

University of Cincinnati

Board of Trustees

Summary of Actions Taken at the Regular Meeting Held

January 25, 2005

The Board of Trustees elected the following Officers for the Year 2005:

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|------------------|---|------------------|
| Chairperson | - | Phillip R. Cox |
| Vice Chairperson | - | Jeffrey L. Wyler |
| Secretary | - | Anant R. Bhati |

The following is a list of recommendations approved by the Board of Trustees at their meeting held on January 25, 2005, and filed in the Office of the Board of Trustees. The recommendations are listed under the Committee(s) that initially reviewed and approved them.

A. Academic and Student Affairs Committee

1. Recommendation for Promotion and Tenure

The Board of Trustees approved the granting of tenure and promotion for the following faculty member, effective September 1, 2004:

FROM ASSISTANT PROFESSOR TO ASSOCIATE PROFESSOR

College of Design, Architecture, Art, and Planning

Kiril Stanilov Planning With Tenure

2. Emeritus Status for Faculty Members

The Board of Trustees approved emeritus status for the following faculty members, effective upon the date of their retirement from the University:

G. William Hopkins, Associate Professor Emeritus of Mathematics,
College of Applied Science

James J. Maratta, Assistant Professor Emeritus of Mathematics,
College of Applied Science

Pasquale V. Scarpino, Professor Emeritus of Environmental
Engineering, College of Engineering

Joseph P. Tomain, Dean Emeritus, College of Law

3. Proposal to Change Name of the Center for Women's Studies to the Department of Women's Studies

The Board of Trustees approved a proposal to change the name of the Center for Women's Studies to the Department of Women's Studies in the McMicken College of Arts and Sciences.

4. Approval of a Full Proposal for Doctor of Philosophy and Master of Science Degrees in Health Education

The Board of Trustees approved the Full Proposal from the College of Education, Criminal Justice and Human Services for Doctor of Philosophy and Master of Science degrees in Health Education. The Full Proposal is the last step in the multi-state Ohio Board of Regents program approval process.

The proposed program will prepare masters and doctoral level health education professionals for careers in academia and/or governmental/public service, and thereby meet an urgent need for expertise and training in the areas of health maintenance and disease prevention.

5. Appointment of Department Director of Otolaryngology/Head and Neck Surgery, College of Medicine

The Board of Trustees approved the appointment of Myles L. Pensak, M.D., as the Helen Bernice Broidy Chair in Otolaryngology on or about January 1, 2005, and Director of the Department of Otolaryngology/Head and Neck Surgery, effective on or about January 1, 2005, through August 31, 2012.

6. Appointment of Emeritus, College of Medicine

The Board of Trustees approved the granting of emeritus status to Thomas U. Todd, M.D., as Volunteer Associate Professor Emeritus, Department of Family Medicine, College of Medicine, effective December 1, 2004.

B. Board-Administration Committee

1. Collective Bargaining Agreement between the University of Cincinnati and the Ohio Nurses Association (ONA)

The Board of Trustees approved the Collective Bargaining Agreement between UC and the ONA. The agreement is effective January 20, 2005, through January 19, 2008.

C. Physical Plant Committee

1. Purchase of YMCA Building at 270 Calhoun Street

The Board of Trustees approved the purchase of the YMCA building at 270 Calhoun Street for a sale price of \$621,500. This is one of three remaining parcels needed to establish complete ownership of the entire block and fulfill another aspect of UC's Master Plan. Both the University and the YMCA had the property independently appraised. After approximately one year of negotiations, they reached a compromise based upon the two appraisals.

D. Finance Committee

1. General Receipts Obligations MainStreet Project

The Board of Trustees approved a resolution authorizing the issuance of General Receipts Obligations, MainStreet Project, not to exceed \$26,900,000. The purpose of the obligations is to finance the additional costs of the acquisition, design, construction, infrastructure, site improvements and equipment/installation for the MainStreet project.

The MainStreet project has incurred cost increases due to a number of issues related to the complicated nature of a multi-phased project, the restricted and congested project site, unforeseen field conditions which caused delays, correction of document deficiencies, contractor claim settlements, the phased combination of projects, and staff extensions coinciding with the contractor delays.

The financing plan for the project also has undergone some adjustments since its inception in 2000, which also impacts the additional funding required. Anticipated gifts of \$10,000,000 were not fully received. Offsetting factors permitted \$11,000,000 of bond proceeds to be applied directly to project cost. A project overdraft of \$26,637,000 was offset against net additional funding of \$1,494,000, causing the need for additional funding at \$25,100,000. Of this amount, \$21,000,000 was funded in the Campus Services budget matrix, leaving a shortfall of \$4,100,000.

The \$26,900,000 total debt authority is sufficient to fund the \$25,600,000 additional project costs to be funded to complete the MainStreet project, as well as provide for additional capitalized interest and issue costs. The average annual net debt service reflective of principal and interest for the \$26,900,000 is \$1,900,000 beginning in fiscal year 2007, which requires an adjustment of only \$350,000 per year to the original plan. Campus Services Auxiliary will be responsible for the debt service.

2. General Receipts Obligations Early Project Expenditures
or Other Subordinate Obligations of the University of Cincinnati

The Board of Trustees approved a resolution authorizing the issuance of General Receipts Obligations, Early Project Expenditures, or other subordinate obligations, not to exceed \$15,000,000.

The University finds it prudent to provide for a process to allow itself to be reimbursed for approved capital expenditures that are incurred prior to the issuance of debt for a project. There is a period of time in a debt-funded project's life where project approval is received to allow for the commitments and expenditures to occur, but before the debt is issued. The debt funding approval by the UC Board of Trustees occurs later in a project's life, as studies and design work needs to occur to properly determine the amount of funds to borrow. This delay between project approval, project expenditures, and debt approval/issuance results in a reduction of the University's cash.

The approval of this recommendation authorized the University to issue General Receipts Obligations or other subordinate obligations to fund capital project expenditures, such as studies, design, acquisition, installation, construction and equipment incurred prior to the issuance of the planned debt on an approved project. The \$15,000,000 total debt authority is sufficient to fund early project expenditures indefinitely.

3. Contract with Implementation Partner for the
Human Resources Component of the UC Flex Project

The Board of Trustees approved the selection of IBM Business Consulting Services as the implementation partner for the Human Resources component of the UC Flex Project. In addition, they authorized the President, with the advice of General Counsel, to sign the contract with IBM BCS up to a maximum amount of \$10 million.

4. New Bank Accounts

The Board of Trustees approved the establishment of two additional disbursements accounts at PNC Bank. The purpose of the accounts is to improve efficiency by consolidating all check disbursement accounts at one financial institution. The two payroll accounts will be moved to accomplish this goal.

5. Approval of First Amendment to Grant Agreement between the State of
Ohio Department of Development and the University of Cincinnati

In 2003, UC was awarded a \$9,000,000 grant from the Ohio Department of Development to support its Genome Research Infrastructure Partnership

(GRIP) proposal. This award supports a collaborative effort among UC, Wright State University, Procter & Gamble Pharmaceuticals, Cincinnati Children's Hospital, Secant Technologies, and the United States Air Force. The first amendment to the Grant Agreement extends the timeline for the project by one year.

6. Five Year Service Agreement – Solar Turbines Inc.

The Board of Trustees approved a five-year service agreement with Solar Turbines Inc. that covers two utility plant generators. The turbine generators were competitively bid and purchased as part of the utility plant replacement project. The service contract is only available through the original equipment manufacturer. The cost for five years is \$5,533,351.

7. Modification of Contract between the University of Cincinnati and University Internal Medicine Associates, Inc. (UIMA)

The Board of Trustees approved a modified contract between UC and UIMA for the continued purchase of physical examination and project direction services for the Fernald Medical Monitoring Program, which is under the direction of Robert Wones, M.D., Professor, Department of Internal Medicine.

The total amount of the 165-month contract is \$3,136,283.60. The original contract was approved for \$327,690 in April 1992. This is a cost reimbursement contract and allotments will be made monthly until November 2005.

Any questions regarding these actions should be directed to the appropriate Vice President.

Copies of the minutes of the January 25, 2005, meeting will be published on the Board of Trustees web page at the University of Cincinnati website after approval at the next meeting of the Board of Trustees.

January 26, 2005

Office of the Board of Trustees
