tr>
<td>2019</td>
<td>$2,295,000.00</td>
<td>$2,548,312.50</td>
<td>$66,758,527.15</td>
</tr>
<tr>
<td>2020</td>
<td>$2,415,000.00</td>
<td>$2,547,825.00</td>
<td>$64,207,866.25</td>
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<tr>
<td>2021</td>
<td>$70,251,124.48</td>
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<td>$74,341,124.48</td>
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<tr>
<td>2022</td>
<td>$62,226,508.19</td>
<td></td>
<td>$66,316,508.19</td>
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<tr>
<td>2023</td>
<td>$57,142,213.16</td>
<td></td>
<td>$61,232,213.16</td>
</tr>
<tr>
<td>2024</td>
<td>$53,982,685.10</td>
<td></td>
<td>$58,072,685.10</td>
</tr>
<tr>
<td>2025</td>
<td>$46,671,003.87</td>
<td></td>
<td>$50,761,003.87</td>
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<tr>
<td>2026</td>
<td>$43,346,231.25</td>
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<td>$47,436,231.25</td>
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<tr>
<td>2027</td>
<td>$36,527,937.75</td>
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<td>$40,617,937.75</td>
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<tr>
<td>2028</td>
<td>$35,716,913.96</td>
<td></td>
<td>$39,806,913.96</td>
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<tr>
<td>2029</td>
<td>$34,891,782.57</td>
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<td>$38,981,782.57</td>
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<tr>
<td>2030</td>
<td>$24,909,593.78</td>
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<td>$28,999,593.78</td>
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<tr>
<td>2031</td>
<td>$24,890,662.47</td>
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<td>$28,980,662.47</td>
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<tr>
<td>2032</td>
<td>$9,922,415.87</td>
<td></td>
<td>$14,012,415.87</td>
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<tr>
<td>2033</td>
<td>$9,946,309.60</td>
<td></td>
<td>$14,036,309.60</td>
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<tr>
<td>2034</td>
<td></td>
<td></td>
<td>$9,961,874.98</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$19,210,000.00</td>
<td>$7,103,221.53</td>
<td>$26,313,221.53</td>
</tr>
</tbody>
</table>

* General Receipts Variable Rate debt assumed rate of 3.75%.
** Remaining $12,000,000 of Series 2008A BANs (after 2008G refunding) $5,000,000 of Series 2008H BANs (to be issued December 2008), and $36,055,000 Series 2008E BANs, totaling $53,055,000, converted to 25 year bonds using most recent Bond Buyer 20 Index (December 11 – 5.85%).
The University has $111,025,000 of capital lease obligations which have been issued as certificates of participation and a $42,700,000 obligation with respect to the financing of two projects for the King Highland Community Urban Redevelopment Corporation (“King Highland”) (see “THE UNIVERSITY -- Other Indebtedness” herein). While the University’s lease obligations are payable from the University’s General Receipts, they are not secured by a pledge of the General Receipts and the certificate holder’s and King Highland’s claim on the General Receipts is subordinate to that of holders of both the University’s Obligations. Coverage of maximum annual debt service for all Obligations and the University’s certificates of participation and lease obligations with respect to King Highland for the fiscal year 2018 would be approximately 5.27 times (based on General Receipts of $473,147,000).

BOOK-ENTRY ONLY METHOD

The information in this section concerning The Depository Trust Company (“DTC”) and DTC’s book-entry only system has been obtained from DTC and the University takes no responsibility for the completeness or accuracy thereof. The University cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal, or premium, if any, with respect to the Series 2008G Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Series 2008G Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its partnership nominee, as the registered owner of the Series 2008G Bonds, or that they will so do on a timely basis or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

Owners of book-entry interests in the Series 2008G Bonds will neither receive nor have the right to receive physical delivery of the Series 2008G Bonds and will not be or be considered to be, and will not have any rights as, registered owners (“Holders”) of Series 2008G Bonds under the Trust Agreement.

The following information on the Book-entry Only System applicable to the Series 2008G Bonds has been supplied by The Depository Trust Company, New York, New York, and none of the University, the Underwriter or Bond Counsel, make any representations, warranties or guarantees with respect to its accuracy or completeness.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2008G Bonds. The Series 2008G Bonds will be issued as securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered Series 2008G Bond certificate for each maturity will be issued in the aggregate principal amount of the Series 2008G Bond and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities
certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC also subsidiaries of DTCC) as well as by The New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2008G Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2008G Bonds on DTC’s records. The ownership interest of each actual purchaser of each of the Series 2008G Bonds (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Series 2008G Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2008G Bonds, except in the event that use of the book-entry system for the Series 2008G Bonds is discontinued.

To facilitate subsequent transfers, all Series 2008G Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by DTC. The deposit of the Series 2008G Bonds with DTC and their registration in the name of Cede & Co. do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2008G Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2008G Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2008G Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2008G Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2008G Bonds. For example, Beneficial Owners of Series 2008G Bonds may wish to ascertain that the nominee holding the Series 2008G Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Series 2008G Bonds are being redeemed, DTC’s practice is to determine by lot the amount of interest of each Direct Participant to be redeemed.
Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2008G Bonds unless authorized by a Direct Participant in accordance with DTC’s procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the University as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Series 2008G Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2008G Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts, upon DTC’s receipt of funds and corresponding detail information from the University or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or the Bond Registrar, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as Securities Depository with respect to the Series 2008G Bonds, at any time by giving reasonable notice to the University or the Bond Registrar. Also, the University may determine that continuation of a securities depository/book-entry relationship is not in the best interests of the Holders of the Series 2008G Bonds. Under such circumstances, in the event that a successor Securities Depository is not obtained, Series 2008G Bond certificates are required to be and will be printed and delivered.

THE UNIVERSITY OF CINCINNATI

One of the nation’s largest institutions of higher learning, the University of Cincinnati was founded in 1819 with the first charter granted by the State in 1870. The University’s Uptown campus is located on a 202-acre tract in the residential Clifton area of the City, approximately 2 miles north of downtown Cincinnati. Its physical plant includes 81 principal structures on the Uptown Campus, a portion of which is leased from the City of Cincinnati under a long-term lease. The acreage and buildings housing the College of Applied Science (which is located at the site of the former Edgecliff College, approximately 2 miles from the Uptown campus) are included in the Uptown campus numbers. The university has two satellite branches operating out of 12 principal structures on separate campuses totaling 223 acres. The University also has several smaller sites which are not a part of the campuses listed above, including the Hazelwood Botanical Preserve, Cincinnati and Mitchel Observatories, the Campus Services Building, the Campus Receiving Building, the Center Hill Complex, the Genome Research Institute Complex, One Stetson Square, Turner Center and the Central Utility Plant. They represent a total of 22 principal buildings located on 137 acres. Total replacement cost of all its real and personal property (excluding land costs) was estimated by the University’s insurers to be in excess of $3.9 billion as of July 2008.

The University, formerly city owned, became a state university on July 1, 1977. The University is composed of 14 colleges and two schools. Its total enrollment in the Fall Quarter of 2008 was 37,072 students. The University has approximately 2,471 full-time faculty members, and its total faculty
numbered 4,411 for the Fall Quarter of 2008. The University has been designated in long-range planning by the Ohio Board of Regents as one of only two comprehensive graduate public universities in the State. As of June 30, 2008, the market value of the endowment fund of the University exceeded $1 billion.

The University carries out its rigorous scholarship and research mission while maintaining a deep commitment to accessible education. Over 37,000 students pursue success in hundreds of academic programs in the sciences, arts, humanities, and professional disciplines. The University’s programs are highly regarded. Programs that are ranked in the Top 10 by U.S. News and World Report include: Cooperative Education (4th), Criminal Justice (3rd), College of Medicine Pediatrics (3rd), Paleontology (7th), Interior Design (3rd), Industrial Design (6th), Opera/Voice (3rd), Musical Conducting (5th), Music (6th), Music Composition (9th), and Orchestra/Symphony (9th). The Architecture and Interior Design programs are ranked No. 1 by the Almanac of Architecture and Design. Research funding has grown rapidly and exceeds $300 million, including affiliates. The University has strong research relationships with other institutions and with industry, including Cincinnati Children’s Hospital Medical Center, the Health Alliance of Greater Cincinnati, Procter & Gamble, General Electric, Wright Patterson Air Force Base, and others. The National Science Foundation ranked the University 28th of public universities and 50th out of all universities for Federally financed R&D expenditures.

Reserves on Bonds

Certain Bonds issued under the Original Trust Agreement are secured by reserve funds which total $8,679,339 (the “Existing Reserve Fund”). While the Series 2008G Bonds are secured by a pledge of the General Receipts which is on a parity with the pledge securing all other Obligations issued under the Original Trust Agreement, as amended and restated by the Restated Trust Agreement, they are not secured by the Existing Reserve Fund and no other reserve has been established for them. Future obligations issued under the Restated Trust Agreement may be secured by a reserve if the University decides to do so.

Other Indebtedness

The University, as of October 31, 2008, had $3,778,503 of financing obligations outstanding for equipment located in various departments, had a capital lease obligation of $8,580,000 for the University’s Edwards Center, a capital lease obligation of $64,030,000 to finance the costs of the University’s University Center project and a capital lease obligation of $38,145,000 to finance the costs of the Jefferson Avenue Residence Complex (“Jefferson Avenue”). The obligations issued for equipment are unsecured except for an interest in the equipment. In addition, the University has capital lease obligations in connection with the financing of two buildings (One Stetson Square $32,745,000 and the Turner Center $9,955,000) which are owned by King Highland Community Urban Redevelopment Corporation (“King Highland”) and will be occupied, all or in part, by the University. The financing was effected by the issuance of economic development revenue bonds by the County of Hamilton, Ohio (the “King Highland Bonds”). The leases for the University Center, the Edwards Center and Jefferson Avenue constitute unconditional obligations of the University to make lease payments which pay principal and interest on certain certificates of participation issued by The Bank of New York Mellon Trust Company, N.A., as trustee, through the final maturity of such certificates to the extent of the University’s General Receipts. The leases for One Stetson Square and the Turner Center also constitute unconditional obligations to make lease payments which pay the principal and interest on the King Highland Bonds. The University has not pledged its General Receipts to the payment of these leases nor has the University pledged its General Receipts to the payment of such Certificates of Participation, and holders of the Series 2008G Bonds have a prior and superior claim to the General Receipts than does King Highland and the trustee for the holders of such Certificates of Participation.
Future Financings

At the time of the issuance of the Series 2008G Bonds and the Notes, the University will have $36,055,000 of Series 2008E Notes outstanding. The Series 2008E Notes, represent $19,610,000 of “Interim Notes” and $16,445,000 of notes issued in advance of the receipts of gifts for the Gettler Stadium, Varsity Village and CCM projects.

Interim Debt is a short-term financing tool which permits the University to construct projects in advance of the receipt of State capital appropriations. Under the Board of Regents’ system of formula capital allocations to each campus, it is possible to forecast future biennial allocations of capital from the State. This permits the University to finance and commence work locally and pay off the local interim financing with State capital appropriations as they are received.

Since 1997 when the interim debt program began, the University’s Board of Trustees has authorized a total of $269,635,980 of Interim Debt obligations. The University has issued $129,637,463 of Interim Debt; changed the purpose of $1,670,000 of Interim Debt to other projects; retired $105,257,538 of the Interim Debt at maturity; and anticipates issuing an additional $37,195,081 of Interim Debt. The University has decided, for timing and other reasons, not to issue the balance of $101,133,436 of the Interim Debt. It’s Interim Debt currently outstanding is for the CARE/MSB Rehabilitation/Eden Quad project (issued within the Series 2008E Notes), and for Biennium 2011/2012 Basic Renovations (issued within the Series 2008H Notes).

As of September 30, 2008, the University has appropriated State funds of $55,100,000 for future capital expenditures. Funding has been allocated to the following projects: MSB Rehabilitation, Basic Renovation funding (Uptown Campus, Clermont College, Raymond Walters College), Instructional Equipment, Barrett Cancer Center and Raymond Walters College Expansion.

The University received $30,200,000 as the Capital Component Formula Allocation for the 2009-2010 biennium. In addition, the University also received $11,500,000 for Basic Renovations and $1,900,000 for Instructional Equipment.

Since October 29, 1992, the University has issued $522,620,000 of its Series R Bonds to refund various series of its General Receipts Bonds. On March 18, 2008, the University authorized $350,000,000 of additional Series R Bonds. The University intends to issue all or a portion of the remaining Series R Bonds when market conditions are such that it is economically advantageous to the University to refund certain of its outstanding General Receipts Bonds.

On July 17, 2007, the Board of Trustees approved amending and restating the General Receipts Obligations authority for the early phases of CARE/MSB Rehabilitation/Eden Quad projects, from an amount not to exceed $169,300,000 to an amount not to exceed $410,000,000. This new authorization provides the debt authority necessary to complete the planned future phases of the MSB Rehabilitation portion of the total project. Debt is planned to be issued over a decade long period to correspond with the project construction schedule. The University has issued the following debt series for this project to date: $40,000,000 of its Series 2004A Bonds, $40,000,000 of its Series 2004B Bonds (refunded with the issuance of the Series 2008C Bonds), $14,000,000 of its Series 2007A Bonds, $19,610,000 of its Series 2007B Bonds (refunded with the issuance of the Series 2008E Notes - Interim Debt) and $59,400,000 of the Series 2007G Bonds. A total of $17,285,021 of Interim Debt has been issued and retired with the receipt of state capital appropriations. There is a total of $219,704,979 debt authority remaining for the project.
On July 17, 2007, the Board of Trustees authorized its General Receipts Obligations in an amount not to exceed $5,000,000 to finance “Interim Debt” for Basic Renovations biennium 2011-12. $5,000,000 of the Series 2008H Bond Anticipation Notes are being issued by this authority.

On September 23, 2008, the Board of Trustees authorized its General Receipts Obligations for the following amounts and projects: $3,500,000 for Kettering North Wing Demolition and Site Restoration; $6,700,000 for Roof Replacements; $5,600,000 for Morgens Residence Hall Upgrades; $5,600,000 for Scioto Residence Hall Upgrades; and $8,800,000 for Utility Energy Savings Projects. These projects are currently being funded with proceeds from “Early Project Expenditures Notes”. The Series 2008G Bonds are being issued pursuant to this authority ($8,000,000 Utility Energy Savings Projects, $5,000,000 Morgens Residence Hall Upgrades, and $5,000,000 Scioto Residence Hall Upgrades).

The University is continuously reevaluating the capital needs of its various campuses and is contemplating the issuance of General Receipts Notes or Bonds to finance various capital improvements and construction projects. Because the plans for these projects have not yet been finalized, the respective schedules and the portions of the respective projects to be financed by the issuance of debt have not yet been determined.

FINANCIAL INFORMATION

The University’s financial statements for its fiscal years ending June 30, 2007 and 2008 have been prepared by the University and audited by the University’s independent auditors. The following Statement of Revenues, Expenses and Changes in Net Assets for the Fiscal Year Ended June 30, 2008 and June 30, 2007 and the Statement of Net Assets as of June 30, 2008 and June 30, 2007 were extracted from the Financial Statements of the University. The Financial Statements for fiscal year 2007-2008 are available by contacting the University at: Office of the Controller, University of Cincinnati, PO Box 210157, Cincinnati, Ohio 45221-0157. The financial statements for years 2007 and 2008 also are available on the University’s internet website at http://www.uc.edu/af/finserv/controller_home.html.
University of Cincinnati
Statement of Revenues, Expenses and Changes in Net Assets
For the Years Ended June 30, 2008 and 2007
(in thousands)

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>University</th>
<th>University Related Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
<td>2007</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008</td>
</tr>
<tr>
<td>Operating revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student tuition and fees, net</td>
<td>$272,910</td>
<td>$260,005</td>
</tr>
<tr>
<td>Federal grants and contracts</td>
<td>144,273</td>
<td>144,124</td>
</tr>
<tr>
<td>State and local grants and contracts</td>
<td>6,580</td>
<td>5,568</td>
</tr>
<tr>
<td>Nongovernmental grants and contracts</td>
<td>17,485</td>
<td>14,174</td>
</tr>
<tr>
<td>Sales and services of educational departments</td>
<td>66,041</td>
<td>58,645</td>
</tr>
<tr>
<td>Auxiliary enterprises:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential life</td>
<td>30,139</td>
<td>27,391</td>
</tr>
<tr>
<td>Athletics, net</td>
<td>15,380</td>
<td>13,384</td>
</tr>
<tr>
<td>Other Auxiliary enterprises</td>
<td>36,866</td>
<td>36,264</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>4,828</td>
<td>5,633</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>591,542</td>
<td>560,806</td>
</tr>
<tr>
<td>EXPENSES</td>
<td></td>
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<tr>
<td>Operating expenses:</td>
<td>283,503</td>
<td>285,671</td>
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<tr>
<td>Instruction</td>
<td>157,843</td>
<td>155,247</td>
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<tr>
<td>Research</td>
<td>57,247</td>
<td>56,992</td>
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<td>Public Service</td>
<td>63,944</td>
<td>66,306</td>
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<tr>
<td>Academic Support</td>
<td>37,722</td>
<td>37,188</td>
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<tr>
<td>Student Services</td>
<td>79,064</td>
<td>77,034</td>
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<tr>
<td>Institutional Support</td>
<td>63,360</td>
<td>61,499</td>
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<td>Operation Maintenance and Plant</td>
<td>23,630</td>
<td>24,474</td>
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<tr>
<td>Scholarships and Fellowships</td>
<td>78,363</td>
<td>77,309</td>
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<tr>
<td>Auxiliary Expenses</td>
<td>87,765</td>
<td>87,460</td>
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<td>Depreciation</td>
<td></td>
<td></td>
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<tr>
<td>Total operating expenses</td>
<td>533,941</td>
<td>526,900</td>
</tr>
<tr>
<td>Operating loss</td>
<td>(234,499)</td>
<td>(357,094)</td>
</tr>
<tr>
<td>NONOPERATING REVENUES (EXPENSES)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State appropriations</td>
<td>193,814</td>
<td>185,864</td>
</tr>
<tr>
<td>Federal and state grants (non-exchange)</td>
<td>27,633</td>
<td>24,494</td>
</tr>
<tr>
<td>Gifts, including $27,926 in FY08 and $22,927 in FY07</td>
<td>56,310</td>
<td>46,336</td>
</tr>
<tr>
<td>from the University Foundation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income, net</td>
<td>72,739</td>
<td>69,311</td>
</tr>
<tr>
<td>Increase (decrease) in fair value of investments</td>
<td>(96,616)</td>
<td>(166,478)</td>
</tr>
<tr>
<td>Interest on capital asset-related debt</td>
<td>(41,256)</td>
<td>(40,248)</td>
</tr>
<tr>
<td>Gain (loss) on disposal of assets</td>
<td>(1,136)</td>
<td>1,659</td>
</tr>
<tr>
<td>Payments to University of Cincinnati</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other nonoperating expenses</td>
<td>(464)</td>
<td>(11,511)</td>
</tr>
<tr>
<td>Net nonoperating revenue</td>
<td>211,016</td>
<td>433,766</td>
</tr>
<tr>
<td>Income (loss) before other revenues, expenses, gains or losses</td>
<td>(123,483)</td>
<td>76,672</td>
</tr>
<tr>
<td>Capital appropriations</td>
<td>39,362</td>
<td>8,778</td>
</tr>
<tr>
<td>Capital grants and gifts</td>
<td>1,228</td>
<td>2,675</td>
</tr>
<tr>
<td>Additions to permanent endowments</td>
<td>37,688</td>
<td>16,966</td>
</tr>
<tr>
<td>Increase (decrease) in net assets</td>
<td>(45,225)</td>
<td>103,091</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets - beginning of year</td>
<td>1,920,740</td>
<td>1,865,049</td>
</tr>
<tr>
<td>Net assets - end of year</td>
<td>1,525,515</td>
<td>1,970,740</td>
</tr>
</tbody>
</table>
# University of Cincinnati

**Statement of Net Assets**

As of June 30, 2008 and 2007

*(in thousands)*

<table>
<thead>
<tr>
<th></th>
<th>University</th>
<th>University Related</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
<td>2007</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$75,285</td>
<td>$90,075</td>
</tr>
<tr>
<td>Investments</td>
<td>53,916</td>
<td>11,097</td>
</tr>
<tr>
<td>Accounts and pledges receivable, net</td>
<td>67,683</td>
<td>47,058</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,061</td>
<td>1,806</td>
</tr>
<tr>
<td>Deposits with bond trustees</td>
<td>4,920</td>
<td>780</td>
</tr>
<tr>
<td>Notes receivable, net</td>
<td>3,266</td>
<td>2,869</td>
</tr>
<tr>
<td>Other assets</td>
<td>494</td>
<td>17,048</td>
</tr>
<tr>
<td>Total current assets</td>
<td>207,565</td>
<td>170,733</td>
</tr>
<tr>
<td>Noncurrent assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>53,591</td>
<td>33,122</td>
</tr>
<tr>
<td>Accounts and pledges receivable, net</td>
<td>10,151</td>
<td>23,737</td>
</tr>
<tr>
<td>Deposits with bond trustees</td>
<td>10,423</td>
<td>7,975</td>
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<tr>
<td>Endowment investments</td>
<td>1,659,527</td>
<td>1,183,723</td>
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<tr>
<td>Notes receivable, net</td>
<td>33,282</td>
<td>29,620</td>
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<tr>
<td>Other long-term investments</td>
<td>390,454</td>
<td>389,545</td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>1,469,215</td>
<td>1,070,743</td>
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<tr>
<td>Total noncurrent assets</td>
<td>3,062,443</td>
<td>3,129,465</td>
</tr>
<tr>
<td>Total assets</td>
<td>3,270,008</td>
<td>3,300,198</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>153,761</td>
<td>158,014</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>40,429</td>
<td>29,669</td>
</tr>
<tr>
<td>Long-term liabilities - current portion</td>
<td>65,403</td>
<td>138,811</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>259,595</td>
<td>326,494</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>3,228</td>
<td>10,076</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>29,779</td>
<td>31,055</td>
</tr>
<tr>
<td>Refundable advances for federal loans</td>
<td>26,276</td>
<td>26,311</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>1,025,617</td>
<td>935,532</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>1,084,900</td>
<td>1,002,964</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,344,493</td>
<td>1,329,458</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>425,967</td>
<td>478,971</td>
</tr>
<tr>
<td>Restricted for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonexpendable</td>
<td>1,202,523</td>
<td>1,265,492</td>
</tr>
<tr>
<td>Expendable</td>
<td>391,590</td>
<td>413,063</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>(124,565)</td>
<td>(186,786)</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$1,925,515</td>
<td>$1,870,740</td>
</tr>
</tbody>
</table>

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THE TRUST AGREEMENT

The terms and provisions of the Restated Trust Agreement control both outstanding Bonds and all obligations of the University issued pursuant to the Restated Trust Agreement. Please see “SUMMARY OF RESTATED TRUST AGREEMENT” attached hereto as Appendix B.

RISK FACTORS

It is possible under certain market conditions, or if the financial condition of the University should change, that the market price of the Series 2008G Bonds could be adversely affected. If the rating on the Series 2008G Bonds is changed, it is possible that the market price of the Series 2008G Bonds could be adversely affected. See “RATINGS” below. In addition, please see “State Appropriations” in Appendix A attached to the Official Statement.

CONTINUING DISCLOSURE

In accordance with the Securities and Exchange Commission Rule 15c2-12 (the “Rule”) and so long as the Series 2008G Bonds are outstanding, the University has agreed pursuant to a Continuing Disclosure Certificate dated as of December 18, 2008, to be delivered on the date of initial delivery of the Series 2008G Bonds, to provide certain information pursuant to such Continuing Disclosure Certificate. The University has agreed to provide to each nationally recognized municipal securities information repository or to the Municipal Securities Rulemaking Board (“MSRB”) and to the state information depository, if any, notice of the occurrence of the following events, if material, with respect to the Series 2008G Bonds:

(a) Principal and interest payment delinquencies;
(b) Non-payment related defaults;
(c) Unscheduled draws on debt service reserves reflecting financial difficulties;
(d) Unscheduled draws on credit enhancements reflecting financial difficulties;
(e) Substitution of credit or liquidity providers, or their failure to perform;
(f) Adverse tax opinions or events affecting the tax-exempt status of the security;
(g) Modifications to rights of security holders;
(h) Note calls, except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event;
(i) Defeasances;
(j) Release, substitution or sale of property securing repayment of the securities;
(k) Rating changes; and
(l) The cure of any payment or nonpayment related default.

The Continuing Disclosure Certificate provides noteholders with certain enforcement rights in the event of a failure by the University to comply with the terms thereof; however, a default under the Continuing Disclosure Certificate does not constitute a default under the Bond Resolution. The Continuing Disclosure Certificate may be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein. Bondholders are advised that the Continuing Disclosure Certificate, copies of which are available at the office of the Trustee, should be read in its entirety for more complete information regarding its contents.
The University has delivered continuing disclosure certificates or agreements for each issue of bonds and notes it has issued since the effective date of the Rule and it is in compliance with its undertakings in such continuing disclosure certificates and agreements.

For purposes of this transaction with respect to events as set forth in the Rule:

(a) there are no debt service reserve funds applicable to the Series 2008G Bonds;
(b) there are no liquidity providers applicable to the Series 2008G Bonds; and
(c) there is no property securing the repayment of the Series 2008G Bonds.

RATINGS

As noted on the cover page of this Official Statement, Moody’s and S&P have assigned the Series 2008G Bonds the ratings of “A2” and “A+” respectively. Any explanation of the significance of such ratings may only be obtained from the rating agency furnishing the same. There is no assurance that such rating will be maintained for any given period of time or that it may not be raised, lowered or withdrawn entirely by the rating agency, if, in its judgment, circumstances so warrant. Any downward change in or withdrawal of such ratings may have an adverse effect on the price at which the Series 2008G Bonds may be resold.

UNDERWRITING

The Series 2008G Bonds are being purchased for reoffering by RBC Capital Markets Corporation (the “Underwriter”) at an aggregate purchase price of $19,089,058.25. The initial public offering price of the Series 2008G Bonds is $19,197,210.55. The Contract of Purchase provides that the Underwriter will purchase all of the Series 2008G Bonds if any are purchased.

The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

The Underwriter may offer and sell the Series 2008G Bonds to certain dealers (including dealers depositing the Series 2008G Bonds into investment trusts) and others at prices lower than the public offering prices stated on the cover page hereof. The initial public offering prices may be changed from time to time by the Underwriter.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters in connection with the authorization and issuance of the Series 2008G Bonds are and have been subject to the approval of Peck, Shaffer & Williams LLP, attorneys of Cincinnati, Ohio, whose approving opinion with respect to the Series 2008G Bonds will be delivered therewith.

Certain legal matters will be passed upon for the University by Thompson Hine LLP, University Counsel, and for the Underwriter by Baker & Hostetler LLP.
LEGAL INVESTMENT

In the opinion of Peck, Shaffer & Williams LLP, Bond Counsel, under the authority of Sections 3345.11 and 3345.12 of the Ohio Revised Code, the Series 2008G Bonds are lawful investments for banks, societies for savings, building and loan and savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of this state, the commissioners of the sinking fund of the state, the industrial commission, the state teachers retirement system, the public employees retirement system, the public school employees retirement system, and the police and firemen’s disability and pension fund, notwithstanding any other provisions of the Revised Code with respect to investments by them, and are also acceptable as security for the deposit of public moneys.

LITIGATION

The University is a defendant, from time to time, in various legal actions incident to its operations, including professional liability claims resulting from its former operation of the University Hospital, but all such actions are unrelated to the Series 2008G Bonds. The University believes that its aggregate liability, if any, in any pending actions, taking insurance coverage into account, will not be material.

TAX MATTERS

General

In the opinion of Peck, Shaffer & Williams LLP, Bond Counsel, under existing law interest on the Series 2008G Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”), and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings.

The Series 2008G Bonds, the interest on the Series 2008G Bonds and the transfer, and any profit made on the sale or other disposition, of the Series 2008G Bonds are exempt from taxes levied by the State and its political subdivisions. For purposes of this paragraph, “taxes” means any direct or indirect taxes, including income, ad valorem, transfer, the commercial activities and excise tax, and corporate franchise tax measured by net income of a corporation, but “taxes” does not mean or include: (i) the corporate franchise tax measured by net worth of a corporation; (ii) the estate tax; (iii) the taxes levied on insurance companies and dealers in intangibles pursuant to Chapter 5725 of the Revised Code; and (iv) the tax on shares of and capital employed by dealers in intangibles pursuant to Section 5707.03 of the Revised Code. Bond Counsel will express no opinion and make no representation regarding other federal, state or local income tax consequences resulting from the receipt or accrual of interest on the Series 2008G Bonds.
Note, the U.S. Supreme Court ruled May 19, 2008 that the taxation by the Commonwealth of Kentucky of interest on obligations issued by states other than Kentucky and by their political subdivisions is not unconstitutional even though no taxes are imposed on the interest on obligations issued by Kentucky and its political subdivisions, overturning a Kentucky decision to the contrary (Davis v. Kentucky Department of Revenue, 193 S.W.3d 557 (2006)).

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications made by the Board and others, and the compliance with certain covenants of the University, to be contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Series 2008G Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel has not and will not independently verify the accuracy of such certifications and representations.

The University has not designated the Series 2008G Bonds as “qualified tax exempt obligations” as defined in Section 265(b)(3) of the Code.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and remain excluded from gross income for federal income tax purposes, some of which, including provisions for the rebate by the University of certain investment earnings to the federal government, require future or continued compliance after issuance of the obligations in order for the interest to be and continue to be so excluded from the date of issuance. Noncompliance with these requirements could cause the interest on the Series 2008G Bonds to be included in gross income for federal income tax purposes and thus to be subject to regular federal income tax retroactively to the date of their issuance. The University covenants in the Bond Resolution to take such actions which may be required of it for the interest on the Series 2008G Bonds to be and remain excluded from gross income for federal income tax purposes, and not to take any actions which would adversely affect that exclusion.

Under the Code, interest on the Series 2008G Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States of America and a tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes can have certain adverse federal income tax consequences on items of income or deductions for certain taxpayers, including among them financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, and those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations and individuals otherwise eligible for the earned income credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other items of income and expenses of the holders of the Series 2008G Bonds. Bond Counsel will express no opinion and make no representation regarding such consequences.

**Original Issue Premium**

“Acquisition Premium” is the excess of the cost of a bond over the stated redemption price of such bond at maturity or, for bonds that have one or more earlier call dates, the amount payable at the next earliest call date. The 2011, 2012, 2013, 2016 and one of each of the 2017 and 2018 maturities of the Series 2008G Bonds (the “Premium Bonds”) are being initially offered to the public at an Acquisition Premium. The Premium Bonds maturing on or after 2019 are callable with redemption premium prior to their maturity date. For federal income tax purposes, the amount of Acquisition Premium on each bond the interest on which is excludible from gross income for federal income tax purposes (“tax-exempt bonds”) must be amortized and will reduce the bondholder’s adjusted basis in that bond. The amount of any Acquisition Premium paid on the Premium Bonds, or on any of the Series
2008G Bonds, that must be amortized during any period will be based on the “constant yield” method, using the original bondholder’s basis in such bonds and compounding semiannually. This amount is amortized ratably over that semiannual period on a daily basis. However, no amount of amortized Acquisition Premium on tax-exempt bonds may be deducted in determining bondholder’s taxable income for federal income tax purposes.

Please note that because the Premium Bonds are callable prior to their stated maturity, with redemption premium, both the amount of, and the required amortization period for, the Acquisition Premium will depend both upon when the Callable Premium Bonds can be redeemed and if in fact they are redeemed. Holders of any Premium Bonds, both original purchasers and any subsequent purchasers, should consult their own tax advisors as to the actual effect of such Acquisition Premium with respect to their own tax situation and as to the treatment of the Acquisition Premium for state tax purposes.

Holders of any Series 2008G Bonds, including any Premium Bonds, purchased at an Acquisition Premium should consult their own tax advisors as to the actual effect of such Acquisition Premium with respect to their own tax situation and as to the treatment of Acquisition Premium for state tax purposes.

**Original Issue Discount**

The 2014, 2015, one each of the 2017 and 2018 maturities, the 2019 and 2020 maturities of the Series 2008G Bonds (the “Discount Bonds”) are being initially offered and sold to the public at a discount (“OID”) from the amounts payable at maturity thereon. OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the “issue price” of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on each bond will accrue over the term of the bond. The amount accrued will be based on a single rate of interest, compounded semiannually (the “yield to maturity”) and, during each semi-annual period, the amount will accrue ratably on a daily basis. The OID accrued during the period that an initial purchaser of a Discount Bond at its issue price owns it is added to the purchaser’s tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that Discount Bond. In practical effect, accrued OID is treated as stated interest is treated, that is, as excludible from gross income for federal income tax purposes.

In addition, original issue discount that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed above. Consequently, owners of any Discount Bond should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, additional distribution requirements or other collateral federal income tax consequences although the owner of such Discount Bond has not received cash attributable to such original issue discount in such year.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.
MISCELLANEOUS

The summaries or descriptions of the provisions of the Trust Agreement found herein are brief outlines of certain provisions thereof and do not purport to be complete statements of such provisions. Reference is hereby made to the Restated Trust Agreement, which is available from the University, for further information.

The delivery of this Official Statement has been duly authorized by the Board of Trustees of the University of Cincinnati.

BOARD OF TRUSTEES OF THE UNIVERSITY OF CINCINNATI

By: /s/ William L. Doering

William L. Doering, Treasurer

Dated: December 12, 2008
APPENDIX A

THE UNIVERSITY OF CINCINNATI

One of the nation’s largest institutions of higher learning, the University of Cincinnati was founded in 1819 with the first charter granted by the State in 1870. The University’s Uptown campus is located on a 202-acre tract in the residential Clifton area of the City, approximately 2 miles north of downtown Cincinnati. Its physical plant includes 81 principal structures on the Uptown Campus, a portion of which is leased from the City of Cincinnati under a long-term lease. The acreage and buildings housing the College of Applied Science (which is located at the site of the former Edgecliff College, approximately 2 miles from the Uptown campus) are included in the Uptown campus numbers. The university has two satellite branches operating out of 12 principal structures on separate campuses totaling 223 acres. The University also has several smaller sites which are not a part of the campuses listed above, including the Hazelwood Botanical Preserve, Cincinnati and Mitchel Observatories, the Campus Services Building, the Campus Receiving Building, the Center Hill Complex, the Genome Research Institute Complex, One Stetson Square, Turner Center and the Central Utility Plant. They represent a total of 22 principal buildings located on 137 acres. Total replacement cost of all its real and personal property (excluding land costs) was estimated by the University’s insurers to be in excess of $3.9 billion as of July 2008.

The University, formerly city owned, became a state university on July 1, 1977. The University is composed of 14 colleges and two schools. Its total enrollment in the Fall Quarter of 2008 was 37,072 students. The University has approximately 2,471 full-time faculty members, and its total faculty numbered 4,411 for the Fall Quarter of 2008. The University has been designated in long-range planning by the Ohio Board of Regents as one of only two comprehensive graduate public universities in the State. As of June 30, 2008, the market value of the endowment fund of the University exceeded $1 billion.

The University carries out its rigorous scholarship and research mission while maintaining a deep commitment to accessible education. Over 37,000 students pursue success in hundreds of academic programs in the sciences, arts, humanities, and professional disciplines. The University’s programs are highly regarded. Programs that are ranked in the Top 10 by U.S. News and World Report include: Cooperative Education (4th), Criminal Justice (3rd), College of Medicine Pediatrics (3rd), Paleontology (7th), Interior Design (3rd), Industrial Design (6th), Opera/Voice (3rd), Musical Conducting (5th), Music (6th), Music Composition (9th), and Orchestra/Symphony (9th). The Architecture and Interior Design programs are ranked No. 1 by the Almanac of Architecture and Design. Research funding has grown rapidly and exceeds $300 million, including affiliates. The University has strong research relationships with other institutions and with industry, including Cincinnati Children’s Hospital Medical Center, the Health Alliance of Greater Cincinnati, Procter & Gamble, General Electric, Wright Patterson Air Force Base, and others. The National Science Foundation ranked the University 28th of public universities and 50th out of all universities for Federally financed R&D expenditures.

The Board and the University are declared by statute to be a public body, both politic and corporate, performing essential governmental functions and serving public purposes, and an instrumentality of the State of Ohio.
The Board of Trustees

The University’s powers are vested in and are exercised by its Board of Trustees, consisting of nine members appointed by the Governor of Ohio for overlapping terms of nine years. The Board as now constituted includes: Jeffrey L. Wyler, Chairperson; H.C. Buck Niehoff, Vice Chairperson; Anant R. Bhati, M.D., Secretary; Sandra W. Heimann, Robert E. Richardson, Jr., Margaret E. Buchanan, C. Francis Barrett, Gary Heiman, and Thomas H. Humes.

H.C. Buck Niehoff is of counsel to Peck, Shaffer & Williams LLP, the University’s bond counsel.

University Officers

Key officers of the University include Nancy L. Zimpher, President and Chief Administrative Officer of the University; Monica Rimai, Senior Vice President for Administration and Finance; David Stern, Vice President for Health Affairs; Sandra J. Degen, PhD, Vice President for Research University of Cincinnati, Associate Chair and Professor of Pediatrics, Cincinnati Children’s Research Foundation, University of Cincinnati; Anthony J. Perzigian, Senior Vice President for Academic Affairs and Provost; Mitchel D. Livingston, Vice President for Student Affairs and Chief Diversity Officer; James D. Plummer, Vice President for Finance; and William L. Doering, Treasurer. Brief biographies of each follow.

Nancy L. Zimpher, President

Nancy L. Zimpher - a widely recognized leader in higher education, civic engagement, economic development and urban education reform - serves as the president of the University of Cincinnati, one of the nation’s top public research universities. She became UC’s 25th president and its first woman president in October 2003. Under her leadership, UC embarked on an unprecedented consultation process that involved a wide spectrum of the university’s stakeholders and resulted in the strategic vision, UC|21: Defining the New Urban Research University.

Under President Zimpher’s direction, the University continues to make significant strides in its UC|21 vision to become a leading urban research institution for the 21st century. The university has experienced enrollment growth to over 37,000 students, increased retention and graduation rates, improved student satisfaction and enhanced national rankings - including the Princeton Review’s 2009 best colleges list. These achievements have been accomplished through a number of strategic actions that President Zimpher implemented, among them restructuring the university’s decision-making process and introducing comprehensive state-of-the-art business practices; raising admissions standards while growing enrollment and maintaining the university’s deep commitment to access and a diverse student body; introducing a series of academic reforms related to Strategic Enrollment Management, program offerings and performance-based budgeting; redesigning mechanisms for research support and opportunities for commercialization on intellectual property; as well as transforming decanal leadership through the completion of several national searches.
Additional examples of President Zimpher’s achievements at UC include:

- Completion of the final phases of a $1.7 billion, 15-year capital transformation of the urban UC campus in Uptown Cincinnati;
- Creation of a university Academy of Fellows for Teaching and Learning;
- Initiating the largest campaign in UC history;
- Stepping up freshman innovations, an assessment center and undergraduate research opportunities;
- Establishment of UC’s new Center for the City, designed to facilitate innovative and productive partnerships that leverage university and public expertise to work toward the betterment of the community;
- Chairing the Uptown Consortium, a five-member partnership in neighborhood development that involves five of the largest employers in the Uptown area surrounding the UC campus; and
- Founding of Strive, a Cincinnati-Northern Kentucky partnership focused on college access and success. President Zimpher is a co-founder of this partnership, which involves higher education institutions in the region, urban P-12 school districts in Cincinnati and Northern Kentucky, as well as business, civic and nonprofit organizations.

Prior to her arrival at UC, Dr. Zimpher served as the Chancellor of the University of Wisconsin-Milwaukee, where she led the university from 1998 to 2003, developing The Milwaukee Idea strategic vision and holding a faculty position in the School of Education. Prior to her appointment in Wisconsin, she was the Executive Dean of the Professional Colleges and Dean of the College of Education at The Ohio State University in Columbus, Ohio. During her career at OSU, she worked in various administrative positions and engaged in research and development efforts concerned with improving the preparation of teachers, especially teachers for urban contexts.

President Zimpher is highly engaged on the national and regional level and remains committed to an active role as a thought-leader in the 21st century. She serves as past-chair of the Board of Directors for National Association of State Universities and Land-Grant Colleges (NASULGC), the nation’s primary alliance of public universities as well as the oldest higher education association in the United States, now consisting of 215 members. Dr. Zimpher also chairs a national network of presidents called the Coalition of Urban Serving Universities (USU), an organization committed to the urban agenda and the role of urban-located universities in their communities. In November 2007, she represented urban universities at the launch of the Blueprint for American Prosperity at the Brookings Institution. In addition, she serves as the Big East representative to the Division I Board of Directors of the National Collegiate Athletic Association (NCAA) and on the national board for the Fund for the Improvement of Postsecondary Education (FIPSE). A past president of a national education reform network, The Holmes Partnership, she has previously served on the Executive Board of the National Council for Accreditation of Teacher Education and the AACTE, on the board of the American Council on Education (ACE), as chair of NASULGC’s Commission on International Programs and as Project Director for a U.S. Department of Education Teacher Quality Grant.

Dr. Zimpher participates on numerous state, regional, civic and community commissions and boards. Presently, she co-chairs the Ohio Board of Regents’ Articulation & Transfer Advisory Council. She serves as chair of the board of the Cincinnati USA Regional Chamber of Commerce. She also serves on the Cincinnati Business Committee, co-chairing its Education Task Force; serves on the boards of the Cincinnati Center City Development Corp. (3CDC), and the United Way of Greater Cincinnati.
Dr. Zimpher is the co-author and co-editor of books on university leadership as well as books on teacher education and urban education. She also has authored and co-authored many monographs, book chapters, and academic journal articles related to academic leadership, school/university partnerships and teacher education, and in many instances her co-author has been her husband, Dr. Kenneth R. Howey, a research professor in education at UC. She often is sought after as a key participant at both national and international conferences, making numerous presentations for groups such as ACE, NASULGC, American Educational Research Association (AERA), Association of Colleges for Teacher Education (AACTE), and Association of Teacher Educators (ATE).

She is the recipient of numerous awards including the People of Vision Award from Prevent Blindness Ohio; the Council for the Advancement and Support of Education’s Chief Executive Leadership Award; Ohio State University’s Alumni Association Professional Achievement Award; the Urban Appalachian Council’s Kinship Award; the Association of Teacher Educators’ Distinguished Research Award; the AACTE’s Edward C. Pomeroy Award for Outstanding Contributions to Teacher Education; and Virginia Commonwealth University’s Distinguished Woman Scholar Award. In 1998, she was inducted into the Ohio Women’s Hall of Fame, and she has been recognized with the YWCA’s Women of Achievement award in Columbus, Milwaukee and Cincinnati.

President Zimpher holds a bachelor’s degree in English education and speech, a master’s degree in English literature, and a PhD in teacher education and administration in higher education, all from The Ohio State University.

Monica Rimai, Senior Vice President for Administration and Finance

Monica Rimai is the Senior Vice President for Administration and Finance at the University of Cincinnati. Before joining the University of Cincinnati in July 2005, Ms. Rimai was the Interim Vice Chancellor for Administrative Affairs and Chief Legal Counsel at the University of Wisconsin-Milwaukee. She began her career as a commercial litigator in private practice, but she then migrated to government service, first as an Assistant City Attorney for the City of Milwaukee, and then as an Assistant United States Attorney for the Eastern District of Wisconsin where she specialized in the prosecution of financial crimes. Ms. Rimai obtained two degrees from the University of Michigan, a BA in History in 1984 and a JD in 1987. She is licensed to practice law in Ohio, Illinois, and Wisconsin.

David Stern, Vice President for Health Affairs

Dr. David Stern is currently Vice President for Health Affairs (effective January 1, 2008) at the University of Cincinnati and Dean of the College of Medicine.

He comes to these positions after a career as a physician-scientist mainly at the College of Physicians & Surgeons of Columbia University.

After completing college at Yale and medical school at Harvard, Dr. Stern began a long stint in New York at Columbia. He started as an intern in internal medicine in 1978. By the time he left New York for Georgia in 2002, he was the Carrus Professor and Director of the Center for Vascular and Lung Pathobiology.

Dr. Stern’s research work focused on properties of the blood vessel wall, especially in chronic vascular disorders such as diabetes and Alzheimer’s disease.

During the course of building the research Center at Columbia, Dr. Stern became fascinated with building programs at academic medical centers.
That led him into administration and his first job as a medical school Dean at the Medical College of Georgia in Augusta. Dr. Stern spent three years in Georgia where he was known for his rapid recruitment of many department chairs, enhancing the school’s focus on diversity, and forging a strong partnership between the school and the health system.

In July of 2005, Dr. Stern assumed the Deanship at the University of Cincinnati College of Medicine (COM) and was named Vice President for Health Affairs, in addition to Dean, in January of 2008. Since coming to UC, Dr. Stern has named chairs of multiple departments, formed a Joint Cancer Program with Cincinnati Children’s Hospital Medical Center, led the development of a strategic plan involving the COM, UC Physicians and the University Hospital, and taken a leadership role in enhancing UC Physicians.

**Sandra J. Degen, PhD, Vice President for Research University of Cincinnati, Associate Chair and Professor of Pediatrics, Cincinnati Children’s Research Foundation, University of Cincinnati**

Dr. Degen grew up in Los Angeles and attended college at the University of California, San Diego, where she majored in chemistry. She attended graduate school in the Department of Biochemistry at the University of Washington and received her PhD in 1982. Then followed two years of postdoctoral work at the Friedrich Miescher Institute, Basel, Switzerland.

Dr. Degen was appointed assistant professor of pediatrics at UC and the Cincinnati Children’s Research Foundation in 1985. She was promoted to associate professor with tenure in 1992 and to professor in 1997.

Dr. Degen’s scientific interests include the biological function of the blood coagulation protein prothrombin, as well as a protein, identified in her lab, that is involved in growth control (hepatocyte growth factor-like protein). Her laboratory has generated mouse models lacking these proteins, as well as the receptor tyrosine kinase, Ron in order to study their biological functions. In addition, research in Dr. Degen’s laboratory has focused on the relationship of structure to function in these proteins. She has received three patents for her work on Ron and its ligands.

Dr. Degen has enjoyed continuous grant support since she received her first academic position and was a principal investigator on two National Institutes of Health (NIH) grants until September 1, 2004 when she assumed her current administrative responsibilities. She was recently awarded a $1.5 million grant from the Charlotte R. Schmidlapp Foundation to support the Center for Career Development of Women in Pediatrics.

Her many honors include being selected: as a Pew Scholar in the Biomedical Sciences in 1987, as an Established Investigator of the American Heart Association in 1990, for membership on the Hematology II Study Section at the NIH (1993-1996) and the Cell Cycle and Growth Control Study Section of the American Cancer Society-National Center (1997-2000), for participation in the Executive Leadership in Academic Medicine Program in 1997, for the University of Cincinnati Faculty Achievement Award in 1997, for the Leading Woman of Cincinnati Award for Technology/Science/Research in 2001, and for participation in the 1st Science and Society Institute sponsored by the Pew Memorial Trust in 2001. Dr. Degen was awarded the Founders Award by the Women’s Faculty Association at Cincinnati Children’s Hospital and a Special Recognition Award from the American Heart Association Council on Arteriosclerosis, Thrombosis, and Vascular Biology in 2005.
In addition, Dr. Degen has served on the Editorial Board of the Journal of Biological Chemistry, on various regional and national American Heart Association committees including the Research Committee of the national center, and on various ad hoc NIH review committees. She is presently on the Board of Directors of TechSolve, the Ohio Aerospace Institute, BioOhio and on the Board of Trustees and Executive Committee of BIO/START, a regional new company incubator in the life sciences. She is also on the Board of Directors of the Oak Ridge Associated Universities (ORAU) and the Vice Chair of the Council of Universities for ORAU. Recently she was elected to the NASULGC, Council on Research Policy and Graduate Education Executive Committee.

In her role as Associate Senior Vice President for Health Affairs (2000-2004), she was responsible for strategic planning on the medical center campus especially with regard to recruitment of new faculty in order to significantly improve extramural funding at UC. In addition, she was responsible for decanal reviews, interactions with the undergraduate campus of the university, and mentoring new deans. She also served as a liaison with the faculty and was responsible for working with Procter & Gamble to promote scientific interchange between scientists at both institutions.

As Associate Chair for Academic Affairs in the Department of Pediatrics, her many responsibilities include overseeing the reappointment, promotion and tenure process, mentoring faculty, overseeing the graduate programs and the Office of Postdoctoral Affairs, coordination of the Summer Undergraduate Research Program and organizing faculty development programs. While Director of the Graduate Program in Molecular and Developmental Biology, she ran the PhD program and was responsible for interacting with and mentoring all the students.

In September 2004, Dr. Degen was appointed Acting Vice President for Research at the University of Cincinnati and in November 2005 she was appointed to this position on a permanent basis. In this position, she reports to the President of the university and is responsible for all research compliance activities (human subjects research, animal care and use, biosafety, radiation safety and research compliance training), the Office of Technology Transfer, the Office of Sponsored Research Services and Sponsored Program Accounting, the Office of Entrepreneurial Affairs, Laboratory Animal Medicine Services, the Office of Undergraduate Research, the Office of Postdoctoral Affairs and various faculty development programs. In addition, Dr. Degen is responsible for scientific policy and government relations in the area of research. The University of Cincinnati brings in over $333 million in extramural grant support each year and is ranked in the top 25 of public universities in total federal funding.

On the personal side, Dr. Degen has been married for 32 years to Jay Degen, PhD, who is also a Professor of Pediatrics at the University of Cincinnati. They have one child, Lindsay, who is 20 years old, attends the Rhode Island School of Design and puts their lives into perspective.

**Anthony J. Perzigian, Senior Vice President for Academic Affairs and Provost**

Anthony J. Perzigian assumed his duties as Senior Vice President for Academic Affairs and Provost in March 2000. From December 1993 through April 1996 and January 1999 through February 2000, he was Interim Senior Vice President and Provost for Baccalaureate and Graduate Education. He was Vice Provost for Academic Affairs from 1991 through 1993 and 1996 through 1998. From 1987 to 1991, Dr. Perzigian was Associate Dean in the College of Arts and Sciences.

He joined the University of Cincinnati faculty in 1970 and advanced through the ranks to Professor of Anthropology. His research interests are the areas of human evolution, dental anthropology, and paleopathology. He is a Diplomate of the American Board of Forensic Anthropology.
Dr. Perzigian received a B.A. in Biology from Monmouth College in 1966 and a Ph.D. in Anthropology from Indiana University in 1971.

**Mitchel D. Livingston, Vice President for Student Affairs and Chief Diversity Officer**

Mitchel Livingston is vice president for Student Affairs and Chief Financial Officer and professor of Educational Studies at the University of Cincinnati. He joined the University in 1994 after serving as vice president for Student Affairs at the University at Albany, SUNY, and Dean of Students at Ohio State University.

Prior to earning his Ph. D. in Higher Education Administration at Michigan State University, he received his master and bachelor degrees in Education from Southern Illinois University.

Dr. Livingston’s commitment to public higher education is evidenced by the following achievements:

- Thirty-eight years administrative experience
- Fourteen years teaching experience
- Tenure as full professor
- Leadership for multi-million fundraising initiatives
- National consultant implementing a model for developing just campus communities and in the areas of multi-culturalism, community building and organizational behavior
- Keynote speaker for national educational and professional organizations
- Service on five corporate and community boards:
  - Fifth Third Bancorp;
  - Fine Arts Fund Board;
  - Greater Cincinnati Television Educational Foundation;
  - Holocaust & Humanity Education;
  - Bridges for a Just Community (Board Chair); and
  - National Underground Railroad Freedom Center.

Dr. Livingston received a number of honors and awards, including the Governor’s Educator of the Year award, State of New York; Dr. Martin Luther King award for distinguished community service and Award for Excellence in Administration, University at Albany; Educator of the Year award, Anti-Defamation League, Albany, New York; national spokesperson for INROADS, Inc. from 2004-06; Educational Excellence award from the League of United Latin American Citizens; and Prince Hall Humanitarian Award from True American Lodge #2.

**James D. Plummer, Vice President for Finance**

Mr. Plummer is a graduate of Eastern Kentucky University with a Bachelors of Business Administration in 1970 and a Masters of Arts in 1985. His career has consisted of the position of Associate Budget Director and Internal Auditor at Eastern Kentucky University as well as the position of Budget Director at both the University of Nevada-Reno and East Carolina University.

Mr. Plummer was recruited to the University of Cincinnati in 1999 as the Associate Vice President and Director of Budget Planning. He was promoted to Chief Financial Officer during fiscal year 2004, and, in October 2006, he was promoted to Vice President for Finance.
William L. Doering, Treasurer

Bill has been with University for over thirty years in various capacities within the Finance and Administration division. He is currently responsible for Treasury Management, Payroll Operations, Accounts Receivable, Accounts Payable, Tax Compliance, Cashier Operations, Student Billing and Accounting, and Student Loan Collections. He has served on the Program Committee for the Treasury Institute for Higher Education annual symposium for four years. He also has been a speaker at the Treasury Institute, the Association for Financial Professionals (AFP) Annual Conference and the National College & University Bursars Conference. Bill is a graduate of Xavier University and is also a Certified Treasury Professional (CTP).

Historical Development

Cincinnati College and Medical College of Ohio were the first units of the present University of Cincinnati and were founded in 1819. Four other units of the University join them as the oldest of their kind outside the original thirteen colonies: the College of Law, the Cincinnati Observatory, the College of Pharmacy, and the College-Conservatory of Music.

In 1858, Charles McMicken, a prominent Cincinnati businessman, left the City of Cincinnati virtually his entire estate of approximately $1 million to establish a municipal university. The University began operations in 1869 as the McMicken College of Arts and Sciences and was chartered by the State of Ohio in 1870.

The campus was moved to its present site in 1895. Engineering courses were added to the curriculum in 1874 and the College of Engineering was established in 1900. Between the turn of the century and 1918 the University also added the Teachers College, the College of Medicine, the College of Nursing and Health, and the College of Law. In 1906 the cooperative system of education, now used by more than 150 colleges and universities throughout the nation, was originated at the University by Dean Herman Schneider. The cooperative system provides students the opportunity for alternating periods of classroom study and work in fields directly connected with their professional goals.

During the 1920’s, growth of the University continued, with the completion of Memorial Residence Hall, Tanners Research Building, Taft Hall, the University Library, Holmes Hospital, and the Basic Science Laboratory. Physical expansion was halted during the depression of the 1930’s and the years of World War II, when the University trained thousands in four separate military programs. The expansion of the University resumed after the war, however, with the addition of the College of Pharmacy in 1947. During the 1960’s the University expanded its dormitory system as enrollment rose from 10,820 in 1955 to 34,742 in 1970-71. In the 1970’s, the University built a completely new engineering complex as well as a new College of Medicine and Central Library.

Today, the University’s transformation continues, from its roots as a municipal university, to a state-affiliated institution, to a full state university, and now to the nationally recognized research university as envisioned according to UC|21, the University’s Academic Master Plan. UC|21 is the strategic application of resources to increase achieve and to define the University as a new urban research university. The execution of the University’s 1991 Campus Master Plan’s imperatives (see “1991 Campus Master Plan” below) of academic research space, open space, and connectivity, and improve quality of life, executed over the last 15 years, set the stage for UC|21.
1991 Campus Master Plan

Since the approval of the University Campus Master Plan (the “Master Plan”) in 1991, more than $1.4 billion in capital projects have been completed. One major phased project remains in design and construction. Signature, national, and local architects have been selected for the design of major capital projects and the work has been the subject of much press and many awards. In-house University staffs, typically provide the programs for major projects and the design for projects costing less that $1 million. Numerous new academic and auxiliary facilities have been built in addition to renovation and rehabilitation of many existing facilities. Some of projects recently completed, under construction, or in the planning stage include:

Building projects recently completed:

• Eden Quadrangle
• Edwards Relocation
• Jefferson Grid
• Medical/Sciences Building Expansion (CARE – Center for Academic Research Excellence)
• MSB Rehabilitation Phase I
• Zimmer Auditorium Renovation

Major projects currently in construction:

• Clifton Court Garage Renovation
• Kehoe 223-240 Renovation
• Kettering Preclinical Lab Renovation
• Langsam Library Roof
• McMicken Perimeter Heating
• Morgens Life Safety Upgrades
• MSB Rehabilitation Interim Renovations
• Teachers College/Dyer Rehabilitation – Phase 2

Major projects currently in design and planning:

• Alumni Center Upgrades
• Faculty Center Renovation
• Kettering North Demolition
• Jefferson Quad
• Medical Sciences Bldg Rehabilitation Phases II through V
• Scioto Life Safety Upgrades
• Procter Hall Façade Renovation
• Undergraduate Teaching Labs Renovation
• TC Dyer Phase 2A
• Wilson Auditorium Demolition and Site Restoration
• DAAP Façade Rehabilitation
• Crosley Tower Façade Rehabilitation
• Memorial Façade Rehabilitation
The transformation of the Uptown Campus through the Master Plan contained the following imperatives – Academic/Research Space, Open Space Connectivity and Quality of Life (the “Master Plan Imperatives”). In furtherance of these imperatives, the following major projects have either been completed since 1992 or are under construction:

- **Academic**
  - Aronoff Center for Design and Art (DAAP)
  - Baldwin Hall Renovation
  - CCM Village
    - Corbett Center for the Performing Arts
    - Mary Emery Hall
    - Memorial Hall
    - Dieterle Vocal Arts Center
  - Braunstein Renovation
  - French Hall Addition
  - McMicken Perimeter Heating
  - Swift Hall Renovation
  - Edwards Relocation
  - Van Wormer Rehabilitation
  - Teachers College/Dyer Renovation – Phase 2

- **Research**
  - Engineering Research Center
  - Cardiovascular Research Center
  - Kehoe 223-240 Renovation
  - Kettering Preclinical Lab Renovation
  - Vontz Center for Molecular Studies
  - UC’s Genome Research Institute
  - Center for Academic & Research Excellence (CARE) 2008
  - Medical Science Building renovation 2008
  - PHASE 1

- **MainStreet**
  - Schneider Residence Hall
  - Turner Residence Hall
  - University Pavilion
  - Joseph A. Steger Student Life Center
  - Tangeman University Center
  - Student Recreation Center

- **Varsity Village**
  - Gettler track and soccer complex
  - New baseball stadium
  - Richard E. Lindner Center
  - Renovations to Fifth Third Arena at Shoemaker Center
  - Improvements to Nippert Stadium
  - New tennis complex
  - Upgraded playing and practice fields for intercollegiate athletics, intramurals and recreation

- **Open Spaces**
  - Campus Green
  - Eden Quadrangle
  - University Commons
  - Sigma Sigma Commons
  - McMicken Commons
  - Jefferson Grid
  - Sawyer Hall Demolition/Site Preparation
  - Zimmer Plaza Garden

- **Parking Facilities**
  - Clifton Court
  - Campus Green Drive
  - Calhoun Street
  - CCM Boulevard
  - Corry Blvd.
  - Kingsgate Circle
  - Varsity Village

- **Other**
  - University Hall (offices)
  - Kingsgate Marriott Conference Center

- **Campus Borders**
  - Bellevue Gardens
  - Calhoun Street Market Place
  - Stratford Heights Student Living Community
  - University Village - a New Urban Village
  - The Village at Stetson Square
Equally important to achieving the Master Plan Imperatives as the construction of the structures and spaces listed above, are the campus technical upgrades, emphasis on research excellence and the improvement of the University’s energy systems, management and varsity athletics which have been accomplished:

- **Campus Technological Upgrades**
  - Backbone network
  - Dial-up access pools
  - Backboard system for electronic courses
  - UC Libraries consistently rank among the top 50 of the Association of Research Libraries’ membership of 113 North American university libraries, both in terms of collections and financial support of libraries

- **Energy Control and Independence**
  - Comprehensive systems including distribution tunnels and thermal storage
  - With completion of cogeneration facility, the University has four-fuel capability

- **Research**
  - Rose from national rank of 78th in 1984 to 50th in 2007
  - Increased holding by 4.8% in fiscal 2008
  - Faculty quality upgraded over time from that of a municipal university to that of a nationally recognized Research Extensive Public University
  - Genome Research Institute
  - Vontz Center for Molecular Research

- **Management**
  - All auxiliaries other than the athletics and parking are under the unified management of Campus Services

- **Varsity Athletics**
  - Joined Big East Conference in 2005

**UC|21- STRATEGIC PLAN**

Once the University had completed the implementation of the 1991 Master Plan and the transformation of its Uptown Campus, the University was able to focus on its new strategic vision.

Defining the New Urban Research University is the University’s strategic vision for charting its academic course. UC|21 is shorthand for the University’s aspiration to be a leader in the 21st century. This new vision intends to reshape the University academically as certainly as the campus master plan has reshaped the University’s physical landscape.

UC|21 resulted from months of discussion and consultation at an unprecedented level of participation. A wide range of University stakeholders were invited to take part, including students, faculty, staff, emeriti, alumni, corporate partners, donors, neighbors, and civic and social service leaders. Called together by President Zimpher, more than 240 people worked in a series of town hall meetings focused on the University’s future. Additional insight came from over 2,400 people who participated in more than 90 input sessions hosted by University colleges and units. Another 300 people also voiced opinions via the academic planning Web site, which accrued literally thousands of visits. Drawing upon these collaborative efforts, President Zimpher unveiled UC|21 on May 21, 2004, the date that she was installed as the University’s 25th president.

**Guiding Principles**

UC|21 embraces a set of core values that are essential for the new urban research university in meeting the challenges of the 21st century. These ideals keep the strategic vision focused and true to the University’s aspirations and dreams.
The vision builds on the University’s Just Community Initiative, endorsed by the University in 2000 to promote community, justice, and responsibility. UC|21 identifies six guiding principles that build on the University’s rich heritage as an agent of transformation and discovery, while underscoring its commitment to serve a rapidly changing world and local Cincinnati community. These principles are:

- Scholarship
- Citizenship
- Stewardship
- Leadership
- Partnership
- Cultural Competency

**Urban Research University Objective**

The University’s Urban Research University Objective seeks to enhance the University’s academic and research status by virtue of the University’s engagement in society. This framework and plan is as follows:

- Given the University’s strong and distinctive accomplishments as a research university, the University will continue to expand and excel in its role as a comprehensive, public research institution – regionally, nationally and globally.

- The University’s roots are as a municipal university and has evolved with Cincinnati.

- The local community is a resource and problem rich environment that beckons the University as a community of scholars.

- By fully embracing the urban community, the University seeks a reciprocal partnership right at its doorstep, where the University’s intellectual power, research capacity, and creativity can be set to work on society’s most pressing issues:
  - Local Schools
  - Health Care
  - Safety
  - Entrepreneurialism
  - Economic Development
  - Civic Life
  - Racial Relations

**Goals**

The University’s aspiration to define the new urban research university calls on the University to be a true innovator, adopting new ways of pursuing the academic enterprise. UC|21 is developing the University’s capacity for change and commits it to go about the business of higher education more strategically. This vision is driven by a number of strategic engines, including a budget reorganization tied to six goals, performance-based budgeting, administrative actions, an exhaustive implementation proposal process, and college and unit alignment efforts. In conjunction with the Faculty Senate, UC|21 has begun a full review of the University’s governance and committee structures and implemented change in 2006.
The six goals are:

1. To become a university of choice and a destination campus by keeping students at the University’s core.

2. Build on the University’s greatness as a major research university to benefit society, have meaningful economic impact and enhance the quality of life for all.

3. Encourage an environment of high-quality learning and world-renowned scholarship.

4. Establish and nurture relationships with the colleagues within the University and with local and global communities.

5. Develop an environment where members of the campus community and the community at large want to spend time learning, living, playing and staying. Provide long-term support to build a better uptown in our neighboring communities.

6. Develop potential, not just in the University’s students, but in the local and global communities.

The Board of Trustees is monitoring the progress of the University with respect to these goals on a regular basis and annually receives a report card from the University President setting forth the progress made in the preceding year. The most recent report card was delivered in September 2008 and the following are several of the highlights from the report card.

- The National Science Foundation ranked the University 50th among all institutions nationally and 28th for all public institutions in the U.S. for federal research and developmental expenditures based on FY 2006 data, published in November 2007.

- The University is ranked 149 among the “Best National Universities” category in the U.S. News & World Report rankings. The University has climbed a total of 23 places since 2000.

- Academics, reputation, diversity and student praise place the University on the Princeton Review’s 2009 best universities guide. The review ranks the University No. 19 on the top 20 list of universities with a diverse student population.

- The University’s co-op program ranks in the nation’s Top 10 by U.S. News & World Report and has seen a 23.5% increase in the number of placements over the last 5 years.

- Total enrollment for the fall of 2008 is 37,072 students, the largest number of students at the University in 18 years.

- The current freshman class is the most academically qualified freshman class ever with average ACT scores rising to 24.8, a 2.9% increase from the prior year. The freshman class also holds a record number of National Merit Scholars at 44.

- Graduation rates have improved by 3% over the last year and retention rates have improved to 83%.
ACADEMIC PROGRAMS

The primary educational objectives of the University are: (1) to preserve and disseminate knowledge now available in the arts, sciences, and various professional areas important in modern life; (2) to extend through basic research and investigation the boundaries of knowledge; and (3) to educate men and women, by example and teaching, for a fuller and richer life as responsible citizens in modern society. The important schools and branches of the University are:

- Graduate School at the University of Cincinnati
- McMicken College of Arts and Sciences
- College of Education, Criminal Justice and Human Services
- College of Business
- College of Medicine
- College of Applied Science
- College of Law
- College of Nursing
- College of Design, Architecture, Art and Planning
- College of Engineering
- College-Conservatory of Music
- Raymond Walters College (located in Blue Ash, a suburb of Cincinnati)
- Clermont College (located in Batavia, Ohio)
- James L. Winkle College of Pharmacy
- School of Social Work
- College of Allied Health Sciences

The University is affiliated with many other institutions, including the Art Academy of Cincinnati, Cincinnati State Technical and Community College, the Cincinnati Speech and Hearing Center and Cincinnati Center for Development Disorders. Through such affiliation, the University is able to broaden its curricular offerings. The University also has Army and Air Force ROTC programs.

The University is accredited by the Commission on Institutions of Higher Education. By virtue of this fact, it is a member of the North Central Association of Colleges and Secondary Schools. It is also a member of the Greater Cincinnati Consortium of Colleges and Universities, which is composed of twelve institutions in the Greater Cincinnati and Northern Kentucky areas. Many of its programs also receive professional accreditation from specialized accreditation bodies. It also has professional accreditation in many fields, including Architecture, Design, Art, Teaching, Business Administration, Chemistry, Engineering (Aerospace, Chemical, Civil, Electrical, Mechanical, Nuclear, Metallurgical and Material Science), Law, Medicine, Music, Nursing and Health, and Pharmacy.

PHYSICAL PLANT

The campus of the University consists of the 202-acre Uptown campus in Clifton and two satellite branches: Raymond Walters College and Clermont College. Raymond Walters College is located in Blue Ash, Ohio, on a 132-acre tract. Clermont College is located on a 91-acre tract near Batavia, Ohio (approximately 17 miles east of downtown Cincinnati).
The University owns or operates 81 academic, research, main administrative, athletic, and student services buildings on the Uptown campus; 12 principal buildings located on the two branch campuses; and 22 buildings located off-campus on 137 acres of land. In addition, the University leases its hospital buildings to University Hospital, Inc.

The University grounds and buildings are owned by the State and controlled by the University, except for the 19 acres of real property constituting the former General Division of the University of Cincinnati Hospital, which is leased from the City of Cincinnati under a 75-year lease that expires on July 31, 2053 and that was subleased to University Hospital, Inc. as part of the reorganization described in “UNIVERSITY HOSPITAL” below. The site of the Goodman Parking Garage, which serves the Medical Center, is also leased from the City of Cincinnati.

**UNIVERSITY HOSPITAL**

Since January 1, 1995, the operation of University Hospital (“University Hospital”) has been managed by The Health Alliance of Greater Cincinnati (the “Health Alliance”), and its health care activities have been coordinated with those of the other members of the Health Alliance. The Health Alliance was formed in January 1995 to provide the greater Cincinnati community with high quality, cost-effective, and accessible health care through an integrated delivery system. The Health Alliance is an Ohio non-profit corporation qualified as a tax-exempt organization under §501(c)(3) of the Internal Revenue Code. The initial “Participating Entities” in the Health Alliance, and who were parties to the Joint Operating Agreement (the “Agreement”) establishing it, included The Christ Hospital (“TCH”) and the University (for University Hospital). The St. Luke Hospitals, Inc. (“SLH”), Jewish Health System, Inc., and Fort Hamilton Hospital Holding Company, LLC, later joined the system, and each are “Participating Entities”.

The University executed the Agreement on behalf of both University Hospital and the University College of Medicine (the “College”). The Agreement provides that the College shall remain a part of the University and that the University shall be responsible for all management of the College.

Pursuant to the Agreement and in conjunction with its management responsibilities, the Health Alliance assumed certain present and future obligations of the Participating Entities, including debt of the University incurred on behalf of University Hospital, and agreed to hold the Participating Entities harmless for current and future liabilities arising out of the operations of the Alliance and the Participating Entities.

Under the terms of the Agreement, net income (loss) from University Hospital’s operations accrues directly to the operating results of the Health Alliance, not the University. Accordingly, the University’s financial reports for all years subsequent to University Hospital being managed by the Health Alliance reflect no net income (loss) from University Hospital’s operations, but the University’s investment in the Health Alliance is included as an investment on the University’s Statement of Net Assets and its values adjusted to reflect the University’s proportionate share of the net income (loss) from operations of the entire Health Alliance. The University’s financial report at June 30, 2008 reflects its investment in the Health Alliance at a value of $389,446,000. The investment in the Health Alliance is not included in the market value of the University’s total endowment. The University’s equity interest in the Health Alliance is based on its 29.12% portion of the Alliance’s net assets. The results of operations of University Hospital have no economic impact upon the University unless the Health Alliance dissolves, in which case the University would be entitled to its share of the remaining net assets based upon its proportionate equity share at that time.
Until January 1, 1997, University Hospital was a part of the University and governed by its Board, subject to the rights of the Health Alliance pursuant to the Agreement. However, effective January 1, 1997, the University reorganized University Hospital into University Hospital, Inc. (“UHI”), an Ohio nonprofit corporation. The University subleased the land and hospital facilities constituting the University Hospital to UHI, and UHI agreed to assume the University’s obligations with respect to University Hospital’s debt.

All bond and note debt incurred by the University on behalf of University Hospital prior to 1997 has been paid or defeased. As a result of this repayment, the net patient service revenues of UHI, which were formerly part of the University’s General Receipts, are no longer included in the University’s General Receipts, nor are they available to the University for any other purpose.

Litigation

In response to TCH’s expressed intent to withdraw from the Health Alliance, the Health Alliance initiated litigation (The Health Alliance of Greater Cincinnati v. The Christ Hospital, et al. (Case No. A0601969)) on March 1, 2006 in the Court of Common Pleas of Hamilton County, Ohio (the “Court of Common Pleas”) to obtain a declaratory judgment that there were no circumstances that would permit TCH to withdraw from the Health Alliance. SLH joined the suit as a defendant in order to obtain an adjudication of whether it was permitted to withdraw from the Health Alliance. On August 29, 2006, the Ohio Attorney General also intervened in the action. The Attorney General intervened for the stated purpose of "protecting the charitable beneficiaries" of the not-for-profit institutions involved in the suit. On April 16, 2007, the Court of Common Pleas made a post-trial entry following a bench trial that TCH and SLH had the right to terminate the contractual relationship with the Health Alliance. In the final judgment entry on June 13, 2007, the Court of Common Pleas noted that all parties indicated on the record, and the Court agreed, that the Court should not order dissolution of the Health Alliance in the litigation. The Court also ordered an accounting for the purpose of determining, among other things, the value of the respective interests of TCH and SLH under the Joint Operating Agreement in anticipation of their departure from the Health Alliance. The Health Alliance appealed from the judgment of the Court of Common Pleas. The appeal was briefed and oral arguments were conducted on June 12, 2008. On September 30, 2008, the Court of Appeals affirmed the judgment of the Court of Common Pleas. The Health Alliance and TCH are now effectively operating independently of one another.

In addition, on July 31, 2007, TCH and SLH filed an action in the Court of Common Pleas seeking to dissolve the Health Alliance and asking that a receiver be appointed to oversee the dissolution (the “2007 Litigation”). On February 19, 2008, the Court granted summary judgment to the Health Alliance holding that the Health Alliance was not required to dissolve. TCH and SLH were granted leave to amend their complaint and filed the same on April 29, 2008, and now seek damages in lieu of dissolution. A trial of this matter was scheduled for January 20, 2009.

On October 27, 2008, the Health Alliance and SLH entered into a Financial Settlement Agreement that established the financial terms and mechanics for a separation of the Health Alliance and SLH. The transaction has closed, certain assets were transferred by the Health Alliance to SLH, SLH assumed certain liabilities, and SLH dismissed all its claims in the 2007 Litigation. On the closing SLH merged into Saint Elizabeth Medical Center, Inc.

The parties to the 2007 Litigation, other than SLH, engaged a mediator in an effort to resolve their outstanding issues. The mediator recently proposed the basic terms of a settlement and those terms were accepted by the parties. In general, the settlement calls for a transfer of funds to TCH by the Health Alliance (representing the interest of TCH in the Health Alliance) and the release of TCH from certain obligations. Pursuant to those terms, the Health Alliance transferred certain funds to TCH as an initial
payment and refrained from appealing to the Ohio Supreme Court. The amount transferred is a credit against the total amount due. In addition, the Health Alliance had previously reserved certain funds to settle specific liabilities and there was an agreement on the use of such funds. The parties are now finalizing the details of and documenting the settlement terms.

In addition, any number of factors may result in a diminution of the demand for services by the Health Alliance and its remaining members, including the University, which may result in a reduction of clinical training opportunities for students in the University’s College of Medicine. Pursuant to the Operating and Affiliation Agreement between the Health Alliance and the University dated January 25, 2006, the Health Alliance provides financial support to the University for academic programs that directly or indirectly support patient care at the University Hospital or the Health Alliance. The Health Alliance also pays the University an annual education and research payment that must be used exclusively for academic health center purposes. The total of these payments for the years ended June 30, 2008 and 2007 were $9,084,000 and $9,038,000, respectively. Currently, the University is unable to determine whether and what extent, if any, the receipt of such amounts in the future could be materially and adversely affected.

In light of the current status of the litigation and related matters, the University considers it to be extremely unlikely that any events with respect to the litigation would materially and adversely affect the ability of the University to pay the debt service on the Obligations.

ENDOWMENT

The University’s total endowment was $1.1 billion for its fiscal year ended June 30, 2008. The University’s total endowment of $1.2 billion at June 30, 2007 was the 63rd largest of the 785 colleges and universities and the 23rd largest of the 269 public colleges and universities that were participants in the 2007 National Association of College and University Business Officers Endowment Study.

The University has also been awarded fourteen endowed chairs under the Eminent Scholars program created for state institutions of higher learning by the Ohio Board of Regents since the program has been extant. These fourteen chairs represent a $7,370,000 contribution to this endowment fund from the Ohio General Assembly.

**Total Endowment Market Value**

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<th>Fiscal Year End June 30</th>
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<th>2006</th>
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*Includes University of Cincinnati Foundation permanent endowments.

Source: University of Cincinnati Treasurer.
ENROLLMENT AND ADMISSIONS

Total fall enrollment in the 2008-09 school year is 37,072 students, or 29,965 full-time equivalents (“FTE’s”). The University awarded 4,735 undergraduate degrees and 2,780 advanced degrees in the 2007-08 academic year. More detailed enrollment statistics follow:

Fall Enrollment – Total Headcount

<table>
<thead>
<tr>
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<tr>
<td>Graduate</td>
<td>7,051</td>
<td>7,402</td>
<td>7,365</td>
<td>7,831</td>
<td>7,715</td>
</tr>
<tr>
<td>Professional (Law and Medicine)</td>
<td>999</td>
<td>1,018</td>
<td>985</td>
<td>987</td>
<td>988</td>
</tr>
<tr>
<td>Total</td>
<td>34,364</td>
<td>35,244</td>
<td>35,527</td>
<td>36,518</td>
<td>37,072</td>
</tr>
</tbody>
</table>

Fall Enrollment - Full-Time Equivalents

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduates</td>
<td>21,526</td>
<td>22,128</td>
<td>22,247</td>
<td>22,931</td>
<td>23,570</td>
</tr>
<tr>
<td>Graduates</td>
<td>4,644</td>
<td>4,799</td>
<td>4,886</td>
<td>5,185</td>
<td>5,023</td>
</tr>
<tr>
<td>Professional (Law and Medicine)</td>
<td>1,316</td>
<td>1,338</td>
<td>1,624</td>
<td>1,383</td>
<td>1,372</td>
</tr>
<tr>
<td>Total</td>
<td>27,486</td>
<td>28,265</td>
<td>28,757</td>
<td>29,499</td>
<td>29,965</td>
</tr>
</tbody>
</table>

Of the 37,072 students (29,965 FTE’s) in the fall of 2008, 29,617 students attended classes at the Uptown campus (24,721 FTE’s) and 7,455 students (5,244 FTE’s) attended classes at branch campuses.

Source: University of Cincinnati Office of Institutional Research.

The average University freshmen composite scores on the American College Test (“ACT”) and the Scholastic Aptitude Test (“SAT”) for the last five years are as follows:

Average Freshman Standardized Test Scores
(Baccalaureate Colleges)

<table>
<thead>
<tr>
<th></th>
<th>ACT Scores</th>
<th>SAT Scores*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>23.3</td>
<td>1,104.0</td>
</tr>
<tr>
<td>2005</td>
<td>23.8</td>
<td>1,121.0</td>
</tr>
<tr>
<td>2006</td>
<td>24.0</td>
<td>1,117.0**</td>
</tr>
<tr>
<td>2007</td>
<td>24.1</td>
<td>1,110.0**</td>
</tr>
<tr>
<td>2008</td>
<td>24.8</td>
<td>1,129.0**</td>
</tr>
</tbody>
</table>

* Recentered SAT Scores.
** Excludes the writing component score, which is one-third of the total SAT score.

Source: University of Cincinnati Admissions Department.
Over the past five academic years, the average University freshman composite score for those students entering baccalaureate colleges was 24.0 on the ACT and 1,116 on the SAT. The national average for all students for the 2007-2008 academic year on the ACT was 21.1.

**Student Admissions**  
(Baccalaureate, Two Year Colleges, and Center for Access and Transition)

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Applications Received</th>
<th>Applications Accepted</th>
<th>Percent Accepted</th>
<th>Applicants Accepted</th>
<th>Applicants Enrolled</th>
<th>Percent of Accepted Applicants Enrolled</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>12,851</td>
<td>11,674</td>
<td>90.84%</td>
<td>4,683</td>
<td>40.11%</td>
<td></td>
</tr>
<tr>
<td>2005-06</td>
<td>13,445</td>
<td>12,642</td>
<td>94.02%</td>
<td>5,134</td>
<td>40.61%</td>
<td></td>
</tr>
<tr>
<td>2006-07</td>
<td>12,226</td>
<td>10,938</td>
<td>89.47%</td>
<td>4,834</td>
<td>44.19%</td>
<td></td>
</tr>
<tr>
<td>2007-08</td>
<td>13,676</td>
<td>11,769</td>
<td>86.06%</td>
<td>5,432</td>
<td>46.16%</td>
<td></td>
</tr>
<tr>
<td>2008-09</td>
<td>16,707</td>
<td>13,090</td>
<td>78.35%</td>
<td>5,421</td>
<td>41.41%</td>
<td></td>
</tr>
</tbody>
</table>

*Definition has been revised. Data restated for academic year 2004-05.  
Source: University of Cincinnati Office of Institutional Research.

The University seeks to maintain selectivity in its baccalaureate programs and to be accessible to all students. Applicants who are denied admissions to baccalaureate programs are offered admissions to the University’s associate degree technical and transfer programs. The Center for Access and Transition helps students gain access to baccalaureate programs and, through one-on-one advising and individually tailored academic plans, equips them with the knowledge, skills, and resources necessary to successfully earn a degree.

The above table includes admissions to colleges and programs that support the University’s commitment to accessible education. The University differs from many other universities in that it admits undergraduates directly into specific programs of study, rather than admitting undergraduates to the University as a whole and then later requiring the students to seek admission to the programs of study they wish to pursue. This approach is attractive to many undergraduates because it assures them that they will be able to pursue their desired programs of study. As a result of this approach, the University is able to attract many highly motivated and directed undergraduates. The following table reflects admissions to the University’s baccalaureate colleges.

**Student Admissions**  
(Baccalaureate Colleges)

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Applications Received</th>
<th>Applications Accepted</th>
<th>Percent Accepted</th>
<th>Applicants Accepted</th>
<th>Applicants Enrolled</th>
<th>Percent of Accepted Applicants Enrolled</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>11,069</td>
<td>8,432</td>
<td>76.2%</td>
<td>3,068</td>
<td>36.4%</td>
<td></td>
</tr>
<tr>
<td>2005-06</td>
<td>11,742</td>
<td>9,094</td>
<td>77.4%</td>
<td>3,225</td>
<td>35.5%</td>
<td></td>
</tr>
<tr>
<td>2006-07</td>
<td>10,621</td>
<td>8,138</td>
<td>76.6%</td>
<td>3,173</td>
<td>39.0%</td>
<td></td>
</tr>
<tr>
<td>2007-08</td>
<td>11,741</td>
<td>8,810</td>
<td>75.0%</td>
<td>3,640</td>
<td>41.3%</td>
<td></td>
</tr>
<tr>
<td>2008-09</td>
<td>14,054</td>
<td>9,248</td>
<td>65.8%</td>
<td>3,284</td>
<td>35.5%</td>
<td></td>
</tr>
</tbody>
</table>

Source: University of Cincinnati Office of Institutional Research.
Not reflected in the above tables is the James L. Winkle College of Pharmacy, which admits students directly from high school into the Doctor of Pharmacy degree program. The highly competitive Pharmacy program accepts only about one-fourth of applicants, and regularly fills its maximum class size.

**Student Financial Aid Awarded**

*(In Thousands)*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Federal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEOG</td>
<td>$2,195</td>
<td>$2,331</td>
<td>$2,352</td>
<td>$2,739</td>
<td>$2,914</td>
</tr>
<tr>
<td>Pell</td>
<td>17,398</td>
<td>17,447</td>
<td>16,252</td>
<td>16,749</td>
<td>18,941</td>
</tr>
<tr>
<td>NDSL/Perkins</td>
<td>6,866</td>
<td>7,179</td>
<td>6,206</td>
<td>6,095</td>
<td>8,542</td>
</tr>
<tr>
<td>HPL-NSL</td>
<td>339</td>
<td>73</td>
<td>264</td>
<td>332</td>
<td>360</td>
</tr>
<tr>
<td>GSL/Stafford</td>
<td>114,714</td>
<td>126,018</td>
<td>133,434</td>
<td>145,702</td>
<td>163,897</td>
</tr>
<tr>
<td>PLUS/SLS</td>
<td>22,780</td>
<td>26,878</td>
<td>30,411</td>
<td>29,216</td>
<td>25,597</td>
</tr>
<tr>
<td>ALP</td>
<td>6,849</td>
<td>10,964</td>
<td>15,227</td>
<td>21,289</td>
<td>24,508</td>
</tr>
<tr>
<td><strong>State</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OIG</td>
<td>4,248</td>
<td>4,608</td>
<td>5,064</td>
<td>5,665</td>
<td>5,718</td>
</tr>
<tr>
<td><strong>University</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarship</td>
<td>29,547</td>
<td>40,377</td>
<td>40,533</td>
<td>39,144</td>
<td>42,558</td>
</tr>
<tr>
<td>Tuition Remission</td>
<td>9,582</td>
<td>11,035</td>
<td>12,454</td>
<td>13,605</td>
<td>13,481</td>
</tr>
<tr>
<td>(Grad. &amp; Faculty &amp; Staff)</td>
<td>36,852</td>
<td>39,850</td>
<td>40,932</td>
<td>43,523</td>
<td>43,674</td>
</tr>
<tr>
<td>Graduate Scholarship</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistant Employment</td>
<td>36,495</td>
<td>36,142</td>
<td>42,463</td>
<td>42,230</td>
<td>42,600</td>
</tr>
<tr>
<td>Sponsored Programs</td>
<td>10,229</td>
<td>11,289</td>
<td>12,611</td>
<td>15,260</td>
<td>16,625</td>
</tr>
<tr>
<td>University Loans</td>
<td>736</td>
<td>751</td>
<td>814</td>
<td>732</td>
<td>589</td>
</tr>
<tr>
<td><strong>Total Aid</strong></td>
<td>$298,830</td>
<td>$334,942</td>
<td>$359,017</td>
<td>$382,281</td>
<td>$410,004</td>
</tr>
</tbody>
</table>

(1) Due to the implementation of the new financial system, Research Fellows Employment is included as University Student Financial Aid Awarded, beginning in Fiscal Year 2005-2006.

*Source:* University of Cincinnati Financial Services Department.
GENERAL RECEIPTS

The General Receipts of the University for the five most recent fiscal years are shown below. The University’s current expenditures, which are financed in part by State appropriations and other funds excluded from the General Receipts, have been and are expected to be substantially greater than the General Receipts in every fiscal year.

**General Receipts**

**Fiscal Year Ended June 30**

(Dollars In Thousands)

<table>
<thead>
<tr>
<th>Year</th>
<th>Student Fees</th>
<th>Endowment Income</th>
<th>Private Gifts &amp; Grants</th>
<th>Departmental Sales and Charges</th>
<th>Recovery of Indirect Exp.</th>
<th>Other</th>
<th>Auxiliary Enterprises</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$169,993</td>
<td>2,908</td>
<td>2,513</td>
<td>48,196</td>
<td>36,730</td>
<td>2,247</td>
<td>81,716</td>
<td>$344,303</td>
</tr>
<tr>
<td>2005</td>
<td>$210,937</td>
<td>2,499</td>
<td>2,756</td>
<td>53,635</td>
<td>35,987</td>
<td>8,924</td>
<td>81,250</td>
<td>$395,988</td>
</tr>
<tr>
<td>2006</td>
<td>$230,778</td>
<td>2,790</td>
<td>1,777</td>
<td>56,008</td>
<td>35,117</td>
<td>6,906</td>
<td>73,815</td>
<td>$407,191</td>
</tr>
<tr>
<td>2007</td>
<td>$260,605</td>
<td>2,907</td>
<td>2,732</td>
<td>58,645</td>
<td>36,516</td>
<td>6,929</td>
<td>77,039</td>
<td>$445,373</td>
</tr>
<tr>
<td>2008</td>
<td>$272,910</td>
<td>3,075</td>
<td>4,428</td>
<td>66,041</td>
<td>36,287</td>
<td>7,991</td>
<td>82,415</td>
<td>$473,147</td>
</tr>
</tbody>
</table>

**Budgeted General Receipts**

The following table sets forth the General Receipts included in the University’s budget for fiscal year ended June 30, 2009. As in prior years, the University’s current expenditures, which are financed in part by State appropriations and other funds excluded from the General Receipts, are expected to be substantially greater than the General Receipts.

**Budgeted General Receipts**

(In Thousands)

<table>
<thead>
<tr>
<th>Item</th>
<th>Fiscal Year Ending June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Fees (net of scholarships)*</td>
<td>$283,862</td>
</tr>
<tr>
<td>Recovery of Indirect Expenses</td>
<td>28,976</td>
</tr>
<tr>
<td>Private Gifts and Grants</td>
<td>1,237</td>
</tr>
<tr>
<td>Endowment Income</td>
<td>2,788</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>61,872</td>
</tr>
<tr>
<td>Other</td>
<td>7,001</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>81,843</td>
</tr>
<tr>
<td>Total</td>
<td><strong>$467,579</strong></td>
</tr>
</tbody>
</table>

*Scholarships are estimated and subject to adjustment.
GRANTS, CONTRACTS, AND AWARDS

In addition to General Receipts, the grants, contracts, and awards that the University has received for the five most recent fiscal years are shown below.

Grants, Contracts, and Awards
(In Thousands)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FEDERAL SOURCES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States Public Health</td>
<td>$113,382</td>
<td>$112,903</td>
<td>$118,720</td>
<td>$118,127</td>
<td>$125,071</td>
</tr>
<tr>
<td>National Science Foundation</td>
<td>7,816</td>
<td>6,633</td>
<td>7,373</td>
<td>8,009</td>
<td>7,689</td>
</tr>
<tr>
<td>Environmental Protection Agency</td>
<td>4,387</td>
<td>3,896</td>
<td>5,701</td>
<td>4,275</td>
<td>2,673</td>
</tr>
<tr>
<td>Department of Defense</td>
<td>7,402</td>
<td>6,241</td>
<td>6,510</td>
<td>6,372</td>
<td>6,532</td>
</tr>
<tr>
<td>Department of Energy</td>
<td>2,861</td>
<td>2,153</td>
<td>4,068</td>
<td>2,993</td>
<td>2,718</td>
</tr>
<tr>
<td>National Aeronautics and Space Administration</td>
<td>1,484</td>
<td>2,293</td>
<td>1,516</td>
<td>295</td>
<td>834</td>
</tr>
<tr>
<td>Department of Education</td>
<td>23,766</td>
<td>25,863</td>
<td>28,762</td>
<td>26,776</td>
<td>28,861</td>
</tr>
<tr>
<td>Other Federal Agencies</td>
<td>4,528</td>
<td>5,588</td>
<td>3,255</td>
<td>3,931</td>
<td>3,721</td>
</tr>
<tr>
<td>TOTAL FEDERAL</td>
<td>165,626</td>
<td>165,570</td>
<td>175,905</td>
<td>170,778</td>
<td>178,099</td>
</tr>
<tr>
<td>NON-FEDERAL SOURCES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Governments</td>
<td>14,341</td>
<td>11,812</td>
<td>16,298</td>
<td>11,176</td>
<td>5,245</td>
</tr>
<tr>
<td>City/County Governments</td>
<td>315</td>
<td>25</td>
<td>417</td>
<td>233</td>
<td>854</td>
</tr>
<tr>
<td>Other Non-Government Agencies</td>
<td>16,826</td>
<td>10,915</td>
<td>18,196</td>
<td>15,643</td>
<td>20,695</td>
</tr>
<tr>
<td>TOTAL NON-FEDERAL</td>
<td>31,482</td>
<td>22,752</td>
<td>34,911</td>
<td>27,052</td>
<td>26,794</td>
</tr>
<tr>
<td>TOTAL ALL UNIVERSITY SOURCES</td>
<td>197,108</td>
<td>188,322</td>
<td>210,816</td>
<td>197,830</td>
<td>204,893</td>
</tr>
<tr>
<td>University Faculty at</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affiliated Institutions</td>
<td>113,375</td>
<td>131,302</td>
<td>121,482</td>
<td>134,825</td>
<td>128,609</td>
</tr>
<tr>
<td>TOTAL ALL SOURCES AND</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AFFILIATED INSTITUTIONS</td>
<td>$310,483</td>
<td>$319,624</td>
<td>$332,298</td>
<td>$332,655</td>
<td>$333,502</td>
</tr>
</tbody>
</table>

LABOR RELATIONS

The University has contracts with five labor unions, and a sixth union was just elected to represent the University’s sworn police officers and the University’s security officers in two separate units.

A. American Association of University Professors (the “AAUP”). In November, 1974, the faculty of the University elected the AAUP as sole bargaining agent with the University administration. Approximately 1,700 full and part-time faculty and librarians are included in the bargaining unit. The current contract between the AAUP and the University will expire on June 30, 2010.
B. American Federation of State, County and Municipal Employees (“AFSCME”) Ohio Council 8. This bargaining unit represents approximately 560 employees primarily in the areas of maintenance and service. The current AFSCME agreement expires on February 11, 2009.

C. International Union of Operating Engineers (“IUOE”). The current agreement expires on July 31, 2009. This agreement covers approximately 70 employees in the areas of skilled trades and power plant.

D. The Ohio Nurses Association (“ONA”) represents approximately 8 registered nurses at the Hoxworth Blood Center. The present contract expires January 19, 2011.

E. District 1199/Service Employees International Union (“SEIU/1199”) represents approximately 400 clerical and secretarial staff members. The bargaining agreement expires on June 30, 2011.

F. The Fraternal Order of Police/Ohio Labor Council (FOP) represents approximately 50 sworn police officers. The current agreement expires June 30, 2011.

G. The FOP also represents approximately 40 security officers. Negotiations on the first agreement have not yet begun.

H. The FOP also represents approximately 10 emergency dispatchers. Negotiations on the first agreement have not yet begun.

The University’s relationship with its employees is governed under the rules of the Civil Service laws and collective bargaining laws of Ohio. Union contracts, negotiated by the above-listed labor unions and the University, cover wages, salaries, hours, terms and conditions of employment, fringe benefits, and other similar matters.

RETIRED SYSTEMS

Retirement benefits are available for substantially all employees under one of several contributory retirement plans. Prior to July 1, 1977, when the University became a state institution, employees were covered by either the City of Cincinnati Retirement System (“CRS”) or the Teachers’ Insurance and Annuity Association - College Retirement Equities Fund (“TIAA-CREF”). Certified teachers appointed on or after July 1, 1977, are covered by the State Teachers’ Retirement System (“STRS”). Non-certified employees appointed on or after that date are covered by the Ohio Public Employees Retirement System (“OPERS”). Both STRS and OPERS are statewide systems that offer three separate plans: (1) a defined benefit plan, (2) a defined contribution plan, and (3) a combined plan.

Defined Benefit Plans

The OPERS, STRS, and CRS plans are cost-sharing, multiple-employer, defined-benefit, public-employee retirement systems. Each provides retirement, disability and death benefits to plan members and beneficiaries. These plans also provide health-care benefits to vested retirees. Benefits provided under the plans are established by State statute or the Cincinnati Municipal Code.
All three plans issue separate, publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by contacting each system as follows: Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215, Telephone (614) 466-2085; State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215, Telephone (614) 227-4090; and City of Cincinnati Retirement System, 801 Plum Street, Cincinnati, Ohio 45202, Telephone (513) 352-3227.

The Ohio Revised Code and the Cincinnati Municipal Code provide OPERS, STRS, and CRS statutory authority, respectively, over employer and employee contributions. The required, actuarially determined contribution rates for the University and for employees are 14% (7% relating to health-care benefits) and 10% of covered payroll, respectively, for OPERS; 14% (1% relating to health-care benefits) and 10%, respectively, for STRS; and 17% and 7%, respectively, for CRS for the year ended June 30, 2008. The University’s contributions, representing 100% of employer contributions for the year ended June 30, 2008, and for each of the two preceding years are as follows (in thousands):

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>OPERS</th>
<th>STRS</th>
<th>CRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$19,811</td>
<td>$16,417</td>
<td>$361</td>
</tr>
<tr>
<td>2007</td>
<td>20,318</td>
<td>17,618</td>
<td>506</td>
</tr>
<tr>
<td>2008</td>
<td>20,155</td>
<td>15,417</td>
<td>278</td>
</tr>
</tbody>
</table>

OPERS and STRS provide postretirement and postemployment health-care benefits in addition to the retirement benefits described above. OPERS Other Post Employee Benefits (“OPEB”) is advance funded on an actuarially determined basis. The assumptions and calculation below were based on the system’s latest actuarial review performed as of December 31, 2006. An entry-age normal actuarial-cost method of valuation is used in determining the present value. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets not to exceed a 12% corridor. The actuaries’ assumptions were as follows: investment return, 6.5%; annual wage increase (compounded annually), 4%; and health care costs, 4%. At December 31, 2006, the actuarial value of Retirement System’s net assets available for OPEB was $12 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were $30.7 billion and $18.7 billion, respectively. There are 374,979 active contributing participants. Of the $20,155,000 University employer contributions to OPERS for 2008, $10,078,000 was to fund OPEB.

STRS has discretionary authority, pursuant to the Ohio Revised Code, over how much, if any, of the health-care costs will be absorbed by STRS. All benefit recipients are required to pay a portion of the health-care cost in the form of a monthly premium. The balance in the Health Care Reserve Fund was $4.1 billion at June 30, 2007 (the latest information available). For the year ended June 30, 2007, the net health-care costs paid by STRS were $265,558,000. There were 122,934 eligible benefit recipients.

In addition to the pension benefits described above, the University provides postretirement health-care and dental benefits (under its labor agreement with the American Association of University Professors) to all retirees who are participants of TIAA-CREF when they retire. During 2008, 2007 and 2006, the net cost of these benefits recorded on a pay-as-you-go basis totaled approximately $3,010,000, $2,961,000, and $2,945,000 respectively.
Defined Contribution Plans

On June 23, 1998, pursuant to Ohio House Bill 586, the University created an Ohio Alternative Retirement Plan ("ARP") which is designed to aid the University in recruiting and retaining employees by offering a portable retirement option. The ARP is a defined-contribution plan that provides full and immediate vesting of all contributions made on behalf of the participant. Contributions are directed to one of eight investment management companies, which allows the participant to manage the investment of all retirement funds. New employees who qualify for the ARP have 90 days from the date of hire to elect the ARP option. Once this window has passed, the employee does not have the option to elect into the ARP.

At June 30, 2008, there were 1,889 members of the plan. During 2008, 2007 and 2006 the employer contributions were $13,730,000, $13,418,000, and $11,310,000, respectively. The employer contribution rate was 13.77% for participants electing out of OPERS during fiscal year 2007. Effective January 1, 2008 the employer contribution rate increased to 14%. The employer contribution rate for participants electing out of STRS was 14.00% for both 2008 and 2007.

Combined Plans

STRS offers a combined plan with features of both a defined contribution plan and a defined benefit plan. In the combined plan, employees contributions are invested in self-directed investments, and the employer contribution is used to fund a reduced defined benefit. Employees electing the combined plan receive postretirement health care benefits.

OPERS also offers a combined plan. This is a cost-sharing multiple-employer defined benefit plan that has elements of both a defined benefit and defined contribution plan. In the combined plan, employee contributions are invested in self directed investments, and the employer contribution is used to fund a reduced defined benefit. Employees electing the combined plan receive postretirement health care benefits. OPERS provides retirement, disability, survivor and postretirement health benefits to qualifying members of the combined plan.

INSURANCE

The University currently carries “all-risk” property insurance on a full replacement cost basis for all of its buildings and contents, through an insurance program of four-year state universities in Ohio known as the Inter University Council Insurance Consortium (“IUC-IC”). The IUC-IC program includes a pooled retention and commercial property insurance, with dedicated limits of $100M per university per occurrence and shared excess limits of $1B per occurrence. The University’s $100,000 deductible under this program is funded through a property reserve account with contributions from various university departments, branches and auxiliaries. Casualty Insurance, including Comprehensive General Liability (“CGL”) and Educators Legal Liability (“ELL”) coverages, is provided through a separate IUC-IC program. This program is a combination of self-insurance through actuarially established Trust Funds and commercially purchased insurance. The CGL and ELL coverages each have self-insured limits of $1M, pooled among the participating universities and funded according to an actuarial formula. This program also includes dedicated excess insurance limits of $5M per university, $25M shared excess policies for both CGL and ELL, and an additional $20M shared CGL limit. The university deductible of $100,000 for ELL is funded by a University budget account; the $100,000 CGL deductible is funded through an actuarially-supported trust fund. Medical Professional Liability (“MPL”) coverage is provided through a separate self-insurance trust fund, with actuarially-supported limits of $4M per occurrence.
This program is shared among the University’s academic health programs, Hoxworth Blood Center, and 19 practice corporations associated with the Academic Health Center. An additional $15M in MPL coverage is provided through a commercial excess insurance policy.

FEES AND CHARGES

Tuition and Fees

Tuition and fees for the academic year 2008-09 range from $4,542 to $27,987 for residents of Ohio, and from $11,394 to $42,987 for out-of-state residents. The State legislated that Ohio residential tuition was capped and that Ohio graduate and non-Ohio resident tuition was not capped. Special fees for instruction of students taking less than a full academic program exist in all of the colleges. A General Fee (Student Services Fee) of $249 for Uptown campus students and $142 for branch campus students per quarter is included in tuition for full-time students. There are also a number of miscellaneous student fees. As part of the planning for the MainStreet Project, the University instituted a Campus Life Fee, and the Campus Life Fee for academic year 2008-09 is $147 per quarter.

University regulations define a resident of Ohio. In general, residence for a period of 12 months prior to the registration date is required to be considered a resident. The academic tuition effective for 2008-09 and general fees for Ohio residents and non-residents per quarter are as follows:

<table>
<thead>
<tr>
<th>Ohio Resident</th>
<th>Tuition &amp; General Fees (Quarterly)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td></td>
</tr>
<tr>
<td>- Uptown Campus</td>
<td>$2,569</td>
</tr>
<tr>
<td>- Branch Campus</td>
<td></td>
</tr>
<tr>
<td>Clermont College</td>
<td>1,277</td>
</tr>
<tr>
<td>Raymond Walters College</td>
<td>1,478</td>
</tr>
<tr>
<td>Graduate School</td>
<td>3,101</td>
</tr>
<tr>
<td>Law*</td>
<td>6,588</td>
</tr>
<tr>
<td>Medicine</td>
<td>7,146</td>
</tr>
<tr>
<td>Non-Ohio Resident</td>
<td></td>
</tr>
<tr>
<td>Tuition &amp; General Fees (Quarterly)</td>
<td></td>
</tr>
<tr>
<td>Undergraduate</td>
<td></td>
</tr>
<tr>
<td>- Uptown Campus</td>
<td>$6,893</td>
</tr>
<tr>
<td>- Branch Campus</td>
<td></td>
</tr>
<tr>
<td>Clermont College</td>
<td>3,316</td>
</tr>
<tr>
<td>Raymond Walters College</td>
<td>3,950</td>
</tr>
<tr>
<td>Graduate School</td>
<td>5,911</td>
</tr>
<tr>
<td>Law*</td>
<td>12,758</td>
</tr>
<tr>
<td>Medicine</td>
<td>12,524</td>
</tr>
</tbody>
</table>

* Law School tuition is presented on a semester basis.
The residence hall fee schedule as of September 1, 2008 is $1,841 per quarter for residence hall bed, together with a $1,239 board charge per quarter for a 209 meal per quarter plan. The residence hall system had a total of 3,122 beds available for occupancy for students in 2008. The occupancy rate for all available rooms for the 2008 Fall Quarter was 100.3% as of October 8, 2008.

**Parking**

The University has established rate schedules for its parking lots, campus drives and garages based on hourly and quarterly usage for students and monthly rates for faculty and staff. The following rates are effective as of May 2008 for the various parking facilities.

**Faculty, Staff and Student Rates:**

**CCM Garage/Varsity Village Garage:**
- Faculty/Staff: $100/month
- Student: $300/quarter

**Zone 1** - Clifton Court Garage, Kingsgate Garage, Goodman Garage, Calhoun Garage, Zone A designated spaces, CAS designated area and McMicken decal holders:
- Faculty/Staff: $87/month
- Student: $261/quarter

**Zone 2** - Woodside Drive Garage, Campus Green Garage, Eden Avenue Garage Levels 1-7:
- Faculty/Staff: $75/month
- Student: $225/quarter

**Corry Garage and University Garage:**
- Faculty/Staff: $50/month
- Student: $150/quarter

**Zone 3** - Corry North Lot (4), Sander Lot (3), Lot 13, Lot 16, Lot 22, Eden Garage Level 8, CAS (B/3) Zone and Sander Ramp:
- Faculty/Staff: $41/month
- Student: $123/quarter

**Zone 4** - CAS (C/4 Zone):
- Faculty/Staff: $38/month
- Student: $108/quarter

**Zone 5** - Reading Lot and Winslow Lot:
- Faculty/Staff: $21/month
- Student: $63/quarter

Hourly garage parking is available in half-hour increments to a maximum of $8.75 for 24 hours.
Fee Regulations

All fees required of students must be paid in advance as a condition of registration. If the fees are not paid promptly, the University may exclude students from their classes. The University allows students and their parents to pay educational expenses in low-cost monthly payments through contracts with private financial organizations. Student fees are subject to change by action of the Board; such changes take effect at once and apply to students already enrolled, unless otherwise specified. The University allows fees for tuition, room and board to be refunded proportionately when the student withdraws prior to the fifth week of the academic quarter.

STATE APPROPRIATIONS

All State universities in Ohio receive State financial assistance for both operations and capital improvements through appropriations by the General Assembly. Such State appropriations contribute substantially to the successful maintenance and operation of the University and increase the ability of the University to generate General Receipts, although amounts received in the form of State appropriations are not included in General Receipts.

The following table shows State Operating Appropriations compared with General Receipts for the past five fiscal years (dollars in thousands):

<table>
<thead>
<tr>
<th>Fiscal Year Ending June 30</th>
<th>State Operating Appropriations</th>
<th>General Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$181,139</td>
<td>$344,303</td>
</tr>
<tr>
<td>2005</td>
<td>179,007</td>
<td>395,988</td>
</tr>
<tr>
<td>2006</td>
<td>179,857</td>
<td>407,191</td>
</tr>
<tr>
<td>2007</td>
<td>185,863</td>
<td>445,373</td>
</tr>
<tr>
<td>2008</td>
<td>193,811</td>
<td>473,147</td>
</tr>
</tbody>
</table>

* The University’s financial statements are presented in accordance with Governmental Accounting Standards Board Statement No. 35, Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities, which requires tuition revenue to be reported net of scholarships. The General Receipts for fiscal years 2004, 2005, 2006, 2007 and 2008 reflect tuition revenue net of $71,550,000, $77,341,000, $81,367,000, $81,510,000 and $84,322,000 scholarships.

State income and budget constraints have compelled and from time to time in the future may compel a stabilization or reduction of the level of State assistance and support for higher education in general and the University in particular, and temporary adjustments in payment schedules of moneys appropriated to the University. In addition, appropriations made by the General Assembly for higher education and other purposes are subject to decreases by the Governor pursuant to Section 126.08, Ohio Revised Code.

The Governor of the State of Ohio and both houses of the Legislature have all approved appropriation levels for Fiscal Year 2009 in the amount of $207,919,000 and in Fiscal Year 2009 an increase of 10% for the University. In the State’s latest budget cut, the Governor has held Higher Education virtually harmless and has stated that education is his number one priority for FY 2009 and the next biennium. The increase and being held harmless in the cut are still coupled with restrictions on in-state undergraduate tuition (see Tuition and Fees). Graduate and professional tuition was increased 2.0% on the average. The Board of Trustees approved an all-funds budget that was approximately $25 million more than that adopted in Fiscal Year 2008, resulting in a balanced general funds budget.
As is always the case, the University is researching new means of attracting and generating new income sources, and is implementing new programs that will allow for increases in research funding. The University is working closely with the Ohio Board of Regents, the Governor and the State Legislators to insure that future budget proposals will result in a more opportunistic state-funding situation for all Higher Education institutions in the State of Ohio under the new University System of Ohio.

The University also receives State capital appropriations every biennium. Appropriations are primarily used for renovation/rehabilitation and construction of academic facilities.

As of September 30, 2008, the University has appropriated State funds of $55,100,000 for future capital expenditures. Appropriated State capital funds are comprised of:

- Released encumbered funds not yet expended - $2,600,000
- Released unencumbered funds - $1,000,000
- Unreleased and re-appropriated funds - $51,500,000

Available State capital appropriations will be used for the following projects/initiatives:

- Medical Science Building Renovation
- Basic Renovation funding
  - Uptown Campus, Clermont College and Raymond Walters College
- Instructional Equipment
  - Uptown Campus, Clermont College and Raymond Walters College
- Barrett Cancer Center
- Raymond Walters College Expansion

Beginning in Fiscal Year 1998, state universities in Ohio received a capital component allocation determined by a formula that considers the volume of educational activities (credit enrollment, research and noncredit job training) on each campus and the age of the institution and facilities. The University (Uptown Campus, Clermont College and Raymond Walters College) received the following capital allocation for the 2009-2010 biennium:

- Capital Component - $30,200,000
- Basic Renovations - $11,500,000
- Instructional Equipment - $1,900,000

There can be no assurance that future State appropriations for operating or capital improvement purposes will be made available in the amounts requested, required or budgeted by the University. The General Assembly currently determines such appropriations biennially.

TEMPORARY INVESTMENT POOL

The Temporary Investment Pool for the University is the investment vehicle for pooling and investing funds which are temporarily available. Operating and other funds for all areas of the University participate in the Pool. The pooling allows the investment plan to take a longer-term perspective than would otherwise be appropriate, since declines in some funds will be offset by increases in others. This has provided a growing “permanent” base for investing. All securities are carried at market value.
Since the portfolio is structured to meet known needs, other than changes that result from cash flow, few changes in the portfolio are anticipated. The quality of the portfolio is monitored so that appropriate action can be taken should the quality of an issuer begin to deteriorate sufficiently to warrant action. Otherwise, the current portfolio holdings are expected to remain essentially as they are for the foreseeable future.

As of June 30, 2008, the book value of the portfolio was $182,193,277 and the market value was $182,110,156. The average life of the investments was 0.1 years. The Administrative Investments Committee believes this is a high quality portfolio that is appropriately invested for the University’s needs. The maturity schedule is set with cash needs in focus.

INVESTMENT POLICY OF THE UNIVERSITY

The administration of the University’s invested funds is governed by policies established by the Board of Trustees. These policies, which encompass the University’s endowment fund “A” (pooled endowment), gifted real estate, and temporary investment pool, are briefly described below:

**Endowment Fund A**

The University endowment investment policy’s goal shall be to produce real growth in assets, net of administrative and investment fees, by generating a total endowment rate of return which is greater than, or equal to, the spending rate established by the University’s endowment spending policy plus the rate of inflation. The asset mix of investments may range from 85% variable investments and 15% fixed income investments to 15% variable investments and 85% fixed income investments, at any one time. The current fixed income investment allocation target is 20%. Variable investments include common stocks, preferred stocks, private equity, venture capital, funds engaged in hedged strategies, and energy or natural resources, and public and private equity real estate, including real estate investment trusts, limited partnerships, and direct real estate holdings where a market rate of return can be expected. Fixed income investments include U.S. and foreign government and agency obligations, U.S. and foreign corporate debt obligations, U.S. and foreign convertible bonds, collateralized mortgage-backed obligations, and loans with reasonably structured terms bearing a market rate of return and having a strategic value to the University campus (“Strategic Loans”). Strategic Loans must be supported by a written statement of justification and must be approved by the chair of the finance committee and the President of the University after notification to the entire Board of Trustees. The total of Strategic Loans may not exceed the greater of 60% of the fixed income allocation of the general investment fund “A” pool (currently approximately $149,000,000) or $75,000,000 at the time of investment. The University has made $75,300,000 of Strategic Loans from the general investment “A” pool. Limitations based on gradings by rating systems, weighted average of maturities and percentage of portfolio invested in one issuer or investment apply. Investments shall be diversified consistent with prudent investment management practices.

**Separately Invested Endowment Funds**

Additional endowment funds may be invested in loans, direct real estate, or other investments not yielding a market rate of return, that are judged to be of long term strategic importance to the University. Such investments shall be held separately from the endowment fund “A” and must be approved by the chair of the finance committee and the President of the University, after notification to the entire Board of Trustees. The total of such investments shall not exceed $25,000,000 at any time.
The University has already made $7,200,000 of loans from Separately Invested Endowment Funds, and it is currently considering making additional Strategic Loans and/or investments of Separately Invested Endowment Funds for real estate development projects located on the periphery of the University’s campus.

**Gifted Real Estate**

An annual review of all real estate holdings is performed to determine if the property should be sold or if the net rate of return from rental income can be increased. Proposed real estate gifts to the University are reviewed, prior to acceptance, in order to assure that an asset will be received, that clear title will be conveyed and to ascertain whether any environmental hazards or similar liabilities exist.

**Temporary Investment Pool**

Temporarily idle funds of the University may be invested in securities issued by the U.S. government and federal agencies, government sponsored enterprises and government sponsored private corporations, plus commercial paper, certificates of deposit or other money market securities. Authorized investments include U.S. treasury or any federal agency notes, bills and bonds; world bank bonds; interamerican development bank bonds; asian development bank notes; private export funding corporation notes; bank certificates of deposit; bank repurchase agreements; banker’s acceptances; bank and corporate commercial paper; corporate notes and bonds; money market funds; collateralized mortgage obligations; any government sponsored enterprise or government sponsored private corporation notes, bills and bonds; and investment pools created by the State of Ohio for the purpose of holding assets of political subdivisions. The temporary investment funds should be invested for diversification of risk and yield. Limitations based on gradings by rating agencies, percentage of pool invested in types of investments or other characteristics of the investment apply. Repurchase agreements shall be collateralized by U.S. government obligations. Collateralized mortgage obligations must be rated “AAA” by Standard & Poor’s Rating Group, a division of The McGraw Hill Companies. The weighted average life of the pool shall be no longer than five years. At least twenty-five percent of the invested funds shall at all times be maintained in securities of the United States government or of its agencies or instrumentalities, the treasurer of the state’s pooled investment program, obligations of this state or any political subdivision of this state, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds, or bankers acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system as a reserve.
The following is a summary of certain provisions of the Restated Trust Agreement dated as of May 1, 2001, between the University of Cincinnati and Fifth Third Bank (now, by sale of its corporate trust services, The Bank of New York Trust Company, N.A.), as Trustee, which agreement amends and restates the Trust Agreement between the University of Cincinnati and The Fifth Third Bank, dated as of May 1, 1974 (the “Original Trust Agreement”). Although the Series 2001 Bonds were issued pursuant to the Original Trust Agreement, the Restated Trust Agreement will take effect immediately after their issuance and control the Series 2001 Bonds in all aspects other than their issuance. This summary is not to be regarded as a complete statement of the Restated Trust Agreement to which reference is made for a complete statement of the actual terms thereof. Copies of the Original Trust Agreement and the Restated Trust Agreement are on file with the Trustee.

**DEFINITION OF CERTAIN TERMS**

The terms defined below are among those used in the Official Statement and in the summary of the Restated Trust Agreement which follow:

“Balloon Indebtedness” means (a) a series of Bonds, twenty-five percent (25%) or more of the principal of which matures on the same date, which portion of the principal is not required by the applicable Supplemental Trust Agreement to be amortized prior to such date, or (b) a series of Bonds with a maturity of seven years or less, issued in anticipation of Bonds with a longer maturity.

“Board” means the Board of Trustees of the University, or if there shall be no such Board of Trustees, such Person or body which pursuant to law or the organizational documents of the University is vested with the power to direct the management and policies of the University, and shall include any committee empowered to act on behalf of such board or body.

“Bond” or “Bonds” means any bond, or all of the bonds, or an issue or series of bonds, as the case may be, as so identified in the certificate of the Fiscal Officer, of the University issued pursuant to the 2001 General Bond Resolution, a Series Resolution and the Restated Trust Agreement, as well as any bond or bonds outstanding and issued under the terms of the Original Trust Agreement. The definition of Bond and Bonds does not include “Note” or “Notes”.

“Bond Redemption and Purchase Account” means the Bond Redemption and Purchase Account authorized and created pursuant to Section 4.05 of the Restated Trust Agreement.

“Bond Service Reserve Account” means the Bond Service Reserve Account authorized and created pursuant to Section 4.03 of the Restated Trust Agreement.

“Capital Appreciation Bonds” means those Bonds payable at par value at maturity, the payment of which includes compound accreted amounts as specified in a Series Resolution or Supplemental Trust Agreement.
“Certificate of Award” means, with respect to any series of Obligations, the Certificate of Award for such series, if any, authorized in the applicable Series Resolution or the contract of purchase for such series of Obligations.

“Costs of University Facilities” means the costs of or related to University Facilities, and the financing thereof, for the payment of which Obligations may be issued under the Act.

“Credit Enhancer” means the issuer of a Credit Support Instrument.

“Credit Support Instrument” means an irrevocable letter of credit, line of credit, insurance policy, guaranty or surety bond or similar instrument providing for the payment of or guaranteeing the payment of principal or purchase price of and interest on Obligations when due, either to which the University is a party or which is provided at the request of the University.

“Crossover Amount” means the amount of money and Government Bonds which are on deposit in a Crossover Escrow Account and which, together with investment income thereon, are held as provided in the definition of “Crossover Refunded Bond”.

“Crossover Date” means, when used with respect to any particular Crossover Refunding Bonds and Crossover Refunded Bonds, the date on which the Crossover Amount on deposit in a Crossover Escrow Account shall be used to retire all such Outstanding Crossover Refunded Bonds for which such Crossover Escrow Account was established.

“Crossover Escrow Account” means an escrow account in which a Crossover Amount is deposited.

“Crossover Refunded Bond” means any Obligation if:

(i) The Trustee shall have received and shall hold in trust for and irrevocably committed thereto, moneys sufficient, or

(ii) The Trustee shall have received and shall hold in trust for and irrevocably committed thereto, Government Bonds which are certified by an independent certified public accountant to be of such maturities, irrevocably established redemption dates or irrevocably established repurchase dates (if such Government Bonds are subject to a repurchase agreement) and interest payment dates, and to be of such principal amounts or irrevocably established redemption prices and to bear such interest, which together with any moneys to which reference is made in paragraph (i) above, without the need for further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust, except as provided herein), will be sufficient:

(A) for the payment of all principal of and premium, if any, on such Obligation as the same becomes due, whether at its maturity or redemption date or otherwise, as the case may be, or if a default in payment shall have occurred on any maturity or redemption date, then for the payment of all principal of and premium on such Obligation to the date of the tender of payment; provided, that if any such Obligation is to be redeemed prior to the maturity thereof, notice of that redemption shall have been given or irrevocable provision shall have been made for the giving of that notice and
(B) for the payment of interest (in whole or in part) on any Crossover Refunding Bonds, the proceeds of which were, in whole or in part, deposited in such Crossover Escrow Account, or both. Prior to the Crossover Date, the Crossover Amount may be pledged as security for the Crossover Refunding Bonds, the Crossover Refunded Bonds, or both. The moneys and proceeds of such Government Bonds shall, to the extent needed, be used for the foregoing purposes or used to reimburse a provider of a Credit Support Instrument for amounts advanced by it for the foregoing purposes.

“Crossover Refunding” means an advance refunding in which Crossover Refunding Bonds are issued to refund Crossover Refunded Bonds and in which a Crossover Amount is deposited in a Crossover Escrow Account.

“Crossover Refunding Bond” means any Obligation, to the extent that any proceeds from the sale thereof shall, upon deposit in a Crossover Escrow Account, constitute a Crossover Amount.

“Debt Service Account” means the Debt Service Account within the Debt Service Fund authorized and created pursuant to Section 4.01 of the Restated Trust Agreement.

“Debt Service Charges” means, generally, for any applicable time period, the principal (including any Mandatory Sinking Fund Requirements), interest and redemption premium, if any, required to be paid by the University on the Obligations pursuant to any Series Resolution, less any capitalized interest for such time period and accrued interest on deposit in the Debt Service Account. The methods for determining Debt Service Charges for the Obligations with Mandatory Sinking Fund Requirements, Obligations which are insured or secured by a Credit Support Instrument, or Obligations which are Variable Rate Bonds, Balloon Indebtedness, Capital Appreciation Bonds, Crossover Refunded Bonds or Crossover Refunding Bonds are set forth in Section 2.02 of the Restated Trust Agreement.

“Debt Service Fund” means the Debt Service Fund authorized and created in Section 4.01 of the Restated Trust Agreement.

“Event of Default” means an Event of Default as defined in Section 6.01 of the Restated Trust Agreement.

“Fiscal Officer” means either the Vice President for Finance or the Treasurer of the University or such other person designated by the Vice President for Finance or the Treasurer to act as Fiscal Officer for purposes of the Restated Trust Agreement.

“Fiscal Year” means a period of twelve consecutive months constituting the fiscal year of University commencing on the first day of July of any year and ending on the last day of June of the next succeeding calendar year, both inclusive, or such other consecutive twelve month period as hereafter may be established from time to time for budgeting and accounting purposes of the University by the Board to be evidenced, for purposes hereof, by a certificate of the Fiscal Officer filed with the Trustee.

“General Receipts” means all moneys received by the University, except: (i) moneys raised by taxation and state appropriations; (ii) any grants, gifts, donations and pledges and receipts therefrom which under restrictions imposed in the grant or promise thereof or as a condition of the receipt thereof are not available for payment of Debt Service Charges; and (iii) any special fee charged pursuant to Section 154.21(D) of the Ohio Revised Code and receipts therefrom.
“Government Bonds” means (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged, (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of Treasury of the United States of America or Federal Reserve Bank), and (c) securities which represent an interest in the obligations described in (a) and (b) above.

“Mandatory Sinking Fund Requirements” means amounts required by any Series Resolution or the Certificate of Award to be deposited to the Debt Service Account in any fiscal year for the purpose of retiring principal maturities of Obligations which by the terms of such Obligations are due and payable, if not called for prior redemption, in any subsequent fiscal year.

“Notes” or “Note” means any note or all of the notes, or an issue of notes, as the case may be, as so identified in the certificate of the Fiscal Officer, including Commercial Paper, issued by the University in anticipation of the issuance of Bonds or receipt of appropriations from the Ohio Board of Regents to pay Costs of University Facilities pursuant to the Act, or to pay costs of refunding or retirement of Notes previously issued pursuant to the Act, the 2001 General Bond Resolution, a Series Resolution and the Restated Trust Agreement, but excludes any note or notes issued prior to the execution and delivery of the Restated Trust Agreement. The definition of Note and Notes does not include “Bond” or “Bonds”.

“Obligations” means Bonds or Notes.

“Original Bond Service Reserve Account” means the Bond Service Reserve Account established under Section 6 of the Original Trust Agreement.

“Original Trust Agreement” means the Trust Agreement dated as of May 1, 1974 between the University and the Trustee, as the same has been amended and supplemented up to the date of the Restated Trust Agreement.

“Post-Amendment Bonds” means any Bonds issued under the Restated Trust Agreement.

“Pre-Amendment Bonds” means any Bonds issued pursuant to the Original Trust Agreement prior to the amendment of the Trust Agreement by the Restated Trust Agreement, other than the Series 2001 Bonds.

“Project Fund” means the Project Fund created in Section 4.06 of the Restated Trust Agreement.

“Rebate Fund” means the Rebate Fund created by Section 4.17 of the Restated Trust Agreement.

“Replacement and Repair Account” means the Replacement and Repair Account created pursuant to the Original Trust Agreement.

“Required Reserve” means, with respect to each series of Pre-Amendment Bonds, the amount deposited into the bond service reserve account created under the Original Trust Agreement on the date of issuance of such series of Pre-Amendment Bonds; provided, that if the moneys in a subaccount of the Bond Service Reserve Account are sufficient to pay the Debt Service Charges on the Bonds for
which such subaccount was created for not only the final maturity of such Bonds, but also a portion of the penultimate maturity (or Bonds due pursuant to mandatory sinking fund redemption), the University may use moneys in such subaccount to pay Debt Service Charges on such Bonds in their final year as well as to pay Debt Service Charges on such Bonds in their penultimate year.

“Reserve Account Ratio” means, with respect to each series of Pre-Amendment Bonds, the quotient produced by dividing the Required Reserve for such series of Pre-Amendment Bonds by an amount equal to the sum of the Required Reserves for all outstanding series of Pre-Amendment Bonds.

“Restated Trust Agreement” means the Restated Trust Agreement, dated as of May 1, 2001, between the University and the Trustee, as the same may be duly amended, modified or supplemented in accordance with its terms.

“Series Resolution” means a Resolution of the Board authorizing one or more series of Obligations and the execution and delivery of a Supplemental Trust Agreement, all in accordance with the 2001 General Bond Resolution and the Restated Trust Agreement.

“Series 2001 Bonds” means the University’s General Receipts Bonds, Series 2001 or whatever series of General Receipts Bonds is the last such series issued pursuant to the Original Trust Agreement.

“Special Funds” means the Debt Service Fund and accounts therein, and any other funds or accounts permitted by, established under, or identified in the Restated Trust Agreement or a Series Resolution and designated as Special Funds. The Rebate Fund shall not be a Special Fund.

“State” shall mean the State of Ohio.

“Subordinated Indebtedness” shall mean obligations (other than Bonds or Notes) which, with respect to any issue thereof, are secured by a pledge of the General Receipts which is subordinate to that of the holders of Obligations and which are evidenced by instruments, or issued under an indenture or other document, containing provisions for the subordination of such obligations.

“Supplemental Trust Agreement” means any one or more of Supplemental Trust Agreements entered into by the parties pursuant to the Restated Trust Agreement and a Series Resolution.

“Trustee” means the Trustee at the time serving under the Restated Trust Agreement, originally Fifth Third Bank and any successor Trustee as determined or designated under or pursuant to the Restated Trust Agreement.

“2001 General Bond Resolution” means the resolution of the Board adopted on March 27, 2001, authorizing the execution and delivery of the Restated Trust Agreement.

“University” means the University of Cincinnati, established and existing under Chapter 3361 of the Ohio Revised Code, and every part and component thereof as from time to time existing, and when the context admits, includes the Board.

“Variable Rate Bond” means a Bond the interest rate on which is an adjustable rate which varies from time to time as provided therein and in the Series Resolution pursuant to which such Bond is issued.
SUMMARY OF CERTAIN PROVISIONS
OF THE AMENDED AND RESTATED TRUST AGREEMENT

Flow of Funds

The University covenants to maintain, so long as any Post-Amendment Bonds or Pre-Amendment Bonds are outstanding, a special fund, designated the “Debt Service Fund”, as a trust fund held by the Trustee separate and apart from other funds of the University. The Debt Service Fund, with the accounts therein, and the General Receipts are pledged to the payment of Debt Service Charges in priority to all other expenses, claims and payments.

Pledge. So long as any Series 2001 Bonds are outstanding under the Restated Trust Agreement, the University covenants and agrees to fix, make, adjust and collect such fees, rates, rentals, charges and other items of General Receipts so that there shall inure to the University General Receipts, in view of other revenues and resources available to the University, sufficient (i) to pay Debt Service Charges then due or to become due in the current Fiscal Year; (ii) to pay any other costs and expenses payable hereunder and (iii) to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University.

Debt Service Fund. The Trustee shall hold and administer the Debt Service Fund and any other Special Fund created under the Original Trust Agreement and the Restated Trust Agreement, together with the accounts contained therein, upon the terms and conditions, including, without limitation, the terms and conditions set forth in the Original Trust Agreement, the Restated Trust Agreement and the applicable Series Resolution and/or the Supplemental Trust Agreement for the investment of moneys deposited in such Funds. The following accounts are created by the University in the Debt Service Fund: the Debt Service Account, the Bond Service Reserve Account and the Bond Redemption and Purchase Account.

Debt Service Account. The Debt Service Account is hereby pledged to and shall be used solely for the payment of Debt Service Charges as they fall due at maturity or by operation of redemption requirements pursuant to mandatory sinking fund requirements, or for the payment of any amounts due to a Credit Enhancer to the extent as set forth in a Credit Support Instrument. Payments sufficient in time and amount to pay the Debt Service Charges on the Series 2001 Bonds as they become due shall be paid by the University directly to the Trustee and deposited in the Debt Service Account to the extent moneys in the Debt Service Account are not otherwise available therefor. Upon the occurrence and during the continuation of an Event of Default constituting a failure to pay interest, principal or premium on any Obligation when and as the same become due and payable, whether at stated maturity thereof or by redemption or acceleration or pursuant to Mandatory Sinking Fund Requirements with respect to the Series 2001 Bonds, if a subaccount in the Bond Service Reserve Account has been created to secure the Series 2001 Bonds, moneys in the applicable subaccount of the Bond Service Reserve Account may be transferred by the Trustee to the Debt Service Account to be used to pay Debt Service Charges on such series of Bonds pursuant to the provisions relating to the Bond Service Reserve Account of the Restated Trust Agreement. Upon the occurrence and during the continuation of an Event of Default described above, moneys in the Project Fund (if held by the Trustee) may also be transferred by the Trustee to the Debt Service Fund. Except for the “Disposition of Special Funds” as provided for in Section 4.10 of the Restated Trust Agreement, moneys in the Debt Service Account shall be used solely for the payment of Debt Service Charges on the Series 2001 Bonds and for the redemption of Series 2001 Bonds prior to maturity and as otherwise provided in the Restated Trust Agreement and the 2001 General Bond Resolution.
While the Series 2001 Bonds are outstanding, the University covenants that it will include in its budget for each Fiscal Year the amount required to be paid to the Debt Service Fund during such Fiscal Year. The University shall from time to time determine and reflect in such budgets, the amounts from respective sources of General Receipts to be applied to meet such payments, in such manner that the amounts and times of collection meet all payments required to be made into the Debt Service Fund.

**Bond Service Reserve Account.** No Supplemental Bond Service Reserve Account has been established for the Series 2001 Bonds. However, the Bond Service Reserve Account created pursuant to the Original Trust Agreement shall remain in full force and effect and it shall be known as the “Original Bond Service Reserve Account” and such subaccount is pledged to and shall be used, as provided for in the Restated Trust Agreement, solely for the payment of Debt Service Charges on the Pre-Amendment Bonds, except as excess amounts may be transferred pursuant to Section 4.03 of the Restated Trust Agreement. Subsequent series of Obligations may have a Bond Service Reserve Account established, known as the Supplemental Bond Service Reserve Account.

The Trustee shall maintain separate subaccounts within the Original Bond Service Reserve Account for each series of Pre-Amendment Bonds which is outstanding and shall distribute the funds in the Original Bond Service Reserve Account into each such subaccount in an amount equal to the product of Reserve Account Ratio times the amount in the Original Bond Service Reserve Account on the date of such distribution. The various subaccounts within the Original Bond Service Reserve Account shall comprise the Original Bond Service Reserve Account which is pledged as security for all outstanding Pre-Amendment Bonds. If the Trustee is required to transfer money from the Original Bond Service Reserve Account pursuant to the provisions of Section 4.03 of the Restated Trust Agreement, the Trustee shall transfer a pro-rata amount from each subaccount within the Original Bond Service Reserve Account.

A Supplemental Bond Service Reserve Subaccount may be pledged for the payment of Debt Service Charges on any series of Post-Amendment Bonds for which a reserve fund has been mandated pursuant to the Series Resolution which authorized the issuance of such series of Obligations. The Trustee shall create a separate subaccount in the Supplemental Bond Service Reserve Account for each series of Obligations for which a reserve fund has been mandated by the Series Resolution which authorized such series of Obligations and each separate subaccount shall secure only the particular series of Obligations to which it is related.

If on the date upon which Debt Service Charges on any Bonds which are secured by a bond service reserve account or subaccount held by the Trustee fall due, the subaccount within the Debt Service Account related to such Bonds is insufficient to meet such Debt Service Charges to be paid therefrom on such date, the Trustee, without necessity for any order by the University, shall immediately transfer from the appropriate subaccount of the Bond Service Reserve Account an amount sufficient to make up such deficiency in the subaccount of the Debt Service Account. Except as may be provided in the applicable Series Resolution or Supplemental Trust Agreement, if on the day upon which amounts are due to a Credit Enhancer in reimbursement for amounts provided under a Credit Support Instrument, the amount in the subaccount within the Debt Service Account related to such Bonds (other than from any amounts provided under a Credit Support Instrument) is insufficient to pay such amounts to such Credit Enhancer on that date, the Trustee, without necessity for any further order of the University or officer thereof, shall make available for such reimbursement any amounts in the related subaccount of the Bond Service Reserve Account for the series of Obligations to which the Credit Support Instrument applies necessary to make up that insufficiency. The amount so transferred shall be applied only to the payment of Debt Service Charges on the Obligations to which that Bond Service Reserve Account pertains or for
the payment of any amounts due as reimbursement of draws under a Credit Support Instrument to a Credit Enhancer providing a Credit Support Instrument in connection with the Obligations to which that Bond Service Reserve Account pertains.

Any amount in a subaccount of the Bond Service Reserve Account in excess of the amount required to be contained therein pursuant to the Series Resolution which created such subaccount or the Certificate of Award (the “Required Amount”) shall be transferred to the Bond Service Account or to the Bond Redemption and Purchase Account for the purposes thereof, if and to the extent ordered by the Fiscal Officer. Such excess shall be determined by calculating the Required Amount with reference to outstanding Bonds of the particular series only, excluding any Bonds for the redemption or purchase of which such excess is being transferred to the Bond Redemption and Purchase Account.

Within one hundred fifty (150) days after the end of each Fiscal Year, the University shall, from General Receipts, restore to the various subaccounts within the Bond Service Reserve Account any amounts transferred therefrom or any decrease in value determined pursuant to Section 4.15 of the Restated Trust Agreement in such Fiscal Year so that the amounts in such subaccounts in the aggregate are at least equal to the various Required Reserves and/or Required Amounts, as appropriate.

**Replacement and Repair Account.** The Replacement and Repair Account created pursuant to the Original Trust Agreement is no longer necessary as security for the holders of the Pre-Amendment Bonds and the Account shall be closed and any money or investments contained therein shall be transferred to the Debt Service Account.

**Bond Redemption and Purchase Account.** Any amounts in the Bond Redemption and Purchase Account may be committed, by Series Resolution or other action by the Board, for the retirement of and for Debt Service Charges on specified Obligations and, so long as so committed, shall be used solely for such purposes whether directly or through transfer to the Debt Service Fund. The Fiscal Officer may cause moneys in the Bond Redemption and Purchase Account to be used to purchase any Obligations for cancellation and to redeem any Obligations in accordance with the redemption provisions of the applicable Series Resolution. From moneys in the Bond Redemption and Purchase Account, the Trustee shall transmit or otherwise disburse such amounts at such times as required for the redemption or purchase for cancellation of Obligations, and Debt Service Charges, in accordance with the applicable Series Resolution, or other action by the Board or order of the Fiscal Officer not inconsistent therewith. Any amounts in the Bond Redemption and Purchase Account not required for the purposes thereof pursuant to a commitment theretofore made, may be transferred to the Bond Service Account or the Bond Service Reserve Account upon order of the Fiscal Officer.

**Project Fund.** The Project Account created for the Series 2001 Bonds is a subaccount of the University’s Project Fund. The University, as necessary, shall disburse funds from the Project Fund and the various accounts therein upon the written direction of the Fiscal Officer. If so provided in any Series Resolution or a Supplemental Trust Agreement, any account within the Project Fund may be held and disbursed by the Trustee.

**Denomination; Registration and Replacement**

The Series 2001 Bonds are issuable as fully registered bonds without coupons in the denominations of $5,000 or any integral multiple thereof.

In all cases in which Series 2001 Bonds shall be exchanged or transferred hereunder, the University shall execute and the Registrar or any Authenticating Agent, as the case may be, shall authenticate and deliver Series 2001 Bonds in accordance with the provisions of the Restated Trust Agreement.
Agreement. The exchange or transfer shall be made without charge; provided that the University and the Registrar or the Authenticating Agent, as the case may be, may make a charge for every exchange or transfer of Series 2001 Bonds, sufficient to reimburse them for any tax or excise required to be paid with respect to the exchange or transfer. The charge shall be paid before a new Series 2001 Bond is delivered.

All Series 2001 Bonds issued upon any transfer or exchange of Series 2001 Bonds shall be the valid obligations of the University, evidencing the same debt and entitled to the same benefits under the Restated Trust Agreement as the Series 2001 Bonds surrendered upon transfer or exchange. Neither the University, the Trustee, the Registrar nor any Authenticating Agent, as the case may be, shall be required to make any exchange or transfer of any Series 2001 Bond of any series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of such Series 2001 Bonds of that series and ending at the close of business on the day of such mailing or to transfer or exchange any such Series 2001 Bonds of that series selected for redemption, in whole or in part, within 90 days following such mailing.

Valuation

For the purpose of determining the amount on deposit to the credit of the Debt Service Account or the Original Bond Service Reserve Account, the value of obligations in which money in such accounts shall have been invested shall be computed at market value or the amortized cost thereof, whichever is lower as an aggregate of such amounts in the Debt Service Account and the Original Bond Reserve Account. For the purposes of determining the amount on deposit to the credit of the subaccounts within the Supplemental Bond Service Reserve Account, the value of the obligations in which moneys in such account have been invested shall be computed in the manner set forth in the Supplemental Trust Agreement which creates such subaccount. The Trustee shall value the Eligible Investments in the Special Funds as of the last day of each Fiscal Year.

Investment of Funds in the Debt Service Fund, Project Fund and Rebate Fund

Moneys in the Debt Service Fund, the Project Fund and the Rebate Fund shall be invested and reinvested by the Trustee (or the Fiscal Officer, as applicable) in Eligible Investments at the oral or written direction of the University, but if oral, confirmed promptly in writing. Investment of moneys in the Debt Service Fund shall mature or be redeemable at the times and in the amounts necessary to provide moneys to pay Debt Service Charges as they become due at stated maturity, by redemption or pursuant to any mandatory sinking fund requirements. Each investment of moneys in the Debt Service Fund, the Project Fund and the Rebate Fund shall mature or be redeemable without penalty at such time as may be necessary to make payments when necessary from such fund. In the absence of any written direction from the Fiscal Officer, the Trustee shall invest all funds in sweep accounts, money-market funds and similar short-term investments, provided that all such investments shall constitute Eligible Investments. The Trustee may trade with itself or its affiliates in the purchase and sale of securities for such investments.

Subject to any directions from the University with respect thereto, and any restrictions contained in the Restated Trust Agreement relating to the Rebate Fund, from time to time, the Trustee may sell at the best price reasonably obtainable Project Fund investments and reinvest the proceeds therefrom in Eligible Investments maturing or redeemable as aforesaid. Any of those investments may be purchased from or sold to the Trustee, the Registrar, an Authenticating Agent, a Paying Agent, or any bank, trust company or savings and loan association affiliated with any of the foregoing. The Trustee shall sell or redeem investments credited to the Debt Service Fund to produce sufficient moneys applicable hereunder to and at the times required for the purposes of paying Debt Service Charges when
due as aforesaid, and shall do so without necessity for any order on behalf of the University and without restriction by reason of any order. An investment made from moneys credited to the Debt Service Fund, the Project Fund, or the Rebate Fund shall constitute part of that respective fund, and each respective fund shall be credited with all proceeds of sale and income from investment of moneys credited thereto.

Eligible Investments consist of:

(a) Direct obligations of the United States (including obligations issued or held in book-entry form on the books of the Department of the Treasury); or obligations the principal and interest of which are unconditionally guaranteed by the United States of America;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America:

1. **U.S. Export-Import Bank** (Eximbank)
   Direct obligations or fully guaranteed certificates of beneficial ownership.

2. **Farmers Home Administration** (FmHA)
   Certificates of beneficial ownership.

3. **Federal Financing Bank**

4. **Federal Housing Administration Debentures** (FHA)

5. **General Services Administration**
   Participation certificates.

6. **Government National Mortgage Association** (GNMA or “Ginnie Mae”)

7. **U.S. Maritime Administration**
   Guaranteed Title XI financing.

8. **U.S. Department of Housing and Urban Development** (HUD)
   Project Notes.
   Local Authority Bonds.
   New Communities Debentures.
   U.S. government guaranteed debentures.
   U.S. Public Housing Notes and Bonds.
   U.S. government guaranteed public housing notes and bonds.

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. **Federal Home Loan Bank System**
   Senior debt obligations.

2. **Federal Home Loan Mortgage Corporation** (FHLMC or “Freddie Mac”)
   Participation Certificates.
   Senior debt obligations.
3. Federal National Mortgage Association (FNMA or “Fannie Mae”) Mortgage-backed securities and senior debt obligations.

4. Student Loan Marketing Association (SLMA or “Sallie Mae”) Senior debt obligations.

5. Resolution Fund Corp. (REFCORP) obligations

6. Farm Credit System Consolidated systemwide bonds and notes.

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAM-G; AAAM; or AAm.

(e) Certificates of deposit secured at all times by collateral described in (a) and/or (b) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.

(g) Investment Agreements, including GIC’S, acceptable to the Credit Enhancer whose Credit Support Instrument secures the applicable series of Obligations, if any.

(h) Commercial paper rated, at the time of purchase, “Prime - 1” by Moody’s and “A-1” or better by S&P.

(i) Bonds or notes issued by any state or municipality which are rated by Moody’s and S&P in one of the two highest rating categories assigned by such agencies.

(j) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime - 1” or “A3” or better by Moody’s and “A-1” or “A” or better by S&P.

(k) Repurchase agreements which provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to a buyer/lender, and the transfer of cash from a buyer/lender to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the buyer/lender in exchange for the securities at a specified date.

Repurchase Agreements must satisfy the following criteria or be approved by the Credit Enhancer whose Credit Support Instrument secured the applicable series of Obligations, if any.

1. Repos must be between the buyer/lender and a dealer bank or securities firm.

   a. Primary dealers on the Federal Reserve reporting dealer list which are rated A or better by S&P and Moody’s, or

   b. Banks rated “A” or above by S&P and Moody’s.
2.  The written repo contract must include the following:

   a.  Securities which are acceptable for transfer are:

      (i)  Direct U.S. governments, or

      (ii) Federal agencies backed by the full faith and credit of the U.S. government (and FNHA & FHLMC),

   b.  The term of the repo may be up to 30 days.

   c.  The collateral must be delivered to the buyer/lender, trustee (if trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

   d.  Valuation of Collateral:

      (i)  The securities must be valued weekly, marked-to-market at current market price plus accrued interest. The value of collateral must be equal to 104% of the amount of cash transferred by the buyer/lender to the dealer bank or security firm under the repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

3.  Legal opinion which must be delivered to the buyer/lender:

   a.  Repo meets guidelines under state law for legal investment of public funds.

      (l)  Any state administered pool investment fund in which the University is statutorily permitted or required to invest.

      (m)  University administered pooled investment funds or other investments in conformance with University investment policies.

**Conditions for Issuing Obligations**

No Obligations shall be initially issued unless at the time of authentication of those Obligations:

(i)  no Event of Default exists with respect to any covenants or obligations of the University contained in the Restated Trust Agreement or in the Obligations, and the authentication and delivery of those Obligations will not result in any such Event of Default; and
(ii) the General Receipts of the University for the most recently completed Fiscal Year are at least one and one half times the Maximum Annual Debt Service on all Obligations outstanding and to be outstanding after the issuance of the Obligations then under consideration.

The University may issue Obligations hereunder without the necessity for compliance with the provisions of (i) and (ii) in the preceding paragraph when necessary or appropriate, in the opinion of the Trustee (whose opinion shall be supported by a legal opinion of Bond Counsel or counsel to the University), to avoid an Event of Default under the Restated Trust Agreement.

Nothing contained in the Restated Trust Agreement shall prohibit the University from (a) issuing other indebtedness secured by and payable from the General Receipts, provided that such other indebtedness constitutes Subordinated Indebtedness, and (b) issuing other indebtedness payable from, but not secured by the General Receipts.

Other Covenants

The University covenants, among other things, as follows:

(1) Payment. The University will, from the sources provided in the Restated Trust Agreement, pay or cause to be paid, Debt Service Charges on each and all Obligations on the dates, at the places and in the manner provided in the Restated Trust Agreement, in the applicable Series Resolution and in the Obligations, according to the true intent and meaning thereof.

(2) Maintenance of Pledge. The University will not make any pledge or assignment of or create or suffer any lien or encumbrance upon the Debt Service Fund or General Receipts prior to or on a parity with the pledge thereof under the Restated Trust Agreement, except as authorized or permitted under the Restated Trust Agreement.

(3) Annual Reports. Within one hundred and fifty days after the end of each Fiscal Year, the University shall submit to the Trustee, to the Original Purchaser, and to Moody’s and S&P, or their respective successors, an annual report by the University showing the financial operations of the University during the preceding Fiscal Year, which may be in the form submitted to the Ohio Board of Regents or other State officials, and also showing the status of all Special Funds at the end of such Fiscal Year and the receipts thereto and payments therefrom during such Fiscal Year, and such other data as the Trustee may reasonably deem to be relevant under the Trust Agreement and request in writing. Upon request of the Trustee, the University will make available a copy of any report concerning the University prepared by the official auditing agency of the State.

(4) Inspection and Audit of Records. The Trustee, each Original Purchaser, or the holders of twenty-five percent or more of the principal amount of all outstanding Obligations shall have the right at all reasonable times to inspect any records, books, documents, Special Funds and accounts of the University relating to the Debt Service Fund at its own cost and expense. Such inspection may be conducted by a public accounting firm or other authorized representative selected by the party entitled to make the inspection.
Limited to Liability

The University of Cincinnati is a State university which is a body politic and corporate and an instrumentality of the State of Ohio. The Series 2001 Bonds shall not be general obligations of the State of Ohio and the faith and credit of the State shall not be pledged to the payment thereof, and the holders and owners of the Series 2001 Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of principal, interest or any premium.

Default

Events of Default under the Restated Trust Agreement include:

(a) Failure to pay any interest on any Obligation when and as the same shall have become due and payable;

(b) Failure to pay the principal of or any premium on any Obligation when and as the same shall become due and payable, whether at the stated maturity thereof or by redemption or acceleration or pursuant to any Mandatory Sinking Fund Requirements;

(c) Failure by the University to perform or observe any other covenant, agreement or condition on the part of the University contained in the Restated Trust Agreement or in the Series 2001 Bonds, which failure or Event of Default shall have continued for a period of 30 days after written notice, by registered or certified mail, given to the University by the Trustee, specifying the failure or Event of Default and requiring the same to be remedied, which notice shall be given by the Trustee upon the written request of the Holders of not less than twenty-five percent in aggregate principal amount of the Obligations then outstanding; and

(d) Certain events of insolvency.

Deaseance of Series 2001 Bonds

The University may retire the obligations of the outstanding Series 2001 Bonds by depositing with the Trustee moneys or direct or guaranteed United States government obligations sufficient to pay at maturity or upon redemption the principal, interest, redemption premiums and all other sums required to be paid under the Restated Trust Agreement. In such event, the Supplemental Trust Agreement with respect to the defeased Series 2001 Bonds shall cease to be in effect and the defeased Series 2001 Bonds shall no longer be deemed outstanding. Supplemental Trust Agreements may be separately discharged.

Modification of the Restated Trust Agreement Securing Bonds

The Restated Trust Agreement provides that holders of not less than a majority in aggregate principal amount of the Obligations then outstanding shall have the right to consent to and approve the execution by the Trustee and the University of a modification, alteration, amendment or addition to the Restated Trust Agreement or any supplemental agreement in any particular, provided always that no such modification, alteration, amendment or addition shall: (a)(i) reduce the percentage of Obligations the consent of the Holders of which are required to consent to such Supplemental Trust Agreement or (ii) cause a preference or priority of any Obligation or Obligations over any other Obligation or Obligations, without the consent of the Holders of all Obligations then Outstanding, (b) effect a change in the times, amount or currency of payment of the principal of, premium, if any, on or
interest on any Obligation or a reduction in the principal amount or redemption price of any Obligation or the rate of interest thereon, without the consent of the Holder of each such Obligation so affected or (c) modify the right of the Holders of not less than twenty-five percent in aggregate principal amount of the Obligations then outstanding and in default as to payment of principal, premium or interest to compel the Trustee to declare the principal of all Obligations to be due and payable, without the consent of the Holders of a majority in aggregate principal amount of the Obligations then Outstanding. If the Trustee shall receive the consent and approval of holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, the Trustee shall execute such Supplemental Trust Agreement, without liability or responsibility to any holder of any Bond. The University and the Trustee may enter into supplemental trust agreements for certain purposes without notice to the Bondholders.

Requirements of Bond Insurers

Each Bond Insurer has a specific standard set of provisions that applies to each issue it insures. The various supplemental trust agreements prepared in connection with the respective series of bonds contain the standard provisions of each Bond Insurer which insures such respective series of bonds.
RBC Capital Markets Corporation  
Cincinnati, Ohio  

Ladies and Gentlemen:  

We have examined the transcript submitted relating to the $19,210,000 University of Cincinnati General Receipts Bonds, Series 2008G, dated December 18, 2008 of the Board of Trustees (herein the “Board”) of the University of Cincinnati (herein the “University”), in fully registered form of the denomination of $5,000 and multiples thereof, as provided in the Trust Agreement hereinafter identified.

$19,210,000 University of Cincinnati General Receipts Bonds, Series 2008G (the “Series 2008G Bonds”), are issued by the Board of Trustees of the University, pursuant to the Amended and Restated Trust Agreement, dated as of May 1, 2001, as supplemented, by and between the University and The Bank of New York Mellon Trust Company, N.A., as Trustee, and herein together called the “Trust Agreement”.

The Series 2008G Bonds are issued under the general laws of the State of Ohio, particularly Chapter 3345 of the Ohio Revised Code, and the Trust Agreement, and are entitled to the benefit and security of the Trust Agreement. The Series 2008G Bonds are on a parity in all respects with all Obligations (as defined in the Trust Agreement) issued under the Trust Agreement the conditions to their issuance as Obligations under the Trust Agreement having been met.

We are of the opinion that the laws under which these Series 2008G Bonds are issued are constitutional and the proceedings regular and in due form.

We have examined completely executed Bond No. 2008G-1 of this series and approve its form and execution. The Series 2008G Bonds, in our opinion, are legal and valid obligations of the University, issued by the Board, payable as to both principal and interest from and secured by a lien on and pledge of the General Receipts of the University, as defined in the Trust Agreement.

As provided in the Trust Agreement, additional Obligations may hereafter be authorized and issued on a basis of parity with the currently outstanding obligations, including the Series 2008G Bonds.

Under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, interest on the Series 2008G Bonds is excludible from gross income for Federal income tax purposes, pursuant to the Internal Revenue Code of 1986, as amended (the “Code”). Furthermore, interest on the Series 2008G Bonds will not be treated as a specific item of tax preference, under Section 57(a)(5) of the Code, in computing the alternative minimum tax for individuals and corporations. In rendering the
opinions in this paragraph, we have assumed continuing compliance with certain covenants designed to meet the requirements of Section 103 of the Code. We express no other opinion as to the federal tax consequences of purchasing, holding or disposing of the Series 2008G Bonds.

We are further of the opinion that the interest on the Series 2008G Bonds, so long as excludible from adjusted gross income under the Code is excludible from the Ohio personal income tax and so long as excludible from “taxable income” under the Code, is excludible from the net income base used in calculating the Ohio corporate franchise tax.

This opinion is based upon laws, rulings and decisions in effect on the date hereof. In giving this opinion, we have relied upon covenants and certifications of facts, estimates and expectations made by the University and others which we have not independently verified. It is to be understood that the enforceability of the Series 2008G Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting creditors’ rights, and to the exercise of judicial discretion in accordance with general principles of equity.

PECK, SHAFFER & WILLIAMS LLP