

UNIVERSITY CURRENT FUNDS BUDGET PLAN 2017-2018



ON THE COVER:

During commencement ceremonies a student displays their UC pride and excitement to become an alum. This image reminds us of UC's core mission that "*Through scholarship, service, partnerships, and leadership, we create opportunity, develop educated and engaged citizens, enhance the economy and enrich our University, city, state and global community.*" The FY 2018 budget presented herein attempts to closely tie University resources to the core mission of UC.

Photo by Lisa Ventre, courtesy of UC Creative Services



After convocation, the autumn 2015 entering freshman class gathered inside Gettler Stadium in order to capture this memorable image.

Photo by Joe Fuqua II, courtesy of UC Creative Services

University of
CINCINNATI

CURRENT FUNDS BUDGET PLAN
Fiscal Year 2017-2018

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Gateway to the University of Cincinnati at the northwest corner of campus.
Photo courtesy of the University of Cincinnati

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INTRODUCTION

The Fiscal Year 2017-18 (FY 2018) University of Cincinnati (UC) budget is presented to the Board of Trustees at a defining moment for the university with the aim of continual support of its core mission and vision as the 200th birthday of this remarkable institution approaches in 2019. This budget was built in response to numerous successes and challenges with a strong emphasis on a vision for the future direction of the university. It strives for more than stability and business as usual. It continues the effort to make the university better and affirms the commitment to attain new heights, while continuing the financial discipline, persistence, and vigilance displayed in the recent past.

The University of Cincinnati continues the transformation of its budget process to an all-university, all-funds methodology. The university utilizes fund accounting to budget and monitor the use of funds in accordance with the principles of the Governmental Accounting Standards Board (GASB). Budgeting by fund enables the university to track the sources and uses for each funding source as is required to ensure compliance with internal and external restrictions. Fund accounting allows for monitoring and tracking of different financial objectives and allows for budgeting based on current funds (Uptown and regional campuses), auxiliary operations, designated funds and restricted funds. Schedules categorized by functional area for these funds are presented in subsequent sections of this publication. Comparative budgets are included which contrast the FY 2017 July 1st budget to the FY 2018 July 1st budget as recommended in this document. Following Board of Trustees approval, the budget is modified throughout the year as changes in circumstances occur.



Faculty and students working at the UC Simulation Center, a collaborative effort developed by the University of Cincinnati and Procter & Gamble.

Photo by Joseph Fuqua, courtesy of UC Creative Services

Key Personnel

Recognizing the significant value of a focused, sustained investment in faculty, students, staff, and alumni; it is important to note the individuals that have been selected to serve the university in some key areas over the past fiscal year.

Neville G. Pinto, Ph.D. was appointed by the Board of Trustees to serve as the 30th President of the University of Cincinnati, on December 17, 2016.

Dr. Pinto has a substantial background in academic leadership, particularly in a public setting, and this appointment serves as an academic homecoming for Dr. Pinto, who has a long history with the University of Cincinnati, where he previously served on the faculty for 26 years. He began his academic career at UC in 1985 as an assistant professor of chemical engineering and steadily advanced as an associate professor, professor and department head before ultimately serving as vice provost and dean of the Graduate School. In 2011, he left UC to become dean of the J.B. Speed School of Engineering at the University of Louisville, where he was later appointed to serve as executive vice president and provost followed by service as acting president.

Dr. Pinto returns to UC with a remarkable record in research, innovation and the development of industry partnerships while also ensuring academic excellence and diversity. His appointment will serve to advance the university in its national leadership role in these areas as we prepare for the university's 2019 bicentennial.

While on the faculty at UC, Dr. Pinto's biochemical and environmental research included air and water purification and the purification of genetically engineered drugs. While he served as engineering dean in Louisville, Dr. Pinto led a major expansion in enrollment and spearheaded development of an engineering and applied science research park. He also significantly strengthened industry partnerships to better provide educational and career opportunities for students. This included the launch of a



Neville Pinto, 30th President of the University of Cincinnati.
Photo by Joseph Fuqua, courtesy of UC Creative Services

new-product accelerator called FirstBuild, located on campus.

Dr. Pinto was born in Mumbai, India. He has earned three degrees, including a bachelor's degree in chemical engineering from the Indian Institute of Technology in New Delhi and both a master of science and a doctorate in chemical engineering from Pennsylvania State University. He was elected to the National Academy of Inventors in 2010 in recognition of his achievements, including two U.S. patents. He was also elected a Fellow of the Graduate School here at UC, based on his scholarship. Dr. Pinto's outstanding service in teaching has been recognized throughout his career, including numerous UC teaching awards, both faculty-selected and student-selected.

"I want to keep raising the bar toward ever greater excellence for the University of Cincinnati, in providing students with pathways to learning and success, in faculty research and innovation, in health and patient care, in equity and inclusion, in highly successful and competitive athletics and in community engagement."

-Neville G. Pinto, Ph.D.

Jennifer Krivickas was appointed Assistant Vice President of Integrated Research in the Office of Research, effective July, 2016.

This new half-time position has been created to align and integrate the research support activities provided by UC Libraries and the recently developed arts, humanities, and social science (AHSS) strategic initiatives to advance UC's emerging trans-disciplinary research goals. Krivickas brings her experience from seven years as the Head of the DAAP Library, four as an instructor in the DAAP Schools of Art and Design, and two years as co-Chair of the AHSS Research Advisory Board to this new position. She will be splitting her time between the UC Libraries and the Office of Research.

Juan R. Guardia, Ph.D. was appointed Assistant Vice President and Dean of Students, effective August, 2016.

Guardia, who has more than 15 years of experience working with university students, comes to UC from Northeastern Illinois University, where he served as Assistant Vice President for Student Affairs. During his time there, Guardia used his administrative and supervisory skills to drive innovation.

In his previous position, Guardia served as the chief administrator for Northeastern Illinois University's Angelina Pedrosa Center for Diversity and Intercultural Affairs, where he promoted an inclusive campus environment for the school's diverse students and faculty. Guardia also served as a hearing officer with the Office of Students Rights and Responsibilities at Florida State University. There, he frequently held panel hearings and meetings with the school's students, staff and faculty to make important decisions regarding the student body.

An alumnus of the Iowa State University of Science and Technology, Guardia earned a doctorate of Philosophy in Educational Leadership with a focus on Higher Education Administration. He received both his Bachelor of Science in Communication and his Master of Science in Higher Education from Florida State University and his Associates degree from Miami Dade College.

Dr. Teri Reed was appointed to serve as Assistant Vice President for Economic Development in the Office of Research, effective August, 2016.

Dr. Reed's appointment is part of the creation of a new, shared position. In addition to this role, she will serve the College of Engineering and Applied Science (CEAS) in an administrative role and as a professor in the Department of Biomedical, Chemical and Environmental Engineering. Her primary appointment is in CEAS.

Dr. Reed holds a PhD in Industrial Engineering from Arizona State University. She has extensive experience in an academic setting and held administrative roles at the University of Oklahoma, Purdue and Texas A&M. Most recently, she held the title of Assistant Vice Chancellor for Academic Affairs with the Texas A&M University System. She is currently the President of the Women in Engineering ProActive Network (WEPAN). She is also a member, board member and Fellow of the American Society for Engineering Education (ASEE), and a member of the Institute of Electronics and Electrical Engineers and the Society of Petroleum Engineers. She also serves as an ABET Engineering Accreditation Council program evaluator for ASEE.

Todd Duncan was appointed Senior Associate Vice President for Campus Services, effective September 2016.

Duncan has been with UC since April 2003, leading the Housing, Food Services, and Retail functions within Campus Services. This role, coupled with similar historical experiences within higher education, has prepared him for this endeavor. During his tenure at UC, Duncan has contributed to many positive student outcomes, including but not limited to the renovation of Morgens and Scioto residence halls, evolution of the student meal plans, and student savings via the textbook affordability committee.

Kim Miller, MD was named Executive Director, University Health Services, September, 2016. She will also serve as an associate professor of family and community medicine in the College of Medicine.

Dr. Miller most recently served as Medical Director at the Xavier University Wellness Services, Division of Student Affairs in Cincinnati, where she has been since 2011.

Dr. Miller attended Brown University and is an honors graduate of Harvard University. She received her medical degree in 1989 from the University of Massachusetts Medical School and completed her residency in internal medicine in New York City at St. Vincent's Hospital. She later served on the faculty at the University of Massachusetts Medical School. Prior to her tenure at Xavier she was in private practice in the Cincinnati area.

Elizabeth Scarpelli was named Director of the new University of Cincinnati Press, effective January 2017.

Scarpelli has over 25 years of experience working in publishing. She comes to UC from Baker & Taylor and

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Bookmasters, both Follett Corporations, where she served as the director of publisher services managing the print-to-order program for academic publishers and university presses worldwide, fulfillment relationships for client publishers and developed programs to expand international printing capabilities and faculty services. Prior to Baker & Taylor, Scarpelli worked as the assistant press director and sales and marketing director for Rutgers University Press and the college sales manager for Cambridge University Press. She started her publishing career at Prentice Hall where she held numerous positions in higher education sales and marketing.

Jason Heikenfeld was appointed to serve in a new position as the Assistant Vice President for Entrepreneurial Affairs and Technology Commercialization, effective February, 2017.

This position is a reflection of the growing priority and activity in the commercialization of UC's technology. Heikenfeld's primary appointment will be in the Office of Research while maintaining a portion of his academic responsibilities in CEAS.

Heikenfeld is a highly accomplished researcher as is evidenced by his research lab, the Novel Device Lab, and its recognition as an international leader in display technology, electrowetting, and most recently wearable biosensing technology. His research accomplishments have led to accumulating more licensed patents in the last 10 years than any other UC faculty member. His experiences as a serial entrepreneur with three start-up companies to his name will be a significant asset to the Accelerator and his ability to advise faculty on pursuing entrepreneurial paths. He is well-known for his many accomplishments as an educator and has led the creation of programs and coursework at UC that foster innovation, entrepreneurship, and an understanding of the profound change that technology has on society. He is consistently rated by students as one of the top UC professors.

Lori A. Ross was selected to serve as Vice President for Legal Affairs and General Counsel, effective February 2017.

An alumna of UC's College of Law, Ross first joined the Office of General Counsel in 2012 and recently served in Massachusetts and Texas in Behavioral Health and Community Counseling organizations.

Tara Scarborough, Psy.D joined UC as the Executive Director for Mental Health and Wellness effective February, 2017.

Dr. Scarborough most recently served as a Counseling Psychologist at the Xavier University McGrath Health & Wellness Center, Division of Student Affairs in Cincinnati, where she has been since 2005.

Dr. Scarborough attended Boston College and has a doctorate in Counseling Psychology from Our Lady of the Lake University, in San Antonio, Texas. She completed her APA Accredited Internship from the University of Cincinnati in August 2000. Prior to her tenure at Xavier, she worked in Massachusetts and Texas in Behavioral Health and Community Counseling organizations. Dr. Scarborough will complete her Masters in Health Services Administration from Xavier University in December 2017.

Trisha Smith joined the University of Cincinnati as Deputy Chief of Staff in the Office of the President effective, March 2017.

Smith will provide direct administrative support to the President and help manage the daily operations of the office.

Smith worked in the Office of the President at the University of Louisville for 20 years, serving five presidents. She has extensive experience in administrative operations, holding positions as Boards Liaison, Director of Special Events, Director of Administrative Affairs and most recently, Chief of Staff. As Chief of Staff, Smith was responsible for the daily operations of the office, managing a staff of 15 employees, and served as the interface with the President and executive leadership. She also served as Assistant Secretary to the University of Louisville Board of Trustees and University of Louisville Athletics Association.

Smith is a two-time graduate of the University of Louisville. She graduated from its College of Education with a bachelor of science in sports administration in 1998. In 2000, she received a master of arts in administration of higher education.

STRATEGIC INITIATIVES

The University of Cincinnati's strategic direction outlines institutional priorities, drives new investments, and helps set fundraising goals. This plan **reinforces the core missions of faculty-driven, student-centered, staff-supported academic excellence and career education in distinctive, differentiating ways**. As established, the vision focuses on a sustained investment in our institution's greatest asset: its people—specifically faculty, students and staff.

Key areas of concentrated investments during the past academic year have included:

INVESTING IN FACULTY AND STAFF

Investing in Faculty: Strategic Recruitment

- ◀ Nearly doubled the number of women among new faculty hires, moving from 34.6% of our tenured/tenure-track female faculty in 2012 to 39.9% in 2016.
- ◀ To date, recruited **forty** full-time underrepresented faculty members through the **Strategic Hiring Opportunity Program**. Our URM Tenure-Eligible and Tenured faculty have increased from 7.6% of our faculty in 2012 to 9.3% in 2016.
- ◀ Hired **twenty** full-time faculty through the **Dual Career Assistance Program**.
- ◀ Our **Cluster Hiring** initiative has broadened with the hiring of faculty for our **Urban Futures Cluster**, which focuses on hiring faculty whose research, teaching and scholarship focuses on opportunities and challenges facing urban areas, such as: race or racism, social (in)justice, educational inequality or access, health disparities, housing, poverty, urban policing and other topics relevant to cities and urban living. Our first Urban Futures faculty will arrive August 2017.
- ◀ Continued **to invest in building our faculty strength** and excellence, moving from 24.2% of our faculty being tenure-track or tenured in 2012 to 33.6% in 2016.

Investing in Faculty: Faculty Success

- ◀ Annual investments of more than \$1 million in faculty development opportunities.
- ◀ Continued the **Department Head Leadership Program**.
- ◀ Completed the third year of **UC Women Lead**, a leadership development program designed for female faculty and staff, with service learning projects centered on improving our workplace for both adjunct faculty and staff.
- ◀ Increased **Faculty Career Awards** to acknowledge service and leadership excellence, awarding **group interdisciplinary awards**, and in collaboration with the Office of Research creating and awarding new **Faculty Research Excellence** and **Faculty Research Mentoring Excellence Awards**.

- ◀ Expanded the Center for the Enhancement of Teaching & Learning's efforts around course re-design, innovation, and assessment with the announcement of another cohort of E-learning faculty champions.
- ◀ Sponsored institutional memberships in **a2ru** (an organization to foster interdisciplinary connections to the arts in research institutions), and the **National Humanities Alliance** (a coalition of organizations advocating for the humanities on Capitol Hill) have facilitated institutional advocacy on capital hill.
- ◀ Re-designed the **New Faculty Orientation** with the creation of a new faculty app to facilitate access to faculty development resources throughout the year, and renewed our commitment to the **National Center for Faculty Development and Diversity**—a leading professional development, training, and mentoring organization dedicated to supporting faculty in achieving career milestones—to continue to provide support for the continuous improvement of our faculty.

- | | |
|---|--|
| -Intrusive Academic Advising | -Learning Assistance Center |
| -Disabilities & Testing Services | -International Affairs |
| -Student Wellness Center | -eLearning (IT@UC) |
| -Sexual Assault Advocates | -Student Activities and Leadership Development |
| -Counseling & Psychological Services (CAPS) | -Student Conduct |
| -Title IV support | -UC Forward |
| -Hughes High School programming | -First Year Experience |

Investing in Staff

Since 2015, we have invested **approximately \$3 million in hiring new staff in the following areas to support student services and success:**

LEVERAGING RESEARCH

Strategic Research Programming and Support

- ◀ Invested \$485 thousand over two years to support five multi-disciplinary research teams
- ◀ Programming support for university clusters
- ◀ New investments into emerging areas of skin science and cybersecurity
- ◀ *Research and Scholarship Programming in the Arts, Humanities and Social Sciences (AHSS)*
- ◀ Invested \$900 thousand over two years to create infrastructure and internally supported opportunities for new research and scholarship in AHSS disciplines

New investments into supporting university research teams that integrate expertise in STEMM disciplines with the Arts, Humanities and Social Sciences

Entrepreneurial Affairs/Tech Transfer

- ◀ Established Technology Accelerator for Commercialization (UCTAC) that is co-supported by UC and \$500 thousand annually from the Ohio Third Frontier through its partnership with CincyTech. UCTAC provides gap funds and brings in external entrepreneurs-in-residence to coach faculty.
- ◀ UCTAC received \$500 thousand from the Third Frontier Technology Validation and Start-up for follow-on funding of commercialization projects.
- ◀ UCTAC was highlighted for its commercialization activities in the science journal Nature in 2017

REIMAGINING THE STUDENT EXPERIENCE

Undergraduate Experience

- ◀ Continued record enrollment, with a **new high of over 45,000-plus students** anticipated for Fall 2017.
- ◀ Increased underrepresented minority students by 4.5%
- ◀ Our **National Outreach Awards**—created two years ago to attract first-year students from targeted states beyond our tri-state area—has increased out-of-state students from the District of Columbia, Georgia (Atlanta area), Illinois (Chicago area), Maryland (DC and Baltimore areas), Michigan (greater Detroit area), Texas (Dallas/ Ft. Worth area) and Virginia (DC area) by **nearly 50% in two years**.
- ◀ Improved graduation rates from 55.8% in 2012 to 66.8% in 2016.
- ◀ Study Abroad participation has increased by 38% over the past three years, made possible by the funding of **\$360 thousand to fund study abroad student scholarships** from China, Vietnam and India.
- ◀ The merging of Career Services with co-op into the **new unit of Career Education and Experienced-based Learning** now provides a single point of entry for both students and employers, and has helped to drive an increase in co-op earnings to \$53 million. We have expanded co-ops to A&S and DAAP, with planned new expansions into CCM.
- ◀ The merging of **Nationally Competitive Awards** with our renowned **Honor's Program** has resulted in our largest cohort of winners ever: three Barry Goldwater Scholarship winners, five Fulbright awardees, a Truman Scholar, a Schwarzman Scholar and a Rhodes Finalist.
- ◀ Currently in the implementation phase of the review of Student Affairs, resulting in a new strategic plan and key investments in the expansion of Student Affairs to serve our growing student body.

- ◀ Raised the percentage of our student body from traditionally underrepresented communities from 13.3% in 2012 to 16.9% in 2016. Our fall 2017 anticipated undergraduate enrollment is anticipated to be an even higher **13.8% URM**.
- ◀ Further **enhancing our diverse student body has been over \$1 million in investments** to enhance Turner and other scholarships focused on successfully recruiting students from traditionally underrepresented communities, combined with an expanded admissions staff focused on enrollment from underserved communities and the intentional building of advocacy programs in local high schools.

Graduate and Professional Student Support

- ◀ Fall 2016 enrollment was an impressive 10,777 graduate and professional students.
- ◀ International graduate enrollment is now at a new high of 20.1% of the student body, with our top countries of origin being China, India and Iran.
- ◀ Our continued commitment of \$300 thousand in permanent funding to the **Yates Scholarship** supports effective recruitment efforts targeted at diverse, high-ability graduate students.
- ◀ Investments of \$425 thousand in permanent funds continue our **Provost Graduate Fellowships** for underrepresented doctoral students.
- ◀ Increased graduate stipends in selected colleges.

EXCELLING IN E-LEARNING

Leadership in E-Learning

- ◀ In a dramatic strategic move, the University of Cincinnati decided to build Cincinnati Online: our own central hub for the university's online programs. All of our external Pearson contracts are currently winding down, and as these programs roll off (and other new programs are created) they will move into Cincinnati Online. This **strategic deployment of \$15 million protects our online investment** (currently estimated at approximately \$40 million per year) while building in-house expertise and infrastructure.
- ◀ Online credit hours have increased another 8.2% in just one year.
- ◀ **Invested \$2 million to enhance the university's digital landscape, moving significantly towards 504/508 compliance.** Purchased new digital tools, added new staff, instructional designers, equipment and software to move beyond compliance into fostering an inclusive learning environment for all of our faculty, staff and students.

OTHER UNIVERSITY HIGHLIGHTS

Some additional key successes in FY 2017 include:

- ◀ UC enrollment totaled 44,338 students on all campuses in fall semester 2016, another all-time record high.
- ◀ The first-year retention rate also continues a historic high point at 88 percent for the 2015 Uptown Campus full-time baccalaureate cohort. That rate matches last year's rate, which was up 3.8 percent in five years and nearing the target of 90 percent set for UC's bicentennial in 2019.
- ◀ The good news on retention also extends into diversity. Statistics show that when students of color enroll at the university, it's very likely they'll stay. Here is the reported first-year retention rates by race/ethnicity for the 2015 cohort: 90.5 percent for Asians students, 87.1 percent for Blacks, 83.6 percent for Hispanics and 88.3 percent for multiple ethnicities. This year's retention rate for White students is 87.8 percent. Additionally, this class includes an overall 0.9 percent increase in students of color compared to last year, for a total of 21.5 percent.
- ◀ The 2016 fall semester first-time incoming class for the Uptown campus continued the standard of academic preparedness with an average ACT score of 25.7. This also continues to approach the target of 27 set for UC's bicentennial in 2019.
- ◀ It is estimated that UC will confer 11,077 degrees during academic year 2016-2017.
- ◀ UC is attracting attention by state educational institutions and the state capitol for efforts toward reducing student textbook costs as well as taking new approaches toward enhancing student learning. Related strategies have included: Rent-a-Text, Price Match Guarantee, Home-Grown E-Books, E-Books, Custom Packaging Arrangements with Publishers, and Textbook adoption deadlines. Total student savings for the 2016-17 academic year is expected to exceed \$1.9 million.
- ◀ UC's top-ranked cooperative education program generated a record \$65 million in collective earnings for students in 2016, while also providing a valuable path to full-time employment in careers related to students' majors. All told, students worked in 6,300 co-op positions in 2016.
- ◀ Drs. Ed Latessa and Myrinda Schweitzer Smith, together with the UC Corrections Institute (UCCI), have been awarded a \$5.8 million contract for the creation of a Criminogenic Need and Violent Behavior Program for the Administrative Office of the United States Courts. In line



College of Business students in discussion.
Photo by Lisa Ventre, courtesy of UC Creative Services

with the UCCI mission to translate research into practice, a team of nationally recognized experts will collaborate to develop a comprehensive program that supports the offender from conviction to reentry. This project will advance the field of corrections by providing the tools officers and treatment providers need to target the known risk factors for reoffending as well as extending services to the offender's support network as they reintegrate into their community.

- ◀ The most affordable path to a University of Cincinnati bachelor's degree will start at Cincinnati State Technical and Community College. That's thanks to a renewed Institutional Articulation Agreement the two institutions signed in February 2017. The strongest agreement to date between UC and Cincinnati State – which is the single largest source of students transferring to UC – makes it easier than ever for students that complete Cincinnati State associate degree programs to seamlessly apply their credit hours toward earning a bachelor's degree at UC.
- ◀ UC's part-time MBA program earned the highest rankings jump of any program in the nation over the past four years. The part-time MBA program at UC's Carl H. Lindner College of Business now ranks number 66 overall, climbing another 16 spots in this year's U.S. News & World Report rankings, earning it the highest rankings jump of any part-time MBA program in the United States over the past four years.
- ◀ FY 2016 total research funding was \$211 million, which represents a 22 percent increase over 2015.
- ◀ UC was named one of the country's best institutions for undergraduate education for the 10th straight year, according to The Princeton Review's 2016 edition of "The Best 380 Colleges."
- ◀ An anonymous donor provided the UC Blue Ash College with the largest gift in its 50-year history. The donation totals just over \$300,000 and is designated specifically to the Dental Hygiene Department at UC Blue Ash. It will support a variety of initiatives, including new computers for each of the 34 patient care stations in the Dental Hygiene Clinic, new laptops that allow professors to integrate lessons from the classroom to the clinic, updated equipment in the clinic, and funding for new student scholarships.
- ◀ UC's online BSN Program ranked No. 4 by *CollegeChoice*. The College of Nursing has another high national ranking to its

credit with its online Bachelor of Science in Nursing (BSN) program.

◀ UC's *Ohio Innocence Project (OIP)* received prominent national attention –a feature in TIME magazine's special edition examining wrongful convictions. The issue, "Innocent: The Fight Against Wrongful Convictions," takes a look at 25 years of the innocence movement. The OIP is highlighted with a multi-page spread.

◀ A team of UC students was on the ground in Hawthorne, California, as they took on the world's brightest engineers in a high-stakes competition to reinvent transportation. Thirty students from Hyperloop UC travelled to SpaceX, the corporation headed by billionaire inventor Elon Musk, who dreamed up the open source pod contest that drew more than 1,200 entries. Just 30 teams advanced beyond the design weekend in Texas a year ago and were invited to build, and test, their pods during competition weekend Jan. 27-29.

◀ UC's Master of Science in Marketing program at the Carl H. Lindner College of Business has been ranked among the Top 25 programs in the country by *CollegeChoice*. The program, ranked No. 23 across the nation, was selected for its average credit-hour cost, amount of financial aid given to students,

academic reputation of the university and PayScale's average early career salary for the school's graduates.

◀ UC is one of less than 15 colleges and universities across the nation to have been selected as a Diversity Champion institution by INSIGHT Into Diversity.

◀ UC's College of Nursing has received the 2016 INSIGHT Into Diversity Health Professions Higher Education Excellence in Diversity (HEED) Award. This marks the second straight year the College of Nursing has been so honored.

◀ FC Cincinnati completed its inaugural season in 2016 with record attendance for home games at Nippert Stadium. Renovations were also completed that widened the playing field which could have a big impact for FC Cincinnati and the city. A bigger field brings Nippert Stadium up to Major League Soccer playing regulations and allows UC to host popular U.S. national team qualifying matches and exhibition games for some of the world's top soccer clubs.



Tangeman University Center features a 90-foot atrium, massive skylight, several restaurants, a movie theater, a modern game room, the UC Bookstore, and the Great Hall.

Photo courtesy of the University of Cincinnati

POLICIES AND PRINCIPLES GUIDING THE BUDGETING PROCESS

As part of the university's strategic plan, UC continues to update policies designed to improve financial stability and business practices across the university. The Operating Cash Policy and the Structural Deficit Policy as well as Performance Based Budgeting continue to have the most pronounced impacts on improving the university's financial strength. Excellent common governance and financial management policies, clear strategic planning, careful fiscal oversight, strong student demand, and excellent strategic position are factors cited by Standard & Poor's and/or Moody's as they reaffirmed the institution's long-term bond rating (AA-/Aa3 respectively) during FY 2017. In addition, the Ohio Board of Regents' Financial Health Composite Score for UC for FY 2016 was 3.2 out of 5.

OPERATING CASH POLICY

The Operating Cash Policy, approved by the Board of Trustees in November 2006, continues to increase UC's liquidity. The goal is to attain an average daily cash balance of no less than 25% of annual operating budget expenditures and transfers, as well as a minimum daily cash balance of no less than 17% of annual operating budget expenditures and transfers. Operating cash has varied throughout the year and currently stands at a balance of \$573 million as of March 2016. Cash balances regularly exceed the minimum daily target of \$206 million. In accordance with policy, the cash position is monitored by the Cash Committee on a periodic basis to ensure that the required levels are achieved. In addition, the cash status is reported to the Board of Trustees quarterly and annually in the audited Financial Report.

STRUCTURAL DEFICIT POLICY

In November 2008, the Board of Trustees approved a policy aimed at eliminating all over-drafted cash balances. This policy identified specific measures to restore cash balances including:

- ◀ Utilizing a proactive budgeting process
- ◀ Requiring any new deficit funds be approved in advance by the Sr. Vice President for Administration and Finance in consultation with the appropriate unit Vice President
- ◀ Obtaining payback plans for funds that are currently in a deficit position
- ◀ Reducing the scope, postponement or cancellation of capital projects
- ◀ Focusing on receivables management

Compliance with this policy is monitored on a regular basis and is responsible for the continued reduction in over-drafted cash balances.

FINANCIAL POLICIES

The Financial Policy Development Committee continues to develop and implement institutional financial policies that connect the university's mission with individual conduct, clarify institutional expectations, support compliance with laws and regulations, mitigate institutional risk, and enhance productivity, efficiency and cost containment in the university's operations. Draft policies are fully vetted through the university's decision-making and governance structure to gain valuable feedback and heighten awareness of fiscal stewardship and accountability. The results have included continually improved internal controls in addition to cost containment over a wide array of university activities.

PERFORMANCE BASED BUDGETING

The university adopted a Performance Based Budgeting (PBB) model in FY 2010, replacing the historical allocation of resources for the undesignated general fund. The model is resource and enrollment driven with incentives for both growth and efficiencies. Each college or administrative unit is assigned a mandatory budget threshold that is to be met through growth, cost-saving measures, or some combination of these two factors. The model allows for college units to share in the surplus resulting from exceeding their established thresholds and building their enrollments.

Excellent financial management policies and oversight, prudent budgeting, cohesive leadership and strong student demand with increasing student quality are factors cited by Standard & Poor's and/or Moody's as they reaffirmed the institution's long-term bond rating (AA-/Aa3 respectively) during FY 2017.

TOTAL CURRENT FUNDS BUDGET SUMMARY

TUITION REVENUE

The most recent version of the State of Ohio biennial budget includes a tuition cap of 0% for in-state undergraduates, therefore, this budget recommendation includes no tuition increases for both resident and non-resident undergraduate students including regional campuses in FY 2018. The same applies to graduate, Law, and all non-resident students. The James L. Winkle College of Pharmacy is planning for a 5.4% tuition and fee increase (See fee schedules in Appendix 1). Although tuition revenue will increase in Pharmacy due to increased fees, the budget does not include these increments and the college will realize the revenue gains as part of the PBB model. Further, the total current funds budget assumes flat enrollment. Increases to the overall Tuition and Fees budget reflect anticipated growth through the current year.

STATE SUPPORT

Assuming that UC's performance within the statewide allocation model stays constant, it is projected that FY 2018 State Share of Instruction (SSI) university-wide will remain flat. The most recent version of the State of Ohio biennial budget includes no increase to appropriations for public universities and their regional campuses over FY 2017. The SSI budget is projected to grow in FY 2018 due to historical growth that was unbudgeted. This growth has now been budgeted and was used for several strategic initiatives University-wide. State appropriations are anticipated to be 17% of UC's total budget.

GOVERNMENT AND PRIVATE GRANTS AND CONTRACTS

UC and its affiliates received approximately \$429 million in research funding in FY 2016; an increase of over 8% compared to FY 2015. Most of the increase was due to UC's research funding growing by over 15% due to a surge of \$13.6 million in federal funding and a five year, \$13.5 million, award from Patient-Centered Outcomes Research Institute (PCORI). Excluding its research affiliates, UC received \$211.3 million in sponsored program awards in FY 2016.

The Colleges of Arts and Sciences, Engineering and Applied Sciences, Medicine and Nursing all showed significant growth in their research funding in FY 2016 due primarily to success in securing new federal awards. Grants and Contracts from the Department of Defense doubled to \$16 million last year and National Institutes of Health awards increased by 5% to \$78 million.

In FY 2017 the overall funding level will probably drop due to the one-time \$13.5 million PCORI award in FY 2016 and the delay in the release of the federal FY 2017 budget. With the budget delayed until at least May 2017 federal

funds UC would typically receive in May and June may be pushed into July or August putting them in FY 2018.

ENDOWMENT INCOME

The university uses its endowment to support current operations in a way that generates a predictable stream of support, while maintaining the purchasing power of the endowment funds adjusted for inflation. Based on market values as of December 31, 2016, the UC endowment is the 74th largest of 815 endowments of U.S. and Canadian public and private institutions of higher education surveyed by the NACUBO-Commonfund Study of Endowments. The market value of the endowment was \$1.215 billion, up 5.6% since December 31, 2015.

AUXILIARY ENTERPRISES

The university's main auxiliary enterprises include Campus Services and Athletics. Campus Services manages university activities related to Parking, Housing & Food Services, Retail Services, MainStreet & Campus Recreation Operations, Kingsgate Conference Center, and Conference & Event Services. Campus Services continues to exhibit sound financial management while providing the services students expect for an enjoyable campus experience at a reasonable price. Campus Services auxiliaries have been able to benefit from increased enrollments and continuous improvements in quality while also controlling expenses through ongoing implementation of cost containment measures. The cycle of revenue growth combined with cost containment as well as a service focus is expected to continue into FY 2018 when Campus Services again expects operational results to be favorable.

Athletics experienced another successful year in FY 2017 both on and off the playing field. Bearcat student-athletes had over a 3.2 cumulative GPA for the third consecutive term and over a 3.0 cumulative GPA for the 18th consecutive term. While the fiscal outcomes of college athletics continue to be challenging, under the continued leadership and energy of Athletic Director Mike Bohn, UC Athletics continues to explore opportunities for revenue growth and cost containment while striving to be competitive in NCAA sports as well as graduating student-athletes.

**FISCAL YEAR 2017-2018
CURRENT FUNDS BUDGET SUMMARY
(IN THOUSANDS)**

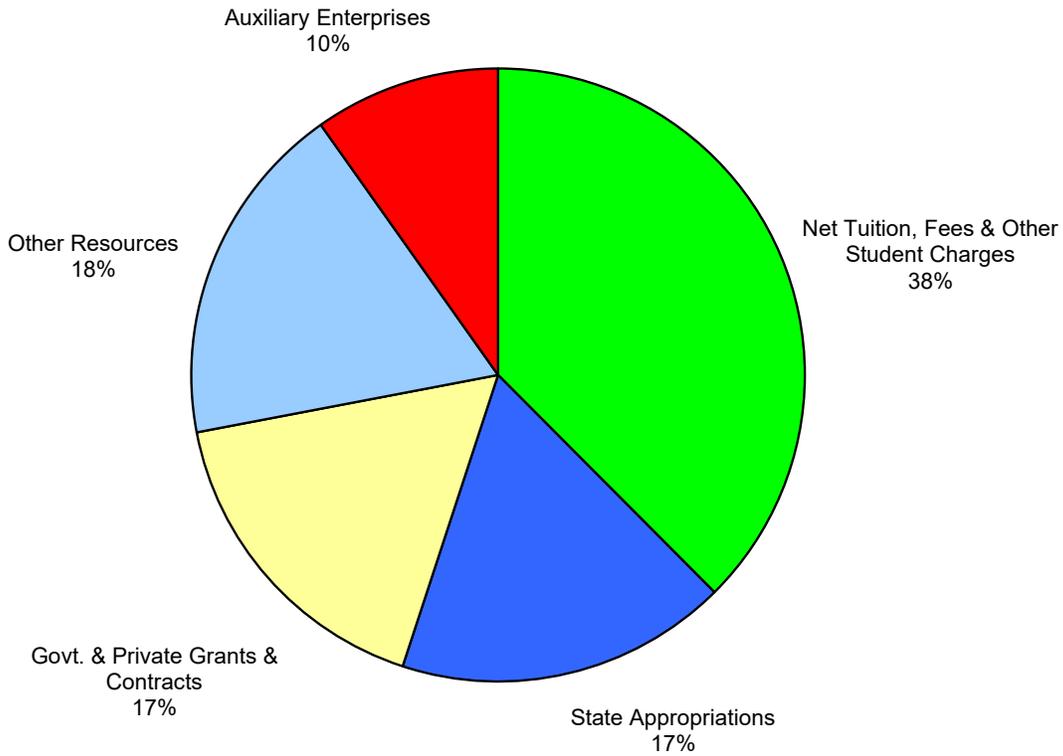
	Undesignated General Funds Uptown <u>Campus</u>	Undesignated General Funds <u>Regionals</u>	Auxiliary <u>Enterprises</u>	Designated <u>General Funds</u>	Restricted <u>Funds</u>	Total <u>Current Funds</u>
RESOURCES						
Gross Tuition, Fee and Other Student Charges	\$ 462,507	\$ 44,229	\$ 14,783	\$ 33,917	\$ -	\$ 555,436
Less Scholarships and Fellowships	(76,669)	(4,109)	-	-	-	(80,778)
Net Tuition, Fee and Other Student Charges	\$ 385,838	\$ 40,120	\$ 14,783	\$ 33,917	\$ -	\$ 474,658
State Appropriations (State Share of Instruction)	\$ 193,751	\$ 18,285	\$ -	\$ -	\$ 7,902	\$ 219,938
Other State Appropriations (CCP)	-	1,280	-	-	-	1,280
Govt. and Private Grants and Contracts	14,309	15	-	14,516	185,707	214,547
Private Gifts	-	-	4,122	939	51,115	56,176
Endowment Income	956	-	-	2,531	52,112	55,599
Sales and Service	10	20	-	102,127	-	102,157
Temporary Investments	2,270	-	-	-	-	2,270
Other Sources	890	39	-	12,681	216	13,826
Auxiliary Enterprises	-	-	123,997	-	-	123,997
Total Resources	\$ 598,026	\$ 59,757	\$ 142,903	\$ 166,711	\$ 297,052	\$ 1,264,448
EXPENDITURES						
Educational and General						
Instructional and General	\$ 233,494	\$ 34,726	\$ -	\$ 48,784	\$ 45,038	\$ 362,043
Separately Budgeted Research	10,747	-	-	17,665	165,105	193,517
Public Service	826	77	-	57,218	7,477	65,598
Academic Support	84,467	5,067	-	18,938	13,756	122,228
Student Services	17,900	5,831	-	25,643	2,468	51,842
Institutional Support	67,871	9,823	-	30,782	506	108,982
Operation and Maintenance of Plant	53,191	4,388	-	(6,388)	42	51,233
Budget Cut Reserve	(4,073)	-	-	-	-	(4,073)
Scholarships and Fellowships	-	-	1,939	2,252	58,205	62,396
Future Yrs Reallocation Reserve	4,440	-	-	-	-	4,440
Total Educational and General	\$ 468,864	\$ 59,911	\$ 1,939	\$ 194,894	\$ 292,598	\$ 1,018,206
Auxiliary Enterprises	\$ -	\$ -	\$ 121,610	\$ -	\$ -	\$ 121,610
Mandatory Transfers						
Loan Fund Matching	-	-	-	-	-	-
Debt Service	29,310	-	28,942	24,562	-	82,814
Nonmandatory Transfers						
Subsidies to Non-Instructional Units	14,370	264	(26,602)	200	-	(11,768)
Plant Funds	13,987	741	8,332	-	-	23,059
Designated	63,786	-	-	(63,786)	-	(1)
Other	(1,089)	(1,159)	8,719	15,675	6,905	29,051
Claims on Operations Repayment	8,798	-	-	(8,798)	-	(0)
Total Net Transfers	\$ 129,161	\$ (154)	\$ 141,001	\$ (32,147)	\$ 6,905	\$ 244,765
Total Expenditures and Transfers	\$ 598,026	\$ 59,757	\$ 142,940	\$ 162,747	\$ 299,503	\$ 1,262,972
Net Increase (Decrease) In Fund Balance	\$ -	\$ -	\$ (37)	\$ 3,964	\$ (2,452)	\$ 1,476

SUMMARY OF BUDGETED RESOURCES AND EXPENDITURES
TOTAL UNIVERSITY
(IN THOUSANDS)

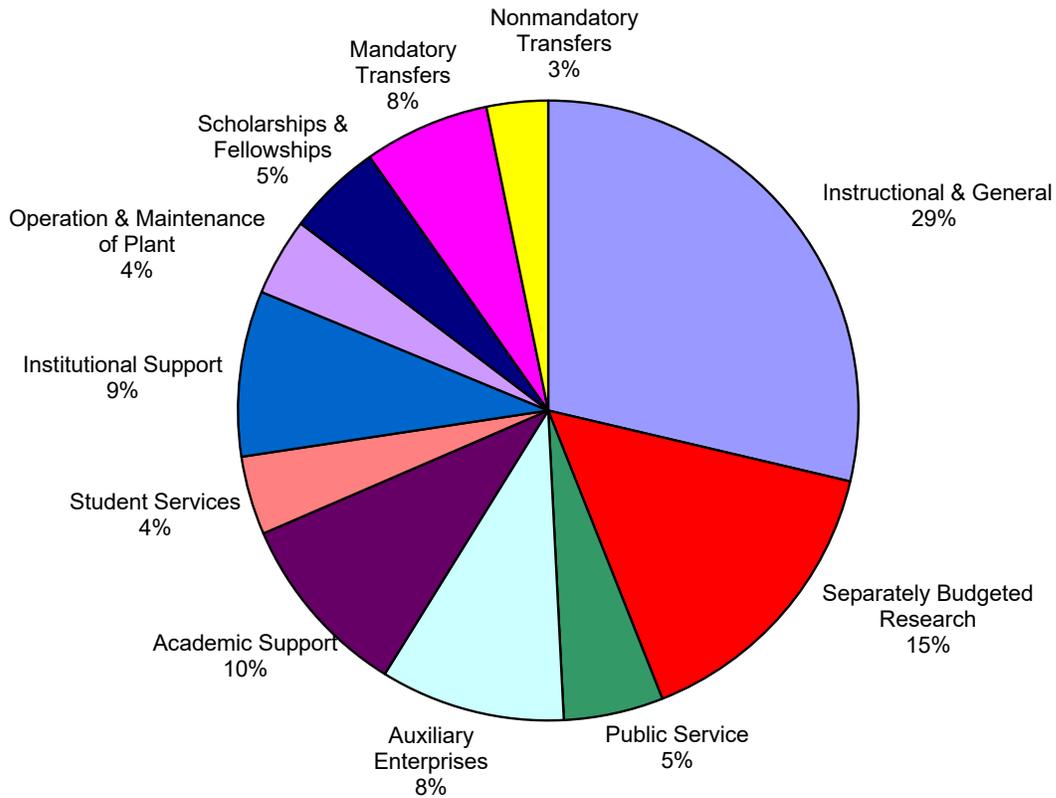
	FY 2017	FY 2018	Variance	Percent
	<u>Budget</u>	<u>Budget</u>		<u>Change</u>
RESOURCES				
Gross Tuition, Fee and Other Student Charges	\$ 553,980	\$ 555,436	\$ 1,457	0.3%
Less Scholarships and Fellowships	<u>(77,922)</u>	<u>(80,778)</u>	<u>(2,857)</u>	3.7%
Net Tuition, Fee and Other Student Charges	\$ 476,058	\$ 474,658	\$ (1,400)	-0.3%
State Appropriations (State Share of Instruction)	\$ 214,762	\$ 219,938	\$ 5,176	2.4%
Other State Appropriations (CCP)	\$ 1,253	\$ 1,280	\$ 27	
Govt. and Private Grants and Contracts	216,367	214,547	(1,820)	-0.8%
Private Gifts	56,146	56,176	30	0.1%
Endowment Income	54,230	55,599	1,369	2.5%
Sales and Service	99,776	102,157	2,382	2.4%
Temporary Investments	2,270	2,270	-	0.0%
Other Sources	13,289	13,826	536	4.0%
Auxiliary Enterprises	<u>119,734</u>	<u>123,997</u>	<u>4,262</u>	3.6%
Total Resources	\$ 1,253,886	\$ 1,264,448	\$ 10,562	0.8%
EXPENDITURES				
Educational and General				
Instructional and General	\$ 360,601	\$ 362,043	\$ 1,442	0.4%
Separately Budgeted Research	194,340	193,517	(822)	-0.4%
Public Service	67,311	65,598	(1,713)	-2.5%
Academic Support	118,020	122,228	4,208	3.6%
Student Services	50,571	51,842	1,271	2.5%
Institutional Support	104,767	108,982	4,215	4.0%
Operation and Maintenance of Plant	50,745	51,233	489	1.0%
Budget Cut Reserve	(2,803)	(4,073)	(1,270)	
Scholarships and Fellowships	62,295	62,396	101	0.2%
Future Yrs Reallocation Reserve	<u>6,131</u>	<u>4,440</u>	<u>(1,690)</u>	-27.6%
Total Educational and General	\$ 1,011,977	\$ 1,018,206	\$ 6,231	0.6%
Auxiliary Enterprises	\$ 112,301	\$ 121,610	\$ 9,309	8.3%
Mandatory Transfers				
Debt Service	81,656	82,814	1,158	1.4%
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	(4,914)	(11,768)	(6,854)	
Plant Funds	24,851	23,059	(1,792)	-7.2%
Designated	(1)	(1)	-	
Other	25,289	29,051	3,762	14.9%
Claims on Operations Repayment	<u>-</u>	<u>-</u>	<u>-</u>	
Total Net Transfers	\$ 239,182	\$ 244,765	\$ 5,583	2.3%
Total Expenditures and Transfers	\$ 1,251,160	\$ 1,262,972	\$ 11,814	0.9%
Net Increase (Decrease) In Fund Balance	<u>\$ 2,725</u>	<u>\$ 1,476</u>		

SUMMARY OF BUDGETED RESOURCES AND EXPENDITURES TOTAL UNIVERSITY

RESOURCES BY SOURCE



EXPENDITURES BY FUNCTION



UNDESIGNATED GENERAL FUNDS

UPTOWN CAMPUS OVERVIEW

This section describes income and expense budgets relative to UC's Uptown campus. The main source of funding for the Uptown campus is also referred to as the general fund and/or the undesignated fund. Nearly every unit on campus has a general fund expense budget of some amount. Income streams to the general fund are expected to total approximately \$598 million (net of scholarships) in FY 2018 with the largest revenue sources consisting of student tuition and fees and support from the state of Ohio through the Department of Higher Education(ODHE).

UPTOWN CAMPUS BUDGET

The Uptown campus budget for FY 2018 is presented in the tables on the following pages. It includes the following assumptions about tuition, subsidies and expenses.

Tuition

The proposed State of Ohio biennial budget includes a tuition and fees freeze for in-state undergraduates, therefore the following recommendation is being submitted to the Board of Trustees to be effective during the 2017-18 academic year:

- ◀ No increase to undergraduate tuition for both resident and non-resident students on the Uptown campus
- ◀ No increase to undergraduate tuition for both resident and non-resident students on the UC Blue Ash and UC Clermont campuses
- ◀ No increase to graduate tuition for both resident and non-resident students
- ◀ No increase to Law tuition for resident and non-resident students
- ◀ No increase to Medicine MD tuition and fees for resident and non-resident students, except for the ITIE fee, which will increase by \$368 annually.

Although tuition revenue will increase in Pharmacy due to increased fees, the budget does not include these increments and the college will realize the revenue gains as part of the PBB model. Additionally, the FY 2018 tuition budget assumes flat enrollment from FY 2017 to FY 2018. This allows enrollment growth to be tracked in Performance Based Budgeting and to be split as agreed upon to help offset budget reallocation or provide budget to fund growth and priorities for both the colleges and the Provost. In FY 2018, a \$4.0 million (1.4%) budget reallocation/threshold for the Uptown campus is necessary.

In aggregate, tuition and fees are budgeted to increase approximately \$2.4 million due to growth in the current year as the result of continued increases in enrollment and student retention. This growth also includes approximately \$800,000 of historical application and matriculation fee growth that was used to fund several Enrollment Management and student recruiting activities.

State Share of Instruction (SSI)

Funding from the ODHE is closely tied to student population and mix as well as success factors. Allocations of funding are based on performance metrics such as course completions instead of headcount enrollment alone. Degree completions are also an important metric in the determination of over 50% of SSI funding. There are also incentives for course completions in science, technology, engineering, mathematics and medicine (STEMM) fields.

The proposed State of Ohio biennial budget includes no increase to the statewide SSI allocation for colleges and universities, therefore the FY 2018 SSI for the Uptown Campus is projected to be \$194.9 million, equal to the FY 2017 allocation. This assumes no change to UC's share of the state-wide allocation. SSI on the Uptown Campus is budgeted to be \$193.7 million, an increase of \$7.0 million due to historical increases in SSI that were not previously budgeted. Of this increase, \$3.0 million was used during FY 2017 to fund various strategic initiatives in many areas including the College of Medicine, Public Safety, Enrollment Management, and Diversity & Inclusion.

Expenditures and Transfers

In aggregate, expenditures are budgeted to increase \$4.6 million, which is driven by two primary factors. First, as mentioned above, a wide variety of institutional strategic initiatives that were requested during the budget hearing process were funded during FY 2017. Second, salary and benefits costs continue to rise, as described on the next page.

Transfers to/from the general fund are budgeted to increase \$3.2 million, partially due to increasing debt service. Additionally, \$800,000 was added to the Claims on Operations Repayment budget in order to increase the pace in paying down historical deficit funds. According to current projections, these deficits will be eliminated during FY 2021.

EXPENSES—Salaries and Benefits

During FY 2018 budget discussions, the decision was made to fund salary increases at the individual unit/department level rather than provide new funds in the budget process. Consequently, there are no salary/benefit inflation dollars listed below. A 2% salary increase is planned in FY 2018 for unrepresented staff. Other employee groups will receive salary increases as negotiated by their respective unions as noted here.

FY 2018 Salary Increases by Employee Group
AFSCME – 2% increase
AAUP – 2% Across the Board; .25% Compression; .25% Benchmark
SEIU – currently in negotiations
IUOE – 2% increase
ONA - 0% increase
Unrepresented – 2% increase <i>proposed</i>
Univ. Law Enforcement Officers (ULEO), Security Officers, Dispatchers – currently in negotiations
Sergeants - currently in negotiations
Lieutenants - currently in negotiations
University Graduate Assistants & Other Students – 2% increase <i>proposed</i>

EXPENSES—Operating

Increases for FY 2018 operating expenses are shown below. Additional descriptions of each new expense budget supplement can be seen on the opposite page.

UPTOWN CAMPUS TOTAL BUDGET SUMMARY	In Thousands
Revenue	\$4,000
Gross Tuition Inflation	0
Increase in State Share of Instruction	4,000
Mandatory Incremental Expenses	(7,050)
Roof Replacements	(250)
Capital Investment Fund: Renovations	(1,500)
Pharmacy Building Reno. – HPB	(500)
UC Foundation Funding Model	(1,900)
IT—504/508 Accessibility & Compliance	(250)
Slate Implementation	(200)
Cincinnatus Scholarships	(450)
Institutional Initiatives	(2,000)
Strategic Initiatives:	(1,523)
Structural Deficit Payback—Internal Borrowing	(798)
Diversity & Inclusion Initiative: Turner Scholarships	(130)
Diversity & Inclusion Initiative: Ethnic Programming	(100)
Diversity & Inclusion Initiative: Admissions Recruiters	(211)
Diversity & Inclusion Initiative: CPS Ambassadors	(134)
Diversity & Inclusion Initiative: Admissions Marketing	(150)
Subtotal	(4,573)
Decrease Utilities Expense	500
TOTAL BUDGET	(4,073)
1.4% Budget Reallocation Required to Balance Budget ¹	(4,073)
¹ The budget reallocation will be distributed to all colleges and units.	

Uptown Campus Mandatory Incremental Expenses:

Roof Replacements—\$250,000

Debt service for roof replacements. Funding of \$500,000 in FY 2009, then \$250,000 each year in FY 2010 through FY 2027.

Capital Investment Fund: Renovations —\$1,500,000

Funding increase for basic renovation projects that are not financed with debt of \$1.5 million in FY 2017 and FY 2018 and \$.5M million in FY 2019. These projects were historically financed by the State, but this funding was removed in FY 2013, requiring the use of university general funds to complete the projects.

Pharmacy Building Renovation (HPB) — \$500,000

Annual debt service support for the HPB building renovation project through FY 2018.

UC Foundation Funding Model — \$1,900,000

Establish permanent funding from the University to support advancement. \$5.2 million additional also being planned for FY 2019.

IT 504/508 Accessibility & Compliance — \$250,000

This represents costs related to Sections 504 and 508

Uptown Campus Strategic Initiatives:

**Structural Deficit Payback – Internal Borrowing—
\$798,091**

Funding increase required to pay down internal borrowing deficits. This addition results in total budget for this purpose of \$8.8M.

Turner Scholarships — \$130,000

Ethnic Programming — \$100,000

These funding items are included as part of UC's Diversity & Inclusion initiatives and are targeted to increase undergraduate diversity.

amendments to the Rehabilitation Act of 1973, which requires Federal agencies to make their electronic and information technology accessible to people with disabilities.

Slate Implementation — \$200,000

This funding represents ongoing licensure costs associated with Slate (admissions processing) software purchased during FY 2017.

Cincinnati Scholarships — \$450,000

This represents additional funding to the Cincinnati Scholarship pool due to increases in enrollment and improvements in the academic profile of incoming students.

Institutional Initiatives — \$2,000,000

This is an estimate of incremental requests from departments that are not known at this time and is based on historical requests received/approved as part of the budget process.

Admissions Recruiters — \$211,000

Cincinnati Public Schools Ambassadors—\$134,200

Admissions Marketing — \$150,000

These funding items are targeted to build and work the undergraduate admissions pipeline.



Mick and Mack, small-size copies of statues at the Loggia dei Lanzi in Florence, Italy, have guarded the entrance to McMicken Hall since the estate of Jacob Hoffner gave them to UC in 1904. *Photo courtesy of the University of Cincinnati*

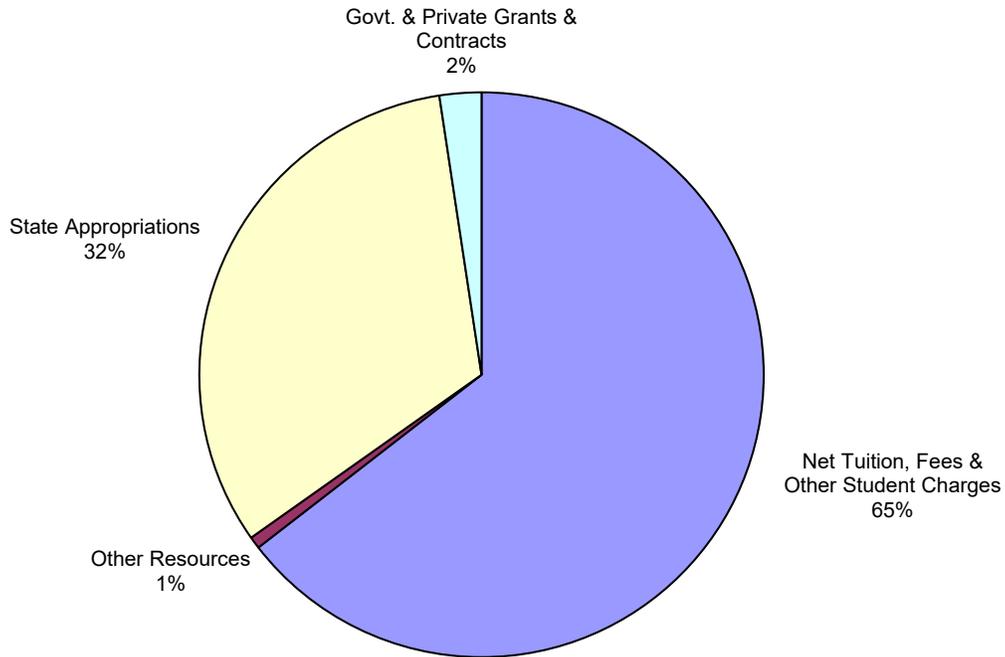
**UNDESIGNATED GENERAL FUNDS
UPTOWN CAMPUS
(IN THOUSANDS)**

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Gross Tuition, Fee and Other Student Charges*	\$ 460,027	\$ 462,507	\$ 2,480	0.5%
Less Scholarships and Fellowships	<u>(75,103)</u>	<u>(76,669)</u>	<u>(1,566)</u>	2.1%
Net Tuition, Fee and Other Student Charges	\$ 384,924	\$ 385,838	\$ 914	0.2%
State Appropriations (State Share)	\$ 186,685	\$ 193,751	\$ 7,067	3.8%
Govt and Private Grants and Contracts	14,309	14,309	-	0.0%
Private Gifts	-	-	-	-
Endowment Income	956	956	-	0.0%
Sales and Service	10	10	-	0.0%
Temporary Investments	2,270	2,270	-	0.0%
Other Sources	<u>890</u>	<u>890</u>	<u>-</u>	0.0%
Total Resources	\$ 590,044	\$ 598,026	\$ 7,981	1.4%
EXPENDITURES				
Educational and General				
Instructional and General	\$ 233,124	\$ 233,494	\$ 370	0.2%
Separately Budgeted Research	12,346	10,747	(1,599)	-12.9%
Public Services	697	826	129	18.5%
Academic Support	85,004	84,467	(537)	-0.6%
Student Services	15,549	17,900	2,351	15.1%
Institutional Support	60,684	67,871	7,188	11.8%
Operation and Maintenance of Plant	53,445	53,191	(254)	-0.5%
Budget Cut Reserve	(2,803)	(4,073)	(1,270)	-
Future Yrs Reallocation Reserve	<u>6,131</u>	<u>4,440</u>	<u>(1,690)</u>	-27.6%
Total Educational and General	\$ 464,176	\$ 468,864	\$ 4,688	1.0%
Mandatory Transfers				
Debt Service	\$ 27,912	\$ 29,310	\$ 1,397	5.0%
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	16,294	14,370	(1,923)	-11.8%
Plant Funds	13,213	13,987	774	5.9%
Designated	61,538	63,786	2,248	3.7%
Claims on Operations Repayment	8,000	8,798	798	10.0%
Other	<u>(1,089)</u>	<u>(1,089)</u>	<u>-</u>	0.0%
Total Net Transfers	\$ 125,868	\$ 129,161	\$ 3,294	2.6%
Total Expenditures and Transfers	\$ 590,044	\$ 598,026	\$ 7,982	1.4%
<u>Net Increase (Decrease) In Fund Balance</u>	<u>-</u>	<u>-</u>		

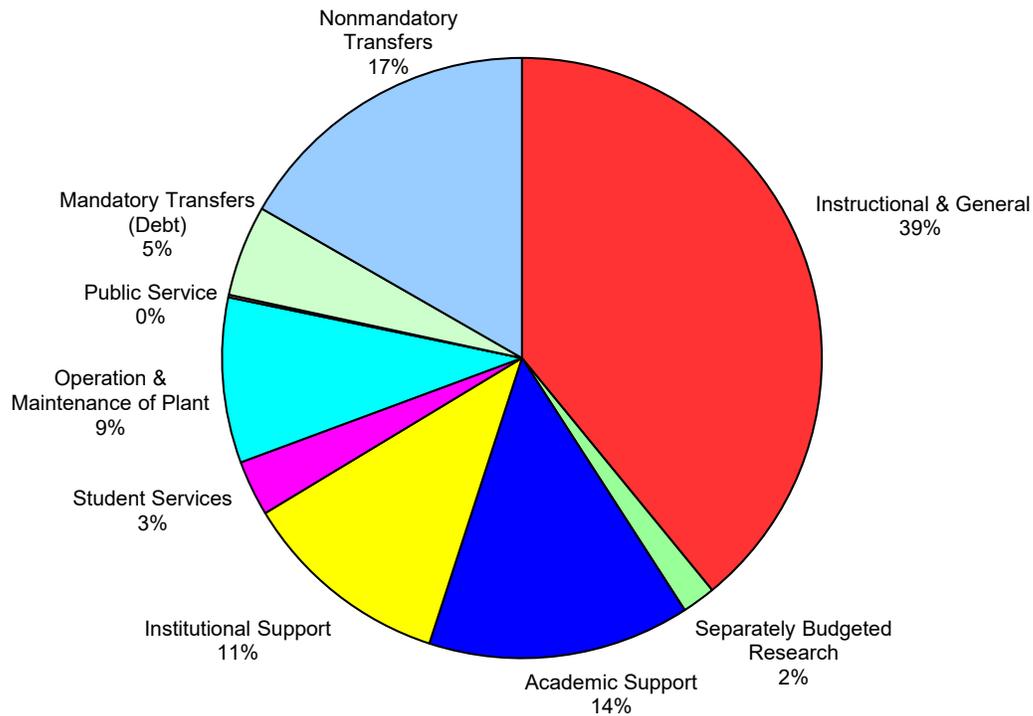
* Note: The Uptown campus assumes flat enrollment in FY 2018. All FY 2017 original budget amounts have been adjusted to include approved permanent budget adjustments processed during the year.

**SUMMARY OF BUDGETED RESOURCES AND EXPENDITURES
UPTOWN CAMPUS GENERAL FUNDS**

RESOURCES BY SOURCE



EXPENDITURES BY FUNCTION



**Undesignated General Funds
Uptown Campus
Performance-Based Budget Report
(In Thousands)**

	<u>FY 2017</u> <u>BoT</u> <u>Approved</u> <u>Budget</u> <u>(July 1)</u>	<u>FY 2017</u> <u>Revised</u> <u>Budget</u> <u>(Mar. 31)</u>	<u>FY 2018</u> <u>Estimate</u>	<u>Variance</u>
RESOURCES				
Undergraduate				
Tuition (Generated by Home College)	\$ 251,038	\$ 253,372	\$ 253,372	\$ -
Adjustment for Majors Instructed by Another College	(45,840)	(45,601)	(46,873)	(1,272)
Adjustment for Other Majors Instructed	45,840	45,601	46,873	1,272
<i>Subtotal : Tuition Attributed to College</i>	<u>\$ 251,038</u>	<u>\$ 253,372</u>	<u>\$ 253,372</u>	<u>\$ -</u>
General Fees (Generated by Home College)	\$ 17,556	\$ 17,635	\$ 17,635	\$ -
State Share of Instruction (Generated by Home College)	86,170	84,868	86,657	\$ 1,789
Unit Scholarships & Fellowships	(2,581)	(2,422)	(2,422)	\$ -
University Scholarships & Fellowships	(19,353)	(19,553)	(20,133)	\$ (580)
Net Attributable Resources	\$ 332,831	\$ 333,899	\$ 335,108	\$ 1,209
Graduate/Professional				
Tuition (Generated by Home College)	\$ 175,410	\$ 174,835	\$ 174,835	\$ -
Adjustment for Majors Instructed by Another College	(2,158)	(2,147)	(1,788)	\$ 358
Adjustment for Other Majors Instructed	2,158	2,147	1,788	\$ (358)
<i>Subtotal : Tuition Attributed to College</i>	<u>\$ 175,410</u>	<u>\$ 174,835</u>	<u>\$ 174,835</u>	<u>\$ -</u>
General Fees (Generated by Home College)	\$ 7,502	\$ 7,535	\$ 7,535	\$ -
State Share of Instruction (Generated by Home College)	100,514	104,884	107,095	\$ 2,211
Unit Scholarships & Fellowships	(48,054)	(49,638)	(49,638)	\$ -
University Scholarships & Fellowships	(4,792)	(4,272)	(4,272)	\$ -
Net Attributable Resources	\$ 230,580	\$ 233,343	\$ 235,554	\$ 2,211
Adult & Continuing Ed. (Tuition Only)	\$ 4,267	\$ 4,111	\$ 4,111	\$ -
Adult & Continuing Ed. (Scholarships Only)	(523)	(220)	(220)	\$ -
Adult & Continuing Ed. (Gen. Fees Only)	340	341	341	\$ -
Sponsored Revenue	14,309	14,309	14,309	\$ -
Other Revenue	9,962	10,726	10,726	\$ -
Total Resources	\$ 591,767	\$ 596,509	\$ 599,929	\$ 3,420
EXPENDITURES				
Direct				
Academic Support	\$ 39,820	\$ 36,670	\$ 36,670	\$ -
Institutional Support	89	89	89	\$ -
Instruction	150,489	150,391	150,391	\$ -
Public Service	6	-	-	\$ -
Research	6,907	5,608	5,608	\$ -
Student Services	1,453	1,447	1,447	\$ -
Unassigned	-	1,500	1,500	\$ -
Total Direct Expenditures	<u>\$ 198,763</u>	<u>\$ 195,704</u>	<u>\$ 195,704</u>	<u>\$ -</u>
Base Net Revenue	\$ 393,003	\$ 400,806	\$ 404,226	\$ 3,420
Direct Threshold Share	\$ (1,662)	\$ -	\$ (2,635)	\$ (2,635)
Base Net Revenue Target	\$ 394,666	\$ 400,806	\$ 406,861	\$ 6,055
Indirect				
Academic Support	\$ 49,585	\$ 51,387	\$ 51,387	\$ -
Institutional Support	58,708	68,387	68,387	\$ -
Instruction	77,580	75,195	75,195	\$ -
Operations Maintenance	53,708	52,962	52,462	\$ (500)
Public Service	888	827	827	\$ -
Research	6,765	5,380	5,380	\$ -
Student Services	21,916	16,105	16,105	\$ -
Unassigned	126,657	130,564	138,558	\$ 7,993
Total Indirect Expenditures	<u>\$ 395,807</u>	<u>\$ 400,806</u>	<u>\$ 408,299</u>	<u>\$ 7,493</u>
Indirect Threshold Share	\$ (1,141)	\$ -	\$ (1,438)	\$ (1,438)
Indirect Expenditures Target	\$ 394,666	\$ 400,806	\$ 406,861	\$ 6,055
Total Expenditures	\$ 594,570	\$ 596,509	\$ 604,003	\$ 7,493
Total University Threshold	\$ (2,803)	\$ -	\$ (4,073)	\$ (4,073)
Net Profit/(Loss) Target	\$ -	\$ -	\$ -	\$ -

UNDESIGNATED GENERAL FUNDS REGIONAL CAMPUSES

UC BLUE ASH

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

a) As in previous years, statewide demographics and enrollment uncertainty continue to present challenges for UC Blue Ash College (UCBA). The tuition revenue budget assumes flat enrollments for FY 2018. Maintaining or increasing enrollment is particularly a challenge when the college has been successful in advancing students academically to transition to the UC Uptown campus, and when attrition continues to present challenges (thanks in part to the College Program for Academic Success (CPAS) program). UCBA is projecting to see an increase to the incoming new student class, but the number of transition students also continue to increase (there has been a 53% increase in transitioning students over the last three years). The 6-for-5 summer school promotional program will continue with students taking 6 credits but only paying for 5 in order to incentivize and increase enrollment. This program was developed in response to the desire to continue to keep cost of attendance as low as possible in accordance with mandates from the State. Lastly, a tuition scholarship raffle will continue for students who register during priority registration, rather than later, as is often the case for regional campus students.

b) Scholarships are budgeted to increase over last year primarily due to students enrolling in the College Credit Plus (CCP) program. These students are charged tuition which is completely covered by scholarships. The revenue then comes to UCBA after the end of the term from the State of Ohio.

b) The state appropriations (State Share of Instruction (SSI)) revenue budget is set at FY 2017 actuals. The state has yet to approve the statewide appropriation, which makes the SSI revenue budgeted for FY 2018 somewhat variable, depending on the final State budget.

c) The other state appropriations revenue budget represents revenue generated by the CCP program. The budget figure represents an expectation of increased enrollments based on current CCP confirmation levels. This program allows high school students to earn both high school and college credit for certain courses taken during high school at a very low cost to them. This revenue is also included in the tuition and scholarships categories.

e) Relative to spending, FY 2018 is expected to be a year of continued efficiency, conservation, streamlining, and improvement. UCBA is planning to remain fiscally con-

servative to focus resources on student success, while still saving funds for the upcoming Muntz Hall renovation and deferred maintenance projects. The college will be reducing expenditures where possible, while still providing its hallmark, high-quality education focused on student success.

f) Additionally, a \$741 thousand transfer has been budgeted in order to maintain progress in improving the physical plant.

INITIATIVES

UCBA continues to focus its collective attention on student success. As such, in FY 2018 UCBA will make strategic decisions to enhance the student experience, increase the collaboration between faculty and staff, and plan for the future as follows:

Celebrate an important UCBA milestone: FY 2018 will mark the 50th anniversary of UC Blue Ash College. As such, there are several events planned throughout FY 2018 to help the college celebrate its founding year of 1967. A few of the events, namely the 50th Anniversary Gala which will be held in September 2017, will have fundraising included to help raise funds for student scholarships.

Facilitate student success: Over the last several years, UCBA has built a culture of student-centeredness, with student success as the focus. UCBA is working to structure student experiences to maximize student success. UCBA's tactics to increase student success includes the College Program for Academic Success (CPAS), early registration encouragement, mandatory orientation attendance, student success workshops and webinars, high school outreach/partnerships, CYC/UCBA mentoring initiatives, leadership institute, major mentors, peer mentors, and more. Everything done at UCBA has student success in mind. The college plans to continue to further foster this culture of student success with its tested formula of first-class instruction delivered by exceptional teachers, excellent student support services such as one-on-one tutoring, student learning labs and a friendly and welcoming atmosphere to provide an extraordinary learning environment.

UCBA Honors Program: In FY 2018, UCBA is proud and eager to begin the initial year of the UCBA Honors program. While the college has taken great strides in assisting underprepared students to succeed in a college atmosphere, it is also time to celebrate the accomplish-

ments of the college's best and brightest students beginning Fall 2018 semester. The program will provide scholarships, special activities and seminars to Honors students, as well as have a dedicated Director to support the Honors students and oversee the program.

Fund-raise aggressively: In FY 2018, UCBA will be opening its new classroom building, Progress Hall, scheduled to be completed in May 2017 and fully operational for the Fall 2017 semester. While the building itself has been paid for in full by the college's local funds, upfront and ongoing costs will be subsidized by fundraising, which will hopefully include naming rights to the building and named classrooms. The college is also cultivating corporate donors and increasing interactions with UCBA alumni to help subsidize the upcoming renovation of the second and third floors of Muntz Hall, upgrades of equipment/technology across the college, and funding of student scholarships. UCBA's grant writer will continue to seek and land external funding for college priorities. In late FY 2017, UCBA was graciously provided its single largest gift to the college of \$301,000. The college plans to work from that momentum and continue to seek grants and donations to support the college.

Plan strategically: UCBA has engaged in extensive strategic planning for the college's future. The strategic planning committee has engaged many constituents in data-gathering and now are working through the themes, goals, objectives, action steps, persons responsible, and deadlines. There is great agreement and much excitement about the direction and potential of the college's future. The plan has been endorsed by all shared governance bodies.

Along with the strategic planning exercise, UCBA is also preparing for the college's re-accreditation with the Higher Learning Commission in 2018-19. While the re-accreditation is not due for a couple of years, the college is going through an evidence gathering and self-assessment process to ensure maximum operation in order to exceed HLC guidelines and expectations.

Maintain focus on the mission of higher education: Students are the center of the mission of UCBA. The college is proud of its small course sizes and student-centered education on a beautiful park-like campus and is focused on increasing graduation, retention, and student persistence rates while maintaining steady enrollments or minimal enrollment growth (to account for the constant transitions to Clifton and elsewhere).

PHYSICAL PLANT CONSTRAINTS AND REQUIREMENTS

Enhance the student experience: First impressions and initial interactions with students can help to establish a successful, strong start and also provide a lasting impression of the college. UCBA is in the process of improving students' impression by renovating the largest and oldest building on campus, Muntz Hall. This multi-phase project will launch in 2017 when the new building, Progress Hall, is completed.

UCBA also continues to invest in upgrading academic information technology equipment in smart classrooms to reach a more uniform and higher standard for the incorporation of technology in excellent teaching and learning.

Over the next several years, UCBA will be focused on reducing deferred maintenance on buildings and equipment. In addition, there will be several smaller minor renovation projects.

LONG-TERM OUTLOOK AND GOALS

Grow Distance Learning Presence: UCBA continues to grow its online course availability (with high quality training, design, and execution), along with possibly proposing other online degrees to meet market demand.

Reap Benefits of Reverse Transfer Policy: UCBA will begin to reap the benefits of providing associate degrees to students who have successfully completed UCBA's curriculum after transitioning to Clifton in the coming fiscal years. UCBA has already seen several hundred more degrees awarded annually (approximately 300 per year).

Grow Four-year Degree Offerings: UCBA continues to assess market demand for new programs and degrees and is in the initial planning stages of evaluating the likelihood of a few four-year degrees that are not currently offered at other UC colleges. UCBA has a long-term goal of growing its four-year degree offerings.



Judge Solomon Oliver (Judge in Residence) lectures.
Photo by Jay Yocis, courtesy of UC Creative Services

UC CLERMONT

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

a) Total resources are budgeted to decrease \$3.2 million from the prior year budget. After five years of declining enrollment, there was an expectation last year that not only would the decline stop, but enrollment would increase. This increase did not materialize however, and enrollment continued to decline. While the decrease to the budget seems drastic, it is reasonable when comparing to the current year actual expected revenue.

b) The tuition revenue budget for FY 2018 is set to remain flat when compared to actual results expected for the current year. This is based on the number of applications received prior to May 1, 2017, higher graduate numbers from feeder high schools, active recruiting in northern Kentucky and a series of Call-To-Action videos created by the Dean. Further, the tuition budget assumes a flat inter-campus revenue (Uptown and Blue Ash students enrolling in Clermont courses).

c) State appropriations (State Share of Instruction (SSI)) revenue is budgeted to decrease \$695 thousand, which results in a budget amount equivalent to the current year actuals. This assumption is conservative considering recent enrollment trends and the statewide SSI appropriation budget has yet to be finalized.

d) State appropriations generated from the College Credit Plus program are budgeted to decrease approximately \$81 thousand. This budget represents an expectation of flat enrollments from the current year in this program due to additional schools competing in this market. This program allows high school students to earn both high school and college credit for courses taken during high school. This revenue is also included in the tuition and scholarships revenue categories.

e) Total expenditures for FY 2018 are budgeted to be 8.5% lower than the FY 2017 budget, resulting in a budget amount very similar to expected actuals in the current year. FY 2017 expenditures were budgeted based on the expected increase in revenue. When this did not materialize, the expense budget for FY 2017 was immediately reduced. Overhead payments to the Uptown general fund are budgeted to remain flat.

f) Additionally, two academic programs, Emergency Medical Services and Medical Assisting have been eliminated, resulting in approximately \$390 thousand in cost savings.

g) Staffing levels are relatively stable and no new positions are included in the budget. The expenditures budget includes allowances for an AAUP pay increase of approximately \$450 thousand including benefits, and staff increases totaling nearly \$85 thousand. Faculty and staff retire-

ments, resignations, and the elimination of positions will save approximately \$1.0 million.

h) Finally, in order to achieve a balanced position in the general fund, approximately \$1.7 million has been budgeted to be transferred from reserves.

INITIATIVES

◀ Increase recruiting efforts, including improved communications with recruits, and improved data collection efforts.

◀ Assessment of Merit Scholarships on academics and finances.

◀ Restructuring the advising center.

◀ Student Services building updates and branding.

◀ Starfish implementation to improve retention and completion. Starfish is the university's student retention "early warning system" that lets faculty, advising staff, and students communicate about a student's academic progress.

FACILITIES PLANNING: IMPROVEMENTS AND CHALLENGES

Due to enrollment declines and the continued lease of space at UC East (the old Ford plant offices), space per student is at an all-time high. A facility planning meeting for UC East has already been scheduled. Two of the three major UCC construction projects, although not completed, have been fully funded. The third project, the Central Utility Plant, is expected to cost approximately \$7 million. UC-Clermont expects to pay approximately \$4.6 million with the State of Ohio funding the balance.

LONG-TERM OUTLOOK AND GOALS

UC Clermont expects student enrollment to grow moderately in the next few years. However, the growth may not be as robust as it was in the past. As the college adjusts to what may be a "new normal" for enrollment, support will be needed for future tuition increases (as allowed by the State) – with the goal of tuition parity with UC Blue Ash.

UC Clermont's continued goal is to grow enrollment and reverse the decline and dependence on macroeconomic factors. A continuing focus on academic programs aimed at employed working adults and building relationships with local businesses will remain key areas of focus. Additional associate degree programs with an emphasis on 2+2 programs with Uptown campus colleges, certificates (some fully online), exploration of additional regional college-based and hosted baccalaureate programs, and associate degree completer programs will also be emphasized.

**UNDESIGNATED GENERAL FUNDS
REGIONAL CAMPUSES
UC BLUE ASH COLLEGE
(IN THOUSANDS)**

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Gross Tuition, Fee and Other Student Charges	\$ 26,200	\$ 26,238	\$ 38	0.1%
Less Scholarships and Fellowships	<u>(959)</u>	<u>(1,405)</u>	<u>(446)</u>	46.5%
Net Tuition, Fee and Other Student Charges	\$ 25,241	\$ 24,833	\$ (408)	-1.6%
State Appropriations (State Share)	11,034	10,721	(314)	-2.8%
Other State Appropriations (CCP)	272	380	108	
Govt and Private Grants and Contracts	-	-	-	
Private Gifts	-	-	-	
Endowment Income	-	-	-	
Sales and Service	20	20	-	0.0%
Temporary Investments	-	-	-	
Other Sources	<u>15</u>	<u>12</u>	<u>(3)</u>	-22.8%
Total Resources	\$ 36,582	\$ 35,965	\$ (617)	-1.7%
EXPENDITURES				
Educational and General				
Instructional and General	\$ 21,728	21,143	\$ (586)	-2.7%
Separately Budgeted Research	-	-	-	
Public Services	-	-	-	
Academic Support	2,759	3,300	542	19.6%
Student Services	3,005	3,260	255	8.5%
Institutional Support	4,670	4,560	(109)	-2.3%
Operation and Maintenance of Plant	<u>2,399</u>	<u>2,207</u>	<u>(191)</u>	-8.0%
Total Educational and General	\$ 34,561	\$ 34,470	\$ (91)	-0.3%
Mandatory Transfers				
Loan Fund Matching	\$ -	\$ -	\$ -	
Debt Service	-	-	-	
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	174	174	-	0.0%
Plant Funds	1,327	741	(586)	-44.1%
Other	<u>520</u>	<u>580</u>	<u>60</u>	11.5%
Total Net Transfers	\$ 2,021	\$ 1,495	\$ (526)	-26.0%
Total Expenditures and Transfers	\$ 36,582	\$ 35,965	\$ (617)	-1.7%
Net Increase (Decrease) In Fund Balance	\$ 0	\$ (0)		

**UNDESIGNATED GENERAL FUNDS
REGIONAL CAMPUSES
UC CLERMONT COLLEGE
(IN THOUSANDS)**

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Gross Tuition, Fee and Other Student Charges*	\$ 19,615	\$ 17,991	\$ (1,624)	-8.3%
Less Scholarships and Fellowships	(1,859)	(2,705)	(846)	45.5%
Net Tuition, Fee and Other Student Charges	17,756	15,287	(2,469)	-13.9%
State Appropriations (State Share)	8,259	7,564	(695)	-8.4%
Other State Appropriations (CCP)	981	900	(81)	
Govt and Private Grants and Contracts	29	15	(15)	-50.0%
Private Gifts	-	-		
Endowment Income	-	-		
Sales and Service	-	-		
Temporary Investments	-	-		
Other Sources	46	27	(19)	-41.3%
Total Resources	\$ 27,071	\$ 23,792	\$ (3,279)	-12.1%
EXPENDITURES				
Educational and General				
Instructional and General	\$ 15,006	\$ 13,584	\$ (1,422)	-9.5%
Separately Budgeted Research	-	-		
Public Services	75	77	2	2.2%
Academic Support	1,909	1,766	(143)	-7.5%
Student Services	2,872	2,571	(302)	-10.5%
Institutional Support	5,632	5,263	(369)	-6.6%
Operation and Maintenance of Plant	2,299	2,181	(118)	-5.1%
Total Educational and General	\$ 27,791	\$ 25,442	\$ (2,349)	-8.5%
Mandatory Transfers				
Loan Fund Matching	\$ -	\$ -	\$ -	
Debt Service	-	-	-	
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	90	90	-	0.0%
Plant Funds	-	-		
Other	(810)	(1,739)	(929)	114.7%
Total Net Transfers	\$ (720)	\$ (1,649)	\$ (929)	129.0%
Total Expenditures and Transfers	\$ 27,071	\$ 23,792	\$ (3,279)	-12.1%
Net Increase (Decrease) In Fund Balance	\$ -	\$ (0)		

AUXILIARY OPERATIONS

AUXILIARY OVERVIEW

Auxiliary enterprises exist to furnish a service to students, faculty or staff and charge a fee directly related to, but not necessarily equal to, the cost of the service. The distinguishing characteristic of an auxiliary enterprise is that it is managed essentially as, and is intended to be, a self-supporting activity. The state of Ohio specifically identifies the following auxiliaries at UC: Residence & Dining Halls, Intercollegiate Athletics, Student Unions, Bookstores, Parking Lots & Garages, Kingsgate Conference Center, the Campus Recreation Center, Faculty Club and the Fifth Third Arena at the Myrl H. Shoemaker Center.

CAMPUS SERVICES

Campus Services, the umbrella organization for many auxiliary operations on campus, provides a coordinated effort to meet the needs of the campus community through the following units:

Retail Services
Housing & Food Services
Campus Recreation
Conference and Event Services

MainStreet Operations (TUC)
Kingsgate Conference Center
Bearcat Card
Parking Services

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

- a) In total, revenue generated by Campus Services is budgeted to increase \$5.5 million. This is primarily driven by increased demand for housing and meal plans due to growing enrollment. Block leases purchased for additional off-campus housing (which also have an impact on meal plan sales) are anticipated to generate \$4.5 million in additional revenue. A 2% increase in meal plan fees and a 1% increase to room fees will also contribute approximately \$814,000 in additional revenue. The impact of these fee increases to the student can be found in Appendix 1.
- b) Contract revenue is budgeted to decrease by \$1.1 million due to a decrease in Kingsgate Conference Center revenues primarily driven by expanding competition in the Uptown campus area.
- c) Sales revenue includes revenue-generating activities in units such as Parking Services, Campus Recreation Center, Retail Services, and MainStreet Operations, and is budgeted to increase \$763,000. This increase is primarily driven by an anticipated increase in Parking Services revenue. Permit rates in Parking Services are remaining the same for FY 2018, but demand for parking on campus is expected to increase. In addition to demand in parking, complementary permits are being budgeted differently than in the past, accounting for some of the increase in sales as well as Departmental Operating Expenses.
- d) Miscellaneous student fees include Campus Life Fees and are budgeted to increase very modestly (\$155,000) due to the State of Ohio's cap on tuition and fee increases.
- e) Total expenditures are budgeted to increase \$7.1 million. The following activities are driving this increase:

- ◀ Departmental Operating Expenditures (DOE) are budgeted to increase \$5.7 million. This increase includes \$4.1 million due to the necessity for additional block leases driven by an anticipated increase in demand for on campus housing. In addition, Utilities costs throughout facilities operated by Campus Services are anticipated to increase by \$500,000. The balance of the increase in DOE is driven by increased costs to many of the critical operating functions within Campus Services.
- ◀ A 2% increase to staff salaries throughout campus services is included in the budget, resulting in \$1.3 million (including benefits) in additional expenses.
- ◀ Combined, the Debt Service and Internal Debt Repayment categories are budgeted to increase by \$1.1 million, primarily due to increased payments related to Eden Garage.
- ◀ Approximately \$8.3M has been budgeted to be transferred to reserves for repairs and renovations.

SUCCESSSES AND INITIATIVES

Retail Services consists of six bookstores, two convenience stores, Central Stores, and 250 vending machines. In conjunction with Follett, UC's contracted partner, the UC Bookstores are focused on course material innovations, in addition to routine operations. The Bookstores continue to deliver more affordable course material options, which include: (1) the Rent-A-Text program, which enters its eighth year, offering a wide selection of books and saving students an average of 50% off the price of new books. (2) The Price Match Promise, providing competitive price matching for course materials purchased in the stores (3) used course materials/buyback and (4) included, with courses growing +257% and representing an additional \$1.23 million in student savings. The total course-material savings to students last year was \$2.4 million. In addition, an initiative is underway among

Campus Services, Follett, the Office of the Provost and UC IT to collaborate to streamline course material adoptions by faculty through improved communications and resource tools, as well as innovating ways in which e-learning tools become a larger part of course materials.

Central Stores will enter its seventh year of the office supplies agreement with GBEX, formerly Guy Brown Express, an Ohio Minority Business Enterprise (MBE) that is also certified in Ohio's Encouraging Diversity, Growth & Equity (EDGE) program. GBEX's wholesale partner in this joint venture is Office Depot/OfficeMax.

Soft drink vending services continue to be managed by Campus Services, while snack vending is operated under a contract with the Rehabilitation Services Commission of Ohio. The PNC contract was renegotiated to ensure alignment with Department of Education cash management rules.

Housing Services completed the renovation of 471 apartment-style beds at Scioto Hall for fall 2016 occupancy. The total capacity of the Housing portfolio will be 6,265 for FY 2018, which includes block leases at University Park Apartments (UPA), USquare and 101 Corry. Additionally, the fire alarm system was upgraded in Strafford Heights, delivering the first-on-campus indoor/outdoor speaker system for fire and emergency notifications.

In FY 2017, **Food Services** provided 6,415 meal plans, a +14% increase over FY 2016. In response to record high student enrollment, Food Services met record food demand with minimal investment through a combination of expanded hours and services, and a new provisional grab & go location. Courtside Express opened in the Campus Recreation Center and by the end of spring semester was averaging 200 meals/day. This location was designed as a temporary, yet high quality, dining expansion, and provides necessary capacity of grab and go lunch combination items until the mixed-use/high-rise dining center and café open at High Rise on the Green. The grab and go concept located in TUC's Catskeller also continues to grow in popularity, with 16% more meals served in fall of 2016 over prior year.

During summer FY 2017, the lower level kitchen at MarketPoint was renovated, including the removal of non-

working food service equipment, the re-installment of 30 pieces of equipment and the upgrade of 50 pieces of equipment, including a new dehydrator for food waste management, allowing reuse of waste foods by UC Grounds for landscaping.

The Food Services contract with ARAMARK Corporation will enter the eighth year of its base 10-year term and continues to include cost containment and investment elements along with continuous improvement in the quality of food and presentation.

Campus Recreation operates two comprehensive fitness facilities: the Campus Recreation Center and the Fitness Center at CARE/Crawley. Hosting nearly 800,000 visitors annually, Campus Recreation has over 2,200 annual members and 1,500 short-term members. Over 41,000 people participated in the many programs and services

offered, including group fitness, personal training, and nutrition services. CRC also offers fitness and wellness workshops, specialty instruction classes, swim lessons, summer camp, climbing wall lessons, team-building activities and birthday parties. In FY 2017, CRC completed several major capital projects including leisure pool and fitness floor lighting, and the redesign of member services desk. Memberships increased by 7%, for \$100k incremental growth.

The Campus Recreation team chaired a university-wide initiative, Mental Wellness Week, to increase awareness of mental health and suicide prevention on campus. Activities occurred throughout the week on campus and included fund-raising through

the UC STRONG Mental Health Fundraiser and participation in Warrior Run 5K College Challenge.

Conference & Event Services (CES) and MainStreet Operations managed or scheduled over 11,500 events and conferences at a wide range of internal and external venues, as well as 190 events in West Pavilion. Additionally, the unit oversees facility management for Tangeman University Center (TUC) and Steger Student Life Center (SSLC).

CES and MainStreet Operations supported nearly 23,000 on-campus reservations this year and managed numerous high-profile internal events at TUC and the MainStreet



The Campus Recreation Center, the work of Pritzker Prize-winner Thome Mayne, is a 350,000-square-foot, \$113 million facility that opened in 2006 and features a premier fitness facility, campus housing, restaurants, classrooms and convenience store.

Photo courtesy of the University of Cincinnati

corridor including Faculty Awards, Bernie Sanders/Ohio Democratic Party, MainStreet Stride, and Campus Services Showcase. CES and MainStreet Operations upgraded audio and visual technology in major event spaces in TUC. A project was also completed to replace/refresh TUC public furniture. The TUC Clock Tower mechanical system was also replaced. In addition, UC Community initiatives included the installation of a gender-neutral restroom and sustainability recycling programs were instituted with new receptacles.

Kingsgate Conference Center (KCC) opened Starbucks Proudly Serves in the Bearcat lounge, providing a convenient coffee-to-go option. In FY 2017, facility improvements included new carpet replacements of the entire conference level, including 17 meeting rooms and 2 amphitheaters.

The Bearcat Card Seven Bearcat merchants were added this year. During Bearcat Bound Orientation, deposits of >\$500 were increased by 100%, representing +\$150,000 incremental deposits.

Parking Services operates 11 garages with 11,278 parking spaces. In FY 2017, modernization of the campus-wide garage access system was completed, allowing technology to help offset the cost of capital improvements and continuous maintenance. Along with technology enhancements, energy-efficient lighting was installed, and increased collaboration with community partners such as FC|Cincinnati and Crossroads all contributed to keeping rates flat.

In addition to flat rates, Parking Services is delivering improved services such as a call center to field calls directly with users, a link between event planners and the parking office to improve guest experiences, and chip technology that allows the use of either the University ID or a hands-free Fast Pass. The online ordering interface has been modernized, and entrance and exit gates include information for the hearing impaired. Parking Services partnered with the Common Read committee this year to educate the campus community on technology distractions through campus-wide events and website campaigns.

INTERCOLLEGIATE ATHLETICS

The 2016-17 year marked another great year of competitive success for the Department of Athletics as significant athletic and academic achievements were accomplished. The Bearcats had several teams with great seasons capped by post-season appearances and many performing well academically.

BUDGET HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

a) The anticipated impact of UC's men's and women's basketball and volleyball programs moving off-site is

approximately \$2.3 million in additional expenses and reduced revenue.

b) The budget includes approximately \$250 thousand in additional football sales due to increased excitement around the program and new head football coach, Luke Fickell.

c) UC football's trip to Michigan in the coming season will provide a \$1.2 million game guarantee to athletics.

d) The NCAA / Conference distribution is anticipated to decline by over \$900 thousand due to a reduced pool of NCAA Tournament units.

e) An additional subsidy of approximately \$2.9 million from the University will be necessary.



Completed in May 2006, the Richard E. Lindner Center is the jewel in Varsity Village's crown. The eight-story structure, designed by signature architect Bernard Tschumi and Glaserworks, serves as the hub of all things athletics at UC, including a ticket office and gift shop.

Photo courtesy of the University of Cincinnati

ACADEMIC HIGHLIGHTS:

The following are some highlights surrounding the UC Bearcats' academic performance over the past year:

- ◀ Bearcat student-athletes had over a 3.2 cumulative GPA for the third consecutive term and over a 3.0 cumulative GPA for the 18th consecutive term.
- ◀ Collectively, 15 of 17 athletic programs achieved a team GPA of 3.0 or higher for the second consecutive semester.
- ◀ Distance runner Juliana Madzia was awarded one of five 2017 Presidential Leadership Medal of Excellence awards, a prestigious honor created in 2002 by the University President that recognizes exceptional graduating students who best exemplify scholarship, leadership, character, service and the ideals of the

University of Cincinnati. Madzia was also tabbed by the American Athletic Conference as the female recipient of the Commissioner's Postgraduate Leadership Award

ATHLETIC HIGHLIGHTS

The Greater Cincinnati/Northern Kentucky Women's Sports Association honored four individuals with ties to the University of Cincinnati at its recent annual banquet. Current student-athletes Annette Echikunwoke (track & field), Jacqueline Keire (swimming) and Jordan Thompson (volleyball) were named the collegiate athlete of the year in their respective sports while UC's Director of Track & Field/Cross Country Susan Seaton was selected as the collegiate coach of the year across all sports.

The UC football team will be under new leadership entering the 2017 season after Luke Fickell was selected as the program's head coach in mid-December. Following a highly regarded signing class and a successful spring session, the Bearcats will look to improve on their 2016 campaign under their new coach.

The UC men's basketball team recorded the second-most wins (30-6) in school history, tied the school mark for most conference victories (16-2), recorded the fourth undefeated home season (18-0) in Fifth Third Arena's 28 years, advanced to the American Athletic Conference Championship game and made its seventh consecutive NCAA Tournament appearance. The Bearcats were nationally ranked in the polls for a Mick Cronin coaching era record 15 weeks, climbing as high as No. 11. Troy Caupain and Kyle Washington earned Second Team All-Conference honors while Jacob Evans and Gary Clark were selections to the American Championship All-Tournament team.

The UC volleyball team finished with a 22-9 regular-season record and a 17-3 mark in American Athletic Conference play, helping the team earn an at-large berth into the NCAA Championship. Jordan Thompson was the league's unanimous player of the year while, American Volleyball Coaches Association honorable mention All-America selection, Jade Tinglehoff was setter of the year and Head Coach Molly Alvey was named the American's Coach of the Year.

The UC track and field team had another strong indoor season, producing an NCAA Champion, two All-Americans, eight American Athletic Conference Champions, 295 season-best marks, 228 personal bests, 121 marks that ranked somewhere on the program's all-time Top 10 charts and 18 marks that stood as school records. Annette Echikunwoke won the 2017 NCAA Indoor Track & Field Championship title in the weight throw, the first individual crown captured in program history and just the fifth individual national title in UC history.

The UC swimming and diving team featured an All-America selection, two NCAA Championship qualifiers, six conference champions, 22 conference medal winners and 19 school records set during the 2016-17 campaign. Jacqueline Keire closed out a brilliant career with the third All-America honors of her career at the NCAA Championship. Keire was one of the most dominant women in American Athletic Conference history as she captured 13 conference crowns, including the 200 freestyle all four years she swam and was named The American's Most Outstanding Swimmer three years in a row, making her the only student-athlete - male or female - to do so.

With a positive trajectory and continued momentum going forward, the Department of Athletics will continue on its



The UC volleyball team in a game against Pittsburgh.
Photo courtesy of the University of Cincinnati

current course to win championships, develop and graduate student-athletes, and provide the best student-athlete experience.

Bearcat student-athletes had over a 3.2 cumulative GPA for the third consecutive term and over a 3.0 cumulative GPA for the 18th consecutive term.

CAMPUS SERVICES AUXILIARY* SUMMARY
Comparison of FY 2017 to FY 2018 Budget
(IN THOUSANDS)

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Sales	\$ 17,144	\$ 17,906	\$ 763	4.4%
Student Meals	21,004	22,756	1,753	8.3%
Housing	42,133	46,648	4,515	10.7%
Rentals	2,027	1,544	(483)	-23.8%
Contracts**	5,832	4,648	(1,184)	-20.3%
Other***	4,692	4,704	12	0.3%
Miscellaneous Student Fees	<u>14,628</u>	<u>14,783</u>	<u>155</u>	1.1%
Total Resources	\$ 107,459	\$ 112,990	\$ 5,531	5.1%
EXPENDITURES				
Cost of Sales	\$ 13,980	\$ 13,917	\$ (63)	-0.4%
Salaries	10,145	11,036	891	8.8%
Benefits	3,281	3,697	416	12.7%
Departmental Operating Exp. (DOE)***	29,017	34,782	5,765	19.9%
University Overhead	1,585	1,585	(0)	0.0%
Programming	6,134	6,245	110	1.8%
Scholarships and Fellowships	<u>1,758</u>	<u>1,939</u>	<u>181</u>	10.3%
Total Expenditures	\$ 65,899	\$ 73,199	\$ 7,119	10.8%
Mandatory Transfers				
Debt Service	\$ 23,495	\$ 23,077	\$ (418)	-1.8%
Non-Mandatory Transfers				
Reserve for Repairs and Renovations	10,312	8,332	(1,980)	-19.2%
Subsidies to Non-Instructional Activities	(1,321)	(2,213)	(892)	67.5%
Internal Debt Repayment	9,144	10,696	1,552	17.0%
Other	<u>(48)</u>	<u>(64)</u>	<u>(16)</u>	33.7%
Total Net Transfers	\$ 41,581	\$ 39,828	\$ (1,754)	-4.2%
Total Expenditures and Transfers	\$ 107,481	\$ 113,027	\$ 5,365	5.0%
Net Increase (Decrease) in Fund Balance	\$ (22)	\$ (37)		

*Campus Services Auxiliary includes Retail, Food Services, Housing, Faculty Club, Kingsgate, Conferencing, Campus Recreation Center, Tangeman University Center/Steger Student Life Center, Campus Life Fee, Fitness Center at CARE/Crawley, Stratford Heights, Parking Lots and Garages, and Bellevue Gardens.

**Contract revenue is net of Kingsgate Conference Center expenses

***FY 2017 budget adjusted to reflect University Conferencing FY 2018 budget activity.

**SUMMARY OF CAMPUS SERVICES AUXILIARY
(IN THOUSANDS)**

FISCAL YEAR 2017

	RESOURCES	EXPENDITURES and TRANSFERS				Net Income
	Total Budget	Expenses	Debt Service	Other Transfers	Total Budget	
Retail	\$ 2,574	\$ 1,083	\$ 615	\$ 875	\$ 2,572	\$ 2
Food	22,213	15,912	508	4,026	20,446	1,767
Housing	36,958	23,447	9,938	3,726	37,111	(154)
Kingsgate*	3,686	1,384	-	2,292	3,675	10
TUC/Steger Student Life Ctr.	1,247	4,745	-	(1,518)	3,227	(1,980)
Campus Life Fee	14,628	110	9,406	3,550	13,066	1,563
Campus Recreation Center	2,119	4,158	-	(110)	4,048	(1,929)
Stratford Heights	5,627	5,505	-	-	5,505	122
Parking Lots and Garages	15,567	6,116	2,797	5,834	14,747	820
Bellevue Gardens	464	198	232	-	430	34
Graduate Housing	455	783	-	(327)	455	-
Campus Services Admin	537	537	-	-	537	-
Conferencing	1,384	1,922	-	(260)	1,662	(277)
GRAND TOTAL	\$ 107,459	\$ 65,899	\$ 23,495	\$ 18,087	\$ 107,481	\$ (22)

FISCAL YEAR 2018

	RESOURCES	EXPENDITURES and TRANSFERS				Net Income
	Total Budget	Expenses	Debt Service	Other Transfers	Total Budget	
Retail	\$ 2,485	\$ 1,440	\$ 610	\$ 435	\$ 2,484	\$ 1
Food	23,968	16,114	520	6,240	22,873	1,095
Housing	40,522	27,996	9,473	2,853	40,322	200
Kingsgate*	2,710	1,264	-	1,440	2,703	7
TUC/Steger Student Life Ctr.	1,688	5,242	-	(1,510)	3,732	(2,044)
Campus Life Fee	14,783	110	9,447	3,411	12,967	1,816
Campus Recreation Center	2,191	4,313	-	(110)	4,202	(2,011)
Recreational Sports	-	1,029	-	(1,029)	(0)	0
Stratford Heights	5,649	5,509	-	140	5,649	0
Parking Lots and Garages	15,803	6,589	2,795	5,234	14,617	1,186
Bellevue Gardens	468	217	233	18	468	1
Graduate Housing	1,337	1,449	-	(112)	1,337	-
Campus Services Admin	-	0	-	-	0	(0)
Conferencing	1,384	1,930	-	(259)	1,671	(287)
GRAND TOTAL	\$ 112,990	\$ 73,199	\$ 23,077	\$ 16,751	\$ 113,027	\$ (37)

*Kingsgate Conference Center revenue is net of operating expenses

**INTERCOLLEGIATE ATHLETICS
(INCLUDING FIFTH THIRD ARENA)
(IN THOUSANDS)**

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Sports				
Men's Basketball	\$ 4,965	\$ 4,184	\$ (781)	-15.7%
Football	6,956	7,438	482	6.9%
Gifts	4,034	4,122	89	2.2%
Other	<u>14,982</u>	<u>14,168</u>	<u>(814)</u>	-5.4%
Total Resources	\$ 30,937	\$ 29,913	\$ (1,024)	-3.3%
EXPENDITURES & TRANSFERS				
Sports				
Men's Basketball	\$ 5,693	\$ 6,598	\$ 905	15.9%
Football	12,054	12,787	733	6.1%
Women's Sports	7,518	8,203	685	9.1%
Other Mens Sports	<u>3,023</u>	<u>3,481</u>	<u>458</u>	15.2%
Total Sports	28,287	31,069	2,781	9.8%
Administrative & General	17,257	17,837	580	3.4%
Operations & Maintenance	<u>2,616</u>	<u>1,444</u>	<u>(1,172)</u>	-44.8%
Total Expenditures	\$ 48,160	\$ 50,350	\$ 2,190	4.5%
Mandatory Transfers				
Debt Service	\$ 5,373	\$ 5,866	\$ 493	9.2%
Non-Mandatory Transfers				
Subsidies for Non-Instructional Activities	(20,450)	(24,389)	(3,939)	19.3%
Other	<u>(2,145)</u>	<u>(1,913)</u>	<u>232</u>	-10.8%
Total Net Transfers	\$ (17,222)	\$ (20,437)	\$ (3,214)	18.7%
Total Expenditures & Transfers	\$ 30,937	\$ 29,913	\$ (1,024)	-3.3%
Net Increase (Decrease) in Fund Balance	\$ 0	\$ -		

DESIGNATED GENERAL FUNDS

Designated general funds are funds that are internally restricted for certain purposes or activities by the Board of Trustees. Some examples include service centers such as Utilities and UCIT. Other examples include Information Technology and Instructional Equipment (IT&IE) fees from students, as well as research incentive departmental funds. Some funds that are a part of the structural deficit are also included in designated funds, such as claims on operations and research deficits. There are currently over 1,000 designated funds with a balance of some amount.

All such funds are required to be fully budgeted in income and expense each year through the annual budget formulation process at the detailed level. Fund balances are checked for potential concerns during this process as outlined in the university's Operating Cash Policy. All areas have submitted written payback plans to eliminate existing overdrafts and the Office of Budget Management prevents transfers on already existing over-drafted funds.

Designated funds represent an important opportunity for leveraging undesignated general funds in support of the overall mission of the institution and for providing enhancements. Incentive programs for sponsored projects and continuing education activities provide departments with discretionary funds that are used for instructional programs.

Designated general funds are funds that are internally restricted for certain purposes or activities by the Board of Trustees.

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

- a) Tuition and fee revenue is budgeted to increase by \$407 thousand due to anticipated increases in enrollment. This includes fees such as ITIE, Student Health Insurance, Study Abroad, Distance Learning, and other miscellaneous student fees.
- b) Overall, Sales and Service revenue is budgeted to increase \$2.3 million, however this growth is partially offset by a decline in demand for services offered by the Hoxworth Blood Center (-\$3.1 million). One factor increasing Sales and Service revenue is in the College of Medicine where they intend to hire more clinical providers who would be part of the Private Practice Faculty (PPF) agreements.
 - ◀ Sales and Service revenue is comprised of a wide variety of activities, but two of the main components of this line item are the Hoxworth Blood Center (\$40 million) and PPF expense reimbursement agreements with UC Physicians. These agreements reimburse UC for the minimum UC salary for clinical providers so that those individuals can receive UC benefits (\$40 million).

c) Other revenue is budgeted at \$12.6 million, which is also comprised of a wide variety of activities. Listed here are some examples of revenue items included: Lindner Center of Hope (\$3.5 million); Tuition interest related to Bursar collections (\$1.5 million); Royalties from Trademarks Licensing and Technology and Commercializations (\$1.3 million); Miscellaneous fees from the Central Health Clinic (\$670 thousand); and many others.

d) Overall, budgeted expenditures and transfers are expected to increase approximately \$7.7 million due to increased activity in these funds as well as increased transfers to funds used for construction, repairs, and renovations. Approximately \$13.1 million is included in the transfers for Claims on Operations and transfers from Undesignated General Funds that is intended to continue to eliminate over-drafted cash balances. According to current projections, these deficits will be eliminated during FY 2021.

SERVICE CENTER OVERVIEW

University Service Center

A facility that provides a service or product on a continuous basis to the university community (including the public) and charges the user a predetermined rate calculated to recover the total cost of operations (where the allocation of facilities and administrative costs are material) over a period of time.

Department Service Center

A facility that provides a specific type of service or product to a limited segment of the university community; applies a rate to recover the direct costs of providing the service and is not deemed a university service center.

The final two tables in this section represent the budgets for two of the largest university service centers, UCIT and Consolidated Utilities. While they function as self-supporting entities over time, they are presented here due to their relative size when compared to other funds and departments.

A service center is an institutional entity that provides a service or product to university users for a fee. The rates charged by the center are calculated so that the center recovers its costs. The university has over 40 service centers, operating under two unique functions as described here:

UCIT

The largest component of the university's information technology budget is funded through the IT Service Center, which recovers costs associated with enterprise services such as the phone system and the wired and wireless networks. The university also allocates general funds toward IT services that support core IT operations. These services include operation of the university's data center; eLearning technology tools such as Blackboard; and the administration of data storage and back-up. Both of these components are combined and shown on the schedule following this narrative.

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

- a) The IT service center is planning for total recoveries of \$18.7 million, an increase of 1.8% over FY 2017. This is due to a modest increase in the bundled IT recovery price combined with an increase in faculty and staff who work in units that pay the rate for IT's bundled services.
- b) Other expenditures are budgeted to decrease \$2.8 million, or 19.0% due to decreased expenses associated with maintenance of the Mainframe and decreased expense associated with an equipment loan paid off in FY 2017.

The FY 2018 budget includes only depreciation on capital equipment for IT. It does not include plant fund transfers for emergency capital purchases.

Carry forward of one-time funds provided in FY 2017 to support the first phase of the Electronic and Information Technology Accessibility (EIT) Project (\$650,000) will be spent in FY 2018 and FY 2019. Other one-time FY 2016 funds provided are to cover initial hardware and software purchases to be spent in FY 2018.

INITIATIVES

Capital Investment Plan for Information Technology -

UCIT partnered with the offices of the Senior Vice Presidents to engage Huron Consulting Group, Inc., to review the IT-related capital investments necessary to sustain the information technology infrastructure and systems that underpin the university's academic, research, business and campus safety priorities. Huron's recommendations included initial capital investments in wired and wireless infrastructure (\$14.3 million) and a review of university funding mechanisms for IT.

Current core budget allocations do not scale to meet exponential growth in usage (e.g. wireless), software maintenance costs (25% increases projected year-over-year) and services. This work will continue in FY 2018 with the ultimate goal of scaling efficiencies institution-wide to realize the fiscal and operational benefits of shared IT services.

Hybrid Cloud- Private/Public Partnerships -

Cloud computing allows the university flexibility to keep pace with growing data storage demands, deliver computing needs on-demand and strengthen disaster recovery without large capital investments. A hybrid cloud solution (combination of on-site and off-site IT infrastructure and systems) will allow the university flexible options to better meet the data governance, security and compliance concerns unique to a research extensive institution. Public/private partnerships for Infrastructure as a Service (e.g. OARnet and CenterGrid) offer the potential to improve efficiency and cost effectiveness.

DR/BC Planning with State of Ohio Computer Center -

UC signed a formal agreement with the SOCC (State of Ohio Computer Center, Columbus) to lease space so the university could replicate a limited number of core IT systems in FY 2015. Duplicate installation of faculty/staff email, UCFlex, Catalyst and backup data storage were completed in FY 2016. In FY 2017, IT@UC contracted with a 3rd party

to review and document all components, services and processes as part of the university's Disaster Recovery (DR) and Business Continuity Planning (BCP) process and identified a DR coordinator within UCIT.

The Accessibility Network at the University of Cincinnati (formerly Electronic and Information Technology (EIT) Accessibility Program)

This program was created in response to a resolution agreement with the U.S. Department of Education's Office of Civil Rights (OCR) to ensure that information provided through the university's websites, online or eLearning environment, and course management systems is accessible to individuals with disabilities. Program representatives from across campus includes over 70 including the Office of the Provost, Disability Services, Governmental Relations and University Communications, IT@UC, Student Affairs, Academic Affairs, Administration and Finance, Office of General Council,

tion to the UCFlex portal, which serves as a single-entry point for the university's financial and human resource enterprise resource planning (ERP) system. Duo will enable a second layer of authentication security to protect the payroll, banking and insurance data of university personnel. The FY 2017 pilot will roll out university-wide in FY 2018.

Center for Simulations and Virtual Environments Research (UCSIM) - UCSIM is partnering with the Cincinnati Children's Hospital Medical Center TEAM VR to develop a software application as part of the five year NIH grant "Real-Time Sensorimotor Feedback for Injury Prevention Assessed in Virtual Reality," to implement and test fully-immersive virtual reality environments to assess sport-specific training improvements.

Canopy, UC's eLearning ecosystem - 24x7 SUPPORT:

Through partnership with Blackboard Student Services the

There are seven times as many wireless devices accessing UC's network today than five years ago. Before the wireless build out project began, there were 3,000 to 3,500 simultaneous user connections on the wireless network that consisted of just 700 access points. Today, there are more than 68,000 unique wireless users connected to the nearly 4,700 access point network.

Faculty Senate, representatives from each UC college, and many more. OCR's agreement requirements are nearing completion: an accessibility awareness course for faculty and staff was created and released, a draft of the UC EIT

Accessibility policy is being vetted and a website audit/remediation process is underway. The next phase of the project will focus on providing support and resources to university faculty and staff, fostering a sustainable shared commitment to an accessible online environment.

IT & Cyber Risk Assessment - The IT@UC Office of Information Security collaborated with members of IT Governance subcommittees, Business Core Services and UCIT on several IT Risk Tabletop Assessments. These exercises were an outcome of the university's Enterprise Risk Management Assessment, which identified Cybersecurity as a top risk. Data collected from surveys of IT personnel have identified common areas of risk that pose a threat to the university, including unified governance & aligned management of IT, security models for transition to "the cloud," and next-generation network and data center infrastructure.

Duo Security Two-Factor Authentication (2FA) on UCFlex -

The IT@UC Office of Information Security partnered with Business Core Services to add Duo two-factor authentica-

tion to the UCFlex portal, which serves as a single-entry point for the university's financial and human resource enterprise resource planning (ERP) system. Duo will enable a second layer of authentication security to protect the payroll, banking and insurance data of university personnel. The FY 2017 pilot will roll out university-wide in FY 2018.

university is able to offer students, faculty and staff 24x7 support for technology tools within Canopy, the University of Cincinnati's eLearning ecosystem (Blackboard, learning management system; Echo 360, lecture capture and analytics to inform teaching/learning; Kaltura, media streaming, and WebEx, web conferencing). **1:1 iPad INITIATIVES:** Canopy technologists worked with UC Athletics and the Gen-1 program to design iPad programs to meet the specific technology needs of student athletes and Gen-1 students, a population who historically lacks the funds to purchase personal computing equipment. **ONLINE PROGRAM SUPPORT:** The Center for Excellence in eLearning's instructional design team supported faculty in the development of completely online programs and courses, including the African Studies minor (A&S), Cincinnati Engineering Enhanced Mathematics and Science (CEEMS) Partnership certificate (CEAS), and a Pharmacy certificate and degree (PHARM).

PHYSICAL PLANT CONSTRAINTS AND REQUIREMENTS

Data Center and IT infrastructure

Just as maintaining a healthy infrastructure of water delivery

and roads is essential to the functioning of cities and towns, maintaining a healthy infrastructure of information technology is essential to the functioning of universities. Deterioration in IT infrastructure can lead to deterioration in research, teaching, and administration. The university's existing data center built in the 1970's recently received some interim power upgrades to support short-term requirements. Long-term the university is exploring a hybrid cloud solution (combination of on-site and off-site IT infrastructure and systems) to keep pace with growing data storage demands, deliver computing needs on-demand and strengthen disaster recovery without large capital investments.

SUCCESSSES AND CHALLENGES

Software and IT service contracts

IT marketplace trends demand vigilant vendor contract oversight and negotiations to ensure the university's investments in IT deliver efficient, user-focused solutions that serve and sustain the IT needs of students, faculty and staff. UCIT's FY 2017 contract negotiations (e.g. software) resulted in more than \$560,000 in cost avoidance for UCIT. Partnerships with other university departments resulted in an additional \$300,000 in cost avoidance from vendor contract negotiations, bringing the FY 2017 total cost avoidance to nearly \$860,000.

Project Management for university-wide projects

The IT@UC Project Portfolio Management Office supported Central Purchasing, Enrollment Management and Office of the Provost on several high-impact projects in FY 2017. These included Concur (campus wide purchasing system to add efficiencies to travel and expenses); SLATE (university recruitment application for Fall 2017 freshman class); Faculty credentialing (capturing credentials for all faculty in preparation for the Higher Learning Commission accreditation visit in 2018); and turning off UniverSIS (sunset of the mainframe and the legacy student information system).

connections on the wireless network that consisted of just 700 access points. Today, there are more than 68,000 unique wireless users connected to the nearly 4,700 access point network. This evidence plainly demonstrates the incredible demand for the university to provide widespread, secure and compliant wireless data and cellular coverage to all students, faculty and staff.

UCScienceNet Expansion - UCIT partnered with the Office of the Vice President for Research to jointly sponsor an expansion of the National Science Foundation-funded (NSF) UCScienceNet (UCSN), UC's high-speed, friction free, research-dedicated network. Four awards awarded to faculty in the colleges of Medicine, Arts & Science, Education, Criminal Justice and Human Services and UC will enable a broad spectrum of investigators to accelerate and extend their existing research to create new opportunities for collaboration and education.

UCScienceNet Expansion

UCIT partnered with the Office of the Vice President for Research to jointly sponsor an expansion of the National Science Foundation-funded (NSF) UCScienceNet (UCSN), UC's high-speed, friction free, research-dedicated network. Four awards awarded to faculty in the colleges of Medicine, Arts & Science, Education, Criminal Justice and Human Services and UC will enable a broad spectrum of investigators to accelerate and extend their existing research to create new opportunities for collaboration and education.

LONG-TERM OUTLOOK AND GOALS

In partnership with university leadership, faculty, staff and students UCIT will continue to work toward:

- ◀ Sustainable, efficient information technology infrastructure and systems that support the overall university's emerging strategic direction and identity as a student centered, faculty driven, urban serving, comprehensive research university.
- ◀ Partnering with the Senior Vice Presidents to complete Huron's recommendations to review the funding mechanisms for IT and identify alternative solutions to deliver sustainable, efficient IT infrastructure and systems.
- ◀ An equitable and inclusive UCIT culture that supports the university's objectives and priorities.
- ◀ Further aligning and integrating the central IT organizational functions that support the university's core business, academic and research priorities.
- ◀ Partnering through outreach and engagement with the academic and research focus areas of the university.



Students attending a College of Law seminar.
Photo by Lisa Ventre, courtesy of UC Creative Services

CONSOLIDATED UTILITIES

Consolidated Utilities manages all aspects of purchasing, producing, and distributing utilities for all University of Cincinnati uptown and satellite locations. The Central Utility Plant produces steam (for heating), chilled water (for cooling) and electricity for uptown campus needs. The rates for steam, chilled water and electricity are fully absorbed, thus comprising all of the costs to produce a particular utility. The department aims to utilize equipment in the most efficient manner possible, while pushing towards UC's goal of reducing the carbon footprint. To help comply with this goal, newer technologies have been installed that comply with new EPA regulations, and eliminate the need to burn coal. Even though producing utilities internally helps reduce the carbon footprint, not all electricity can be met with internal generation, therefore UC must purchase from outside vendors to meet all electrical needs. For this purchased electricity, Utilities buys directly from the Electric Power Grid (PJM) which results in lower costs than purchasing directly from an electrical company.

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

- a) Over the most recent five years (FY 2013 – FY 2017), total expenditures and transfers have remained constant. Rates and utility costs for the general funds of the university have remained steady as well. The utilities department has taken advantage of lower natural gas prices by locking rates at bottom prices. Finally, the department negotiated contracts for electric rates that have kept price increases at a minimum for purchased electrical needs.
- b) For FY 2018, both total resources and total expenditures are expected to decrease from 2017. Utilities continues to negotiate contracts for electricity and natural gas to help hedge needs and lock in prices in an effort to minimize costs paid for commodities. Savings associated with these hedging actions are being applied to the costs of aging utility infrastructure for the university and utility plants, as seen in the increase in transfers to plant funds. Rates for utilities charged to customers are expected to remain unchanged for FY 2018 but as continued investment in efficiency related improvements drives continued reductions in building consumption year to year, resources are expected to decline. Overall, utilities department still projects a positive change in fund balance.
- c) The debt service budget is decreasing as the debt is retired each year. The Mandatory Transfer for Debt Service is the principal portion of the debt. The Other Transfer is the interest portion of the debt. The interest is decreasing but not at the same rate as principal. Plant fund increases is the result of replacing aging infrastructure in buildings and around campus.

LONG-TERM OUTLOOK AND GOALS

The future looks bright, but challenges remain. Though UC has many new buildings, the infrastructure delivering utilities in many locations is outdated. This aging infrastructure includes power plant equipment, electric lines to buildings,

and the utility equipment within the buildings. Utilities is responsible for maintaining this equipment. This infrastructure continues to deteriorate as it ages, with equipment operating that has exhausted its useful life. Costs to replace this equipment ranges in the millions, therefore funding of these projects is a university-wide challenge. As this equipment continues to fail, the cost of replacement will have an effect on future rates. By funding these infrastructure needs with current surpluses, Utilities can avoid substantial rate increases to customers in the future. While natural gas prices remain low, the department will capitalize on these desirable rates for future budgets. With its electric supply under contract, Utilities will be able to capitalize on the right opportunities to purchase or produce the energy needs of the university. Utilities will continue to strive to keep budgets constant over the foreseeable future by being diligent with technological and economic changes occurring in the operating environment. Though future weather is unpredictable, Utilities tries to maintain the costs and rates it can control while at the same time looking for ways to reduce the carbon footprint and energy needs of the university.



The Central Utility Plant produces steam (for heating), chilled water (for cooling) and electricity for uptown campus needs.

Photo courtesy of the University of Cincinnati

DESIGNATED GENERAL FUNDS
INCLUDING HOXWORTH BLOOD CENTER
(IN THOUSANDS)

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Gross Tuition, Fees, and Other Student Charges*	\$ 33,510	\$ 33,917	\$ 407	1.2%
Govt and Private Grants and Contracts	15,404	14,516	(888)	-5.8%
Private Gifts	570	939	369	64.7%
Endowment Income	2,769	2,531	(238)	-8.6%
Sales and Service	99,746	102,127	2,383	2.4%
Other Sources	12,127	12,681	554	4.6%
Total Resources	\$ 164,126	\$ 166,711	\$ 2,586	1.6%
EXPENDITURES				
Educational and General				
Instructional and General	\$ 45,994	\$ 48,784	\$ 2,790	6.1%
Separately Budgeted Research	14,359	17,665	3,306	23.0%
Public Services	59,282	57,218	(2,064)	-3.5%
Academic Support	16,619	18,938	2,319	14.0%
Student Services	26,141	25,643	(498)	-1.9%
Institutional Support	33,285	30,782	(2,503)	-7.5%
Operation and Maintenance of Plant	(7,558)	(6,388)	1,170	15.5%
Scholarships and Fellowships	1,772	2,252	480	27.1%
Total Educational and General	\$ 189,893	\$ 194,894	\$ 5,000	2.6%
Auxiliary Enterprises		\$ -		
Mandatory Transfers				
Debt Service	\$ 24,876	\$ 24,562	\$ (314)	-1.3%
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	300	200	(100)	-33.3%
Undesignated General Funds	(61,538)	(63,786)	(2,247)	3.7%
Other	9,425	15,675	6,250	66.3%
Claims On Operations	(8,000)	(8,798)	(798)	10.0%
Total Net Transfers	\$ (34,937)	\$ (32,147)	\$ 2,790	-8.0%
 Total Expenditures and Transfers	 \$ 154,956	 \$ 162,747	 \$ 7,791	 5.0%
 Net Increase (Decrease) In Fund Balance	 \$ 9,169	 \$ 3,964		

*Gross Tuition, Fees, and Other Student Charges includes ITIE, Student Health Insurance, Study Abroad, Distance Learning, and other miscellaneous student fees.

Note: This report excludes designated funds owned by Intercollegiate Athletics

**DESIGNATED GENERAL FUNDS
UCIT
(IN THOUSANDS)**

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Recovery - General Fund	\$ 52	\$ 526	\$ 474	
Recovery - Other	<u>18,393</u>	<u>18,243</u>	<u>(152)</u>	-0.8%
Total Resources	\$ 18,445	\$ 18,769	\$ 322	1.8%
EXPENDITURES				
Compensation	\$ 17,247	\$ 17,498	\$ 250	1.5%
Other	<u>15,034</u>	<u>12,173</u>	<u>(2,860)</u>	-19.0%
Total Educational and General	\$ 32,281	\$ 29,671	\$ (2,611)	-8.1%
Mandatory Transfers				
Debt Service	\$ -	\$ -	\$ -	
Nonmandatory Transfers				
Plant Funds	2,189	1,921	(269)	-12.3%
Undesignated	(11,699)	(11,864)	(165)	1.4%
Other	<u>(3,291)</u>	<u>(2,000)</u>	<u>1,291</u>	-39.2%
Total Net Transfers	\$ (12,801)	\$ (11,943)	\$ 857	-6.7%
Total Expenditures and Transfers	\$ 19,480	\$ 17,729	\$ (1,754)	-9.0%
Net Increase (Decrease) In Fund Balance	<u>\$ (1,035)</u>	<u>\$ 1,040</u>		

This budget reflects resources and expenditures for the IT Service Center as well as core IT operations. A University Service Center is an entity which provides a service or product on a continuing basis to the University Community (sometimes including the public) and charges the user a predetermined rate which is calculated to recover the total cost of operation over a specified period of time.

**DESIGNATED GENERAL FUNDS
CONSOLIDATED UTILITIES
(IN THOUSANDS)**

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
Recovery - Steam	\$ 21,411	\$ 20,784	\$ (627)	-2.9%
Recovery - Chilled Water	15,004	15,128	124	0.8%
Recovery - Electric	22,837	22,472	(365)	-1.6%
Recovery - Water and Sewage	3,135	3,301	166	5.3%
Recovery - Other	4,136	4,210	73	1.8%
Total Resources	\$ 66,522	\$ 65,893	\$ (629)	-0.9%
EXPENDITURES				
Compensation	\$ 5,727	\$ 5,527	\$ (200)	-3.5%
All Other	43,158	40,144	(3,013)	-7.0%
Total Expenditures	\$ 48,885	\$ 45,672	\$ (3,213)	-6.6%
Mandatory Transfers				
Debt Service	\$ 6,268	\$ 6,177	\$ (91)	-1.5%
Non-Mandatory Transfers				
Plant Fund	7,122	9,188	2,067	29.0%
Undesignated Central	-	-	-	
Designated	-	-	-	
Other	3,837	3,836	(1)	0.0%
Total Net Transfers	\$ 17,227	\$ 19,201	\$ 1,974	11.5%
Total Expenditures and Transfers	\$ 66,112	\$ 64,873	\$ (1,239)	-1.9%
Net Increase (Decrease) in Fund Balance	\$ 410	\$ 1,020		

This budget reflects resources and expenditures for a University Service Center. A University Service Center is an entity which provides a service or product on a continuing basis to the University Community (sometimes including the public) and charges the user a predetermined rate which is calculated to recover the total cost of operation over a specified period of time.

RESTRICTED FUNDS

Restricted funds are those funds that the university receives that have been designated by an external agency or individual and are limited to the support of a specific purpose and/or unit. Included in this group are gift funds, the earnings on endowments, and both private and governmental grants and contracts. Restricted funds are under the local control of colleges and vice presidential areas within the external restrictions imposed. Actual income must have been received, or guaranteed from these sources before expenditure budgets are approved. These funds are reviewed centrally based on the Operating Cash Policy and are an important addition to the university budget, in terms of their leveraging effects to the undesignated general fund.

HIGHLIGHTS

The FY 2018 budget includes the following assumptions:

- a) State appropriations primarily consist of funds retained by the College of Medicine for Clinical Teaching Subsidy. A variety of programs are supported at the college with this important source of funds. The most recent version of the state of Ohio biennial budget includes significant cuts to these line items, therefore the appropriations for this purpose have been budgeted to decrease \$882 thousand compared to FY 2017.
- b) Increased competition in funding from major federal science agencies including the National Institutes of Health and the National Science Foundation continue to create challenges for the university, therefore grants and contracts have been budgeted to decline \$918 thousand from FY 2017 budgeted award levels.
- c) Private gifts consist primarily of Private Practice Contributions (PPC) from UC's affiliated health system to support teaching/research mission of the College of Medicine.
- d) Endowment Income is budgeted to increase \$1.6 million due to recently favorable market conditions.
- e) Total expenditures and transfers are budgeted to decrease approximately \$4.5 million due to less activity in anticipation of the projected decline in revenue from private grants and contracts.

RESEARCH

Research success is one of the primary drivers of the university's prestige and reputation, ultimately improving its ability to accomplish its mission. While university-level research supports society and enhances the university's reputation, UC must also strive to continue to invest in both fundamental discovery as well as applied research whether traditionally funded or unfunded, upon which success as a research institution truly depends. This is not, however, the sole metric for success. Rather, success must be measured in the ability to advance knowledge, disciplines, and reputation, working with other universities, and society's interest and well-being, regionally, nationally and globally. Although research in the arts, performing arts, humanities, and social sciences does not tend to generate large

amounts of extramural funding, these areas are no less vital to the prestige of high research intensive academic institutions (i.e. Carnegie Classification). Excellence in all areas is a prerequisite for national and international standing, and is essential in providing a rich and inclusive learning and research environment.

GOALS

The **mission** of the Office of Research is to create an agile research enterprise that can address current challenges and discern future possibilities for exploration that will benefit the greater Cincinnati community and the world beyond. The **vision** of the Office of Research is that UC's research enterprise integrates the arts, sciences and technology to provide unique opportunities for creation, discovery, innovation and education that cross the traditional academic boundaries.

As a service-oriented support unit of the university, the Office of Research provides the UC research community with excellent services that enhance scholarship and research. The primary activities of the Office of Research are to:

- ◀ develop and sustain an integrated, high-functioning office staff
- ◀ support UC faculty, staff, and student researchers;
- ◀ make key investments in the UC research enterprise that will impact UC's local, national and global partners, and
- ◀ advance multi- and trans-disciplinary initiatives in existing and emerging communities of research excellence at UC.

The Office of Research strategic plan implementation document identifies three objectives with associated goals for the 2017-18 academic year and beyond.

Objective 1: The University of Cincinnati is recognized as a preeminent Urban-serving Research University that attracts, values and rewards the best researchers in the world.

- ◀ **Goal 1.1:** Increase the number of endowed faculty research positions by 25% over the next 36 months.

◀ **Goal 1.2:** Develop an institution-wide post-doctoral research and career-training program by 2019.

Goal 1.3: Develop an infrastructure and support process that will allow high quality nominations of faculty to national academy-level memberships.

Objective 2: The University of Cincinnati is recognized as a preeminent Urban Research University that leverages disciplinary strengths to create an infrastructure and culture of integrated innovation and research modeled at the national level.

◀ **Goal 2.1:** Over the next 24 months, increase (external) funding from interdisciplinary research teams and teams integrating arts/humanities with sciences/technology by 20% over FY16 baseline.

◀ **Goal 2.2:** Within the next 12 months develop resources that empower faculty to advocate for their non-traditional inter/transdisciplinary activities such that these faculty are more easily recognized and rewarded.

◀ **Goal 2.3:** Develop interdisciplinary academic courses and programs that synergize with at least 60% of our research clusters by 2020.

◀ **Goal 2.4:** Within the next 12 months, develop the necessary policies and processes to support trans-disciplinary research efforts in the 1819 Innovation Hub.

Objective 3: The University of Cincinnati is recognized as a preeminent Urban Research University that embodies a research culture of safety, ethics and integrity.

◀ **Goal 3.1:** Over the next 24 months, develop consistent, university-wide policies, training, resources and management systems for research safety, ethics & integrity, and identify the resources necessary for implementation

◀ **Goal 3.2:** By 2018, develop a recurring comprehensive, university-wide RCR training program

◀ **Goal 3.3:** By 2019, develop a university-wide system that ensures centralized tracking/awareness of all hazards (chemical, biologic, radiologic, or physical) within a given location and supports the timely disposal of unneeded or expired hazards. MAJOR RESEARCH SUCCESSES FOR FY 201

Patient-Centered Outcomes Research Institute (PCORI) was established by Congress to improve the quality and relevance of evidence available to help patients, caregivers, clinicians, employers, insurers, and policy makers make better-informed health decisions.

To do this, they work with those healthcare stakeholders to identify critical research questions and answer them through comparative clinical effectiveness research, or CER, focusing on outcomes important to patients. The non-profit began funding projects in December 2012.

UC currently has one direct award (Delbello, Psychiatry, \$13.8 million, 5 years) from PCORI to examine ways to mitigate weight gain due to medication taken by youth with bipolar spectrum disorders. In addition to the project UC is leading, UC also participates on five additional projects as a subawardee. These other projects look at a wide array of health issues such as medication overuse by migraine sufferers; revision of emergency room release guidelines for patients with heart failure to improve long-term quality of life and reduce hospital revisits; and a drug study to look at reducing neuropathy pain when there is no identified underlying disease such as diabetes.

Arthur Helmicki, CEAS Elec Eng & Comp Systems, Moored Aerostat Systems (MAS) for Transportation, Incident Management, and Infrastructure Assessment ODOT \$1.2 million, 3 years

One challenge facing first responders is the real-time detection, short term forecasting and mapping of developing situations such as hazardous contaminant from a chemical/biological cloud without being exposed to toxins. This project explores the use of a Moored Aerostat System, a category of lighter-than-air systems, that are flexible enough for multiple inflation/deflation cycles but rugged enough for long term deployment. Their ability to remain stationary for a long duration in reasonable weather makes them a good choice for a wide range of applications that includes acquiring video imagery, sampling of toxic chemicals due a spill or detection of fire hot spots all while keeping first responders a safe distance from the threat. The project will assess the use of advanced sensors on a MAS for incident management and infrastructure assessment.

Alex Lentsch, COM Emergency Medicine, renewal of Master Agreement with AFRL, \$35 million ceiling, 5 years began 9/29/2015

Expeditionary Medicine, Trauma, and En Route Care (EMTEC) Research and Technology Development.

The objective of this effort provides the United States Air Force School of Aerospace Medicine (USAFSAM) with research and clinical investigations supporting critical care air transport team (CCATT) and expeditionary medicine mission areas. This effort will develop innovative science & technology to advance the state-of-the-art in aeromedical en route care and expeditionary medical treatment provided to the warfighter. This vehicle will provide an integrated administrative, management, and test-bed venue focused on innovative technology concepts required to capitalize on advances in aerospace medicine and to enhance Air Force aeromedical en route care and expeditionary medicine capabilities.

These enhancements will improve warfighter support and combat effectiveness and provide a public benefit as the resulting research transitions to appropriate civilian applications. Work will be conducted at Wright-Patterson Maryland Baltimore Shock Trauma Center.

Helen Meyer, CECH Teacher Education, NSF Noyce Masters Teacher Fellowship Program, \$1.7 million, 6 years

NSF funding to support a fellowship program to work with highly experienced Secondary Science and Mathematics Teachers to become Expert Clinically-Based Teacher Educators (ECBTEs) who can train and support mentors for pre-service and early career secondary STEM teachers. The project is a partnership between the Cincinnati Public Schools, the University of Cincinnati's School of Education and Colleges of Arts and Sciences and Engineering, Cincinnati Federation of Teachers, Hughes STEM High School's Innovation Lab, and Cincinnati State Technical College and Community College. Recruiting, preparing, and retaining high quality science and mathematics teachers for urban, high needs secondary schools has been a challenge for several decades. The National Science Foundation through its Noyce Scholarships and Stipends programs has invested in these activities for over ten years. However, retaining and capitalizing on the expertise of well-established science and mathematics teachers is equally important. In order to do this, the project seeks to invest in these master teachers and enhance their growth opportunities by supporting them to become expert clinical educators.

Areas of Excellence The Office of Research continues to investment in areas of excellence such as analytics and water in FY 2017 and will continue in FY 2018.

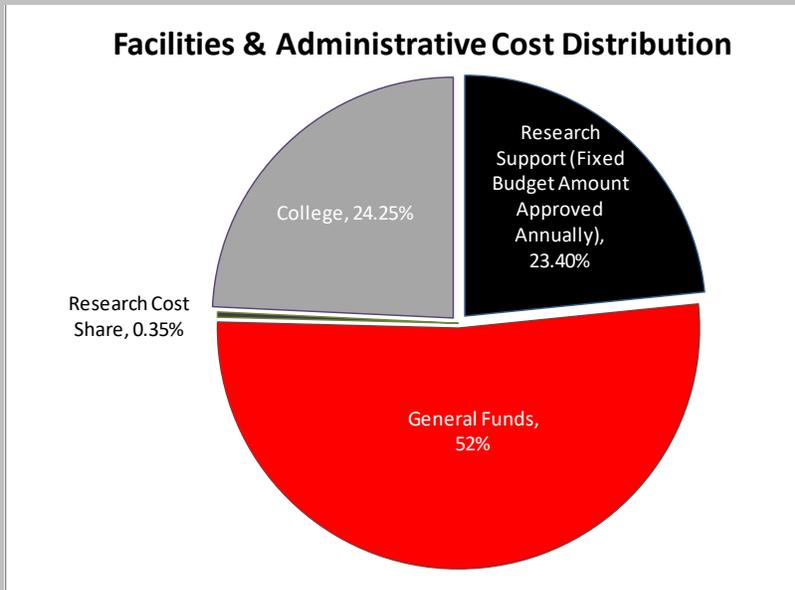
University of Cincinnati Research Institute (UCRI) serves to connect UC experts to industry partners, facilitate commercialization of research and enhance cooperative and experiential learning experiences for UC students. FY 2017 has been very successful.



An engineering student working in a research lab.
Photo by Lisa Ventre, courtesy of UC Creative Services

FACILITIES & ADMINISTRATIVE RATES

The federal government reimburses the university for Facilities and Administrative (F&A) costs (also called indirect costs) associated with sponsored research as well as technical assistance agreements. F&A costs are those costs associated with providing and maintaining the infrastructure that supports the research enterprise (buildings and their maintenance, libraries, etc.) and which cannot easily be identified with a specific project. The campus distribution of the funding received is represented in the following chart.



This distribution is determined internally and is subject to change.

FACILITIES & ADMINISTRATIVE RATES (Cont'd)

The Department of Health and Human Services has issued a determination for federal Facilities & Administrative (F&A) rates effective FY 2013 through FY 2016. The approved rates were determined, as required by the Office of Management and Budget (OMB) Uniform Cost Principles, following a rigorous process which included a comprehensive space survey in conjunction with analysis of the research expenditure base. The determination was favorable and substantiates UC's strong research portfolio.

FY 2015 was the base year for the current university F&A cost proposal, submitted in November, 2015. A new comprehensive space study was performed in FY 2015 for use in the F&A proposal. The full listing of F&A rates for the FY 2017-2020 period can be found on the Government Cost Compliance website: <http://www.uc.edu/af/gcc.html#FederalRate>

ENDOWMENT

The endowment provides a permanent base of support to current operations of the university. The university's Investment Office is responsible for investment management of the endowment. With oversight by the Investment Committee of the Board of Trustees, the Investment Office balances expected investment returns and risks to create a diversified portfolio using external investment managers. The primary objective is to sustain spending by earning returns that maintain the real, inflation-adjusted value of the endowment after spending and fees.

As of December 31, 2016, the market value of the endowment was \$1.215B, up approximately 5.6% since December 31, 2015. Endowment Fund "A", the internally-managed endowment capital pool, has a value of \$825M. It consists of approximately 39% developed markets public equities, 14.8% developed markets public fixed income, 8.5% emerging markets public equities, 18.6% diversifying strategy funds, 3.2% public real assets and 15.9% other investments, including private equity and real estate. Based on market values at the end of FY 2016, the UC endowment is the 74th largest of 815 endowments of U.S. and Canadian public and private institutions of higher education.

PERFORMANCE

The Investment Portfolio generated +7.6% annualized gains for the five-year period ended December 31, 2016. Over the past five years, financial markets have experienced repeated bouts of turmoil from government actions including the U.S. debt ceiling and fiscal cliff debates, and continued central bank stimulus. More recently, a sharp decline in commodity prices, the "tapering" of stimulus measures and a hike in interest rates have resulted in increased volatility. Time periods that

include significant changes such as these typically see mixed performance as markets digest new information and investors seek to understand long term implications. In this environment the Investment Portfolio has performed reasonably well and is positioned to take advantage of the opportunities created by these changes.

As of December 31, 2016, the market value of the endowment was \$1.215B, up approximately 5.6% since December 31, 2015.

¹Source: the NACUBO-Commonfund Study of Endowments 2015; the 2015 NCSE Endowment Market Values Study

University of Cincinnati As of March 31, 2016	QTD	FYTD	1Y	3Y Annualized	5Y Annualized	10Y Annualized	25Y Annualized
Fund A	0.9%	-3.2%	-3.1%	3.7%	5.0%	4.0%	7.9%
Strategic Investments ¹	0.1%	-0.4%	-2.4%	-0.8%	-0.3%	-2.2%	-
Investment Portfolio (Fund A ex-Strategics)	1.0%	-3.5%	-3.1%	4.2%	5.5%	4.8%	8.1%
Primary Objective Benchmark ²	1.3%	4.5%	6.7%	7.1%	7.4%	7.5%	7.7%
Broad Policy Benchmark ³	1.0%	-2.4%	-2.6%	4.9%	5.3%	4.7%	7.8%
Target Weighted Benchmark ⁴	0.9%	-3.4%	-2.8%	4.5%	5.5%	5.2%	8.5%

¹Strategic Investments: NDCLs until June 2012, NDCLs and Direct Local Real Estate thereafter

²Primary Objective: University Spending Policy + UCF Fundraising Fee + Inflation (CPI) + UC Investment Office expenses

³Broad Policy Benchmark: 75% MSCI All Country World Index + 25% Barclays Aggregate Bond Index

⁴Target Weighted Benchmark: 13.5% Barclays U.S. Aggregate Bond Index, 4.0% HFRI ED: Distressed/Restructuring Index, 6.0% HFRI Event Driven, 4.0% HFRI RV: Multi-Strategy Index, 6.0% HFRI RV: Fixed Income-Corporate Index, 20.0% Russell 3000 Index, 12.0% MSCI EAFE Index, 9.0% MSCI Emerging Markets Index, 1.0% Barclays U.S. TIPS Index, 1.0% Bloomberg Commodity Index, 1.0% FTSE NAREIT All Equity Index, 1.0% MSCI World Energy Index, 14.5% Preqin All Private Equity Index, 4.0% Thomson One Private Natural Resource Index, 3.0% NCREIF Property Index

ASSET ALLOCATION

The Investment Office has sought to create an asset allocation that will maximize the odds that Fund A will achieve the Primary Objective, while remaining within the university's risk tolerance, by seeking to take the most profitable risks in appropriate amounts in a highly diversified portfolio. The long term target asset allocation remained unchanged this year.

CURRENT APPROACH

- ◀ **Fixed Income:** Low rates mandate an underweight to fixed income. In addition, the portfolio is focused on high-quality traditional fixed income.
- ◀ **Developed Equities:** The portfolio currently maintains full weightings to U.S., European, and Japanese equities. While the U.S. appears to be fully valued, it is the strongest global economy and potential upside from a strong dollar remains.
- ◀ **Emerging Market Equities:** The investment office is taking a long-term view on emerging market equities. Current valuations provide opportunities for active management with a long-term horizon.
- ◀ **Diversifying Strategies:** Maintaining a full weighting to diversifying strategy managers offers downside protection after several years of strong equity performance. In addition these managers are well suited to take advantage of opportunities from dislocations that may arise.

SPENDING

On April 23, 2013 the Board of Trustees approved an amendment of rule 3361:20-41-01 to i) reduce the endowment spending policy rate from 5.0% in FY 2013 to 4.75% for FY 2014 and to 4.5% for FY 2015; and ii) exclude both Neighbor-

hood Development Corporation Loans and local real estate-related assets from the spending policy calculation for all historical periods starting with the calculation for FY 2015. Reducing the spending policy, modifying the asset base used in the spending policy calculation, and implementing other cost control measures are critical steps to help insure the long term protection of the endowment corpus and provide ongoing intergenerational equity. For FY 2016 and FY 2017, the endowment spending policy rate has remained at 4.5%.



Students gather on McMicken Commons for a class.
Photo courtesy of the University of Cincinnati.

Source: the NACUBO-Commonfund Study of Endowments 2016; the 2016 NCSE Endowment Market Values Study

RESTRICTED FUNDS
(IN THOUSANDS)

	<u>FY 2017</u> <u>Budget</u>	<u>FY 2018</u> <u>Budget</u>	<u>Variance</u>	<u>Percent</u> <u>Change</u>
RESOURCES				
State Appropriations	\$ 8,784	\$ 7,902	\$ (882)	-10.0%
Govt. and Private Grants and Contracts	186,625	185,707	(918)	-0.5%
Private Gifts	51,542	51,115	(427)	-0.8%
Endowment Income	50,505	52,112	1,607	3.2%
Temporary Investments	-	-	-	
Other	212	216	4	2.0%
Total Resources	\$ 297,667	\$ 297,052	\$ (616)	-0.2%
EXPENDITURES & TRANSFERS				
Educational and General				
Instruction and Department Research	\$ 44,749	\$ 45,038	\$ 289	0.6%
Separately Budgeted Research	167,634	165,105	(2,529)	-1.5%
Public Service	7,257	7,477	220	3.0%
Academic Support	11,730	13,756	2,026	17.3%
Student Services	3,004	2,468	(536)	-17.8%
Institutional Support	497	506	9	1.9%
Operation & Maintenance of Plant	161	42	(118)	-73.7%
Scholarship and Fellowship	58,765	58,205	(560)	-1.0%
Total Expenditures	\$ 293,798	\$ 292,598	\$ (1,199)	-0.4%
Mandatory Transfers				
Debt Service	\$ -	\$ -	\$ -	
Nonmandatory Transfers				
Other	10,292	6,905	(3,387)	-32.9%
Total Net Transfers	\$ 10,292	\$ 6,905	\$ (3,387)	-32.9%
Total Expenditures & Transfers	\$ 304,090	\$ 299,503	\$ (4,587)	-1.5%
Net Increase (Decrease) in Fund Balance	\$ (6,422)	\$ (2,452)		

Note: This report excludes restricted funds owned by Intercollegiate Athletics

FULL-TIME STUDENT TUITION AND FEES PER SEMESTER ^{1, 2, 3}

APPENDIX 1

Student Fees & Historical Data

EFFECTIVE SUMMER SEMESTER 2017

	General Fee ⁴	Campus Life/DL Fee ⁵	ITIE Fee	Instructional Fee	In-State Total	Non-Resident Surcharge	Non-Resident Total
Uptown Campus:							
Undergraduate	\$ 398	\$ 257	\$ 184	\$ 4,661	\$ 5,500	\$ 7,667	\$ 13,167
Graduate	398	257	184	6,395	7,234	5,871	13,105
Law (JD)	398	257	184	11,166	12,005	2,500	14,505
Medicine (Graduate)	398	257	184	6,395	7,234	5,871	13,105
Medicine (MD)	398	257	184	14,185	15,024	9,132	24,156
Pharmacy (PharmD)	398	257	184	8,800	9,639	6,464	16,103
Distance Learning:							
Undergraduate	398	257	184	4,661	5,500	180	5,680
Graduate	398	257	184	6,395	7,234	150	7,384
Medicine (Graduate)	398	257	184	6,395	7,234	150	7,384
Metropolitan Rate:							
Undergraduate	398	257	184	4,661	5,500	300	5,800
Graduate	398	257	184	6,395	7,234	250	7,484
Law (JD)	398	257	184	11,166	12,005	300	12,305
Medicine (Graduate)	398	257	184	6,395	7,234	250	7,484
Medicine (MD)	398	257	184	14,185	15,024	300	15,324
Pharmacy (PharmD)	398	257	184	8,800	9,639	2,415	12,054
UC Clermont College: ⁶							
Undergraduate	233	-	135	2,290	2,658	3,616	6,274
Distance Learning	233	257	135	2,290	2,915	180	3,095
Metropolitan Rate	233	-	135	2,290	2,658	300	2,958
UC Blue Ash College: ⁶							
Undergraduate	233	-	135	2,637	3,005	4,399	7,404
Distance Learning	233	257	135	2,637	3,262	180	3,442
Metropolitan Rate	233	-	135	2,637	3,005	300	3,305

EFFECTIVE FALL SEMESTER 2016

Uptown Campus:							
Undergraduate	\$ 398	\$ 257	\$ 184	\$ 4,661	\$ 5,500	\$ 7,667	\$ 13,167
Graduate	398	257	184	6,395	7,234	5,871	13,105
Law (JD)	398	257	184	11,166	12,005	2,500	14,505
Medicine (Graduate)	398	257	-	6,395	7,050	5,871	12,921
Medicine (MD)	398	257	-	14,185	14,840	9,132	23,972
Pharmacy (PharmD)	398	257	184	8,306	9,145	6,464	15,609
Distance Learning:							
Undergraduate	398	257	184	4,661	5,500	180	5,680
Graduate	398	257	184	6,395	7,234	150	7,384
Medicine (Graduate)	398	257	-	6,395	7,050	150	7,200
Metropolitan Rate:							
Undergraduate	398	257	184	4,661	5,500	300	5,800
Graduate	398	257	184	6,395	7,234	250	7,484
Law (JD)	398	257	184	11,166	12,005	300	12,305
Medicine (Graduate)	398	257	-	6,395	7,050	250	7,300
Medicine (MD)	398	257	-	14,185	14,840	300	15,140
Pharmacy (PharmD)	398	257	184	8,306	9,145	2,415	11,560
UC Clermont College: ⁶							
Undergraduate	233	-	135	2,290	2,658	3,616	6,274
Distance Learning	233	257	135	2,290	2,915	180	3,095
Metropolitan Rate	233	-	135	2,290	2,658	300	2,958
UC Blue Ash College: ⁶							
Undergraduate	233	-	135	2,637	3,005	4,399	7,404
Distance Learning	233	257	135	2,637	3,262	180	3,442
Metropolitan Rate	233	-	135	2,637	3,005	300	3,305

¹ For fee and student category definitions see Appendix 2.

⁵ Distance Learning students pay the DL Fee in place of the Campus Life Fee.

² Program fees and/or course-specific fees may apply.

⁶ Campus differential tuition may apply.

³ Rates may differ based on major - see Special Fee Programs table.

⁴ General Fee for regional campuses include a parking fee of \$48 per semester (Clermont) and \$70 per semester (Blue Ash).

PART-TIME STUDENT TUITION AND FEES PER SEMESTER ^{1, 2, 3}

	General	Campus	ITIE	Instructional	In-State	Non-	Non-
	Fee ⁴	Life/DL Fee ⁵	Fee	Fee	Total	Resident Surcharge	Resident Total
Uptown Campus:							
Undergraduate	\$ 33.00	\$ 22.00	\$ 15.00	\$ 389.00	\$ 459.00	\$ 639.00	\$ 1,098.00
Graduate	39.80	26.20	18.00	640.00	724.00	587.00	1,311.00
Law (JD)	33.00	22.00	15.00	931.00	1,001.00	208.00	1,209.00
Medicine (Graduate)	39.80	26.20	19.00	640.00	725.00	587.00	1,312.00
Medicine (MD)	33.00	22.00	16.00	1,182.00	1,253.00	761.00	2,014.00
Pharmacy (PharmD)	39.80	26.20	18.00	880.00	964.00	646.00	1,610.00
Distance Learning:							
Undergraduate	33.00	22.00	15.00	389.00	459.00	15.00	474.00
Graduate	39.80	26.20	18.00	640.00	724.00	15.00	739.00
Medicine (Graduate)	39.80	26.20	19.00	640.00	725.00	15.00	740.00
Metropolitan Rate:							
Undergraduate	33.00	22.00	15.00	389.00	459.00	25.00	484.00
Graduate	39.80	26.20	18.00	640.00	724.00	25.00	749.00
Law (JD)	33.00	22.00	15.00	931.00	1,001.00	25.00	1,026.00
Medicine (Graduate)	39.80	26.20	19.00	640.00	725.00	25.00	750.00
Medicine (MD)	33.00	22.00	16.00	1,182.00	1,253.00	25.00	1,278.00
Pharmacy (PharmD)	39.80	26.20	18.00	880.00	964.00	240.00	1,204.00
UC Clermont College: ⁶							
Undergraduate	19.00	-	11.00	192.00	222.00	301.00	523.00
Distance Learning	19.00	22.00	11.00	192.00	244.00	15.00	259.00
Metropolitan Rate	19.00	-	11.00	192.00	222.00	25.00	247.00
UC Blue Ash College: ⁶							
Undergraduate	19.00	-	11.00	221.00	251.00	366.00	617.00
Distance Learning	19.00	22.00	11.00	221.00	273.00	15.00	288.00
Metropolitan Rate	19.00	-	11.00	221.00	251.00	25.00	276.00

Uptown Campus:							
Undergraduate	\$ 33.00	\$ 22.00	\$ 15.00	\$ 389.00	\$ 459.00	\$ 639.00	\$ 1,098.00
Graduate	39.80	26.20	18.00	640.00	724.00	587.00	1,311.00
Law (JD)	33.00	22.00	15.00	931.00	1,001.00	208.00	1,209.00
Medicine (Graduate)	39.80	26.20	-	640.00	706.00	587.00	1,293.00
Medicine (MD)	33.00	22.00	-	1,182.00	1,237.00	761.00	1,998.00
Pharmacy (PharmD)	39.80	26.20	18.00	831.00	915.00	646.00	1,561.00
Distance Learning:							
Undergraduate	33.00	22.00	15.00	389.00	459.00	15.00	474.00
Graduate	39.80	26.20	18.00	640.00	724.00	15.00	739.00
Medicine (Graduate)	39.80	26.20	-	640.00	706.00	15.00	721.00
Metropolitan Rate:							
Undergraduate	33.00	22.00	15.00	389.00	459.00	25.00	484.00
Graduate	39.80	26.20	18.00	640.00	724.00	25.00	749.00
Law (JD)	33.00	22.00	15.00	931.00	1,001.00	25.00	1,026.00
Medicine (Graduate)	39.80	26.20	-	640.00	706.00	25.00	731.00
Medicine (MD)	33.00	22.00	-	1,182.00	1,237.00	25.00	1,262.00
Pharmacy (PharmD)	39.80	26.20	18.00	831.00	915.00	240.00	1,155.00
UC Clermont College: ⁶							
Undergraduate	19.00	-	11.00	192.00	222.00	301.00	523.00
Distance Learning	19.00	22.00	11.00	192.00	244.00	15.00	259.00
Metropolitan Rate	19.00	-	11.00	192.00	222.00	25.00	247.00
UC Blue Ash College: ⁶							
Undergraduate	19.00	-	11.00	221.00	251.00	366.00	617.00
Distance Learning	19.00	22.00	11.00	221.00	273.00	15.00	288.00
Metropolitan Rate	19.00	-	11.00	221.00	251.00	25.00	276.00

¹ For fee and student category definitions see Appendix 2.

⁵ Distance Learning students pay the DL Fee in place of the Campus Life Fee.

² Program fees and/or course-specific fees may apply.

⁶ Campus differential tuition may apply.

³ Rates may differ based on major - see Special Fee Programs table.

⁴ General Fee for regional campuses include a parking fee of \$4.00 per semester (Clermont) and \$5.83 per semester (Blue Ash).

FULL-TIME STUDENT ANNUALIZED TUITION AND FEES ^{1, 2, 3}

Fall 2016 - Fall 2017
In-State Total

	General Fee ⁴	Campus Life/DL Fee ⁵	ITIE Fee	Instructional Fee	In-State Total	Non-Resident Surcharge	Non-Resident Total	Dollar Change	Percent Change
Uptown Campus:									
Undergraduate	\$ 796	\$ 514	\$ 368	\$ 9,322	\$ 11,000	\$ 15,334	\$ 26,334	\$ 0.00	0.0%
Graduate	796	514	368	12,790	14,468	11,742	26,210	0.00	0.0%
Law (JD)	796	514	368	22,332	24,010	5,000	29,010	0.00	0.0%
Medicine (Graduate)	796	514	368	12,790	14,468	11,742	26,210	368.00	2.6%
Medicine (MD)	796	514	368	28,370	30,048	18,264	48,312	368.00	1.2%
Pharmacy (PharmD)	796	514	368	17,600	19,278	12,928	32,206	988.00	5.4%
Distance Learning:									
Undergraduate	796	514	368	9,322	11,000	360	11,360	0.00	0.0%
Graduate	796	514	368	12,790	14,468	300	14,768	0.00	0.0%
Medicine (Graduate)	796	514	368	12,790	14,468	300	14,768	368.00	2.6%
Metropolitan Rate:									
Undergraduate	796	514	368	9,322	11,000	600	11,600	0.00	0.0%
Graduate	796	514	368	12,790	14,468	500	14,968	0.00	0.0%
Law (JD)	796	514	368	11,166	12,844	600	13,444	0.00	0.0%
Medicine (Graduate)	796	514	368	12,790	14,468	500	14,968	368.00	2.6%
Medicine (MD)	796	514	368	28,370	30,048	600	30,648	368.00	1.2%
Pharmacy (PharmD)	796	514	368	17,600	19,278	4,830	24,108	988.00	5.4%
UC Clermont College: ⁶									
Undergraduate	466	-	270	4,580	5,316	7,232	12,548	0.00	0.0%
Distance Learning	466	514	270	4,580	5,830	360	6,190	0.00	0.0%
Metropolitan Rate	466	-	270	4,580	5,316	600	5,916	0.00	0.0%
UC Blue Ash College: ⁶									
Undergraduate	466	-	270	5,274	6,010	8,798	14,808	0.00	0.0%
Distance Learning	466	514	270	5,274	6,524	360	6,884	0.00	0.0%
Metropolitan Rate	466	-	270	5,274	6,010	600	6,610	0.00	0.0%

Uptown Campus:									
Undergraduate	\$ 796	\$ 514	\$ 368	\$ 9,322	\$ 11,000	\$ 15,334	\$ 26,334		
Graduate	796	514	368	12,790	14,468	11,742	26,210		
Law (JD)	796	514	368	22,332	24,010	5,000	29,010		
Medicine (Graduate)	796	514	-	12,790	14,100	11,742	25,842		
Medicine (MD)	796	514	-	28,370	29,680	18,264	47,944		
Pharmacy (PharmD)	796	514	368	16,612	18,290	12,928	31,218		
Distance Learning:									
Undergraduate	796	514	368	9,322	11,000	360	11,360		
Graduate	796	514	368	12,790	14,468	300	14,768		
Medicine (Graduate)	796	514	-	12,790	14,100	300	14,400		
Metropolitan Rate:									
Undergraduate	796	514	368	9,322	11,000	600	11,600		
Graduate	796	514	368	12,790	14,468	500	14,968		
Law (JD)	796	514	368	11,166	12,844	600	13,444		
Medicine (Graduate)	796	514	-	12,790	14,100	500	14,600		
Medicine (MD)	796	514	-	28,370	29,680	600	30,280		
Pharmacy (PharmD)	796	514	368	16,612	18,290	4,830	23,120		
UC Clermont College: ⁶									
Undergraduate	466	-	270	4,580	5,316	7,232	12,548		
Distance Learning	466	514	270	4,580	5,830	360	6,190		
Metropolitan Rate	466	-	270	4,580	5,316	600	5,916		
UC Blue Ash College: ⁶									
Undergraduate	466	-	270	5,274	6,010	8,798	14,808		
Distance Learning	466	514	270	5,274	6,524	360	6,884		
Metropolitan Rate	466	-	270	5,274	6,010	600	6,610		

¹ For fee and student category definitions see Appendix 2.

⁵ Distance Learning students pay the DL Fee in place of the Campus Life Fee.

² Program fees and/or course-specific fees may apply.

⁶ Campus differential tuition may apply.

³ Rates may differ based on major - see Special Fee Programs table.

⁴ General Fee for regional campuses include a parking fee of \$96 per year (Clermont) and \$140 per year (Blue Ash).

**PROGRAM FEES
EFFECTIVE SUMMER SEMESTER 2017**

	<u>Full-Time per Semester</u>	<u>Part-Time per Credit Hour</u>
<u>Undergraduate Programs:</u>		
College Conservatory of Music	\$ 750	\$ 75
College of Allied Health Sciences - DL Programs; excludes Social Work	75	7
College of Allied Health Sciences - excludes DL Programs	215	18
College of Arts & Sciences - STEM Programs ONLY	215	18
College of Business	500	42
College of Design, Architecture, Art and Planning	750	63
College of Design, Architecture, Art and Planning - BA in Art History, BS in Horticulture, BS in Urban Studies & Certificate Programs ONLY	400	34
College of Education, Criminal Justice & Human Services - Information Technology Program ONLY	300	25
College of Engineering & Applied Science	504	42
College of Nursing - BSN Programs	338	29
UC Blue Ash - Art, Visual Communication & E-Media Communications	215	18
UC Blue Ash - First Year Student Success	175	15
UC Blue Ash - Health Programs ONLY (DL Programs)	75	7
UC Blue Ash - Health Programs ONLY (excludes DL Programs)	215	18
UC Clermont - Allied Health programs ONLY	215	18
<u>Graduate Programs:</u>		
College Conservatory of Music	750	75
College of Allied Health Sciences - DL Programs; excludes Social Work	75	8
College of Allied Health Sciences - excludes DL Programs	215	22
College of Business - Taxation Programs	1,000	100
College of Design, Architecture, Art and Planning	750	75
College of Design, Architecture, Art and Planning - MA & PhD Degrees, MS in Architecture, Grad Certificates and Non-Matric	400	40
College of Engineering & Applied Science	504	51
College of Medicine - Genetic Counseling Program	500	100
College of Nursing - MSN	338	34
College of Nursing - MSN DL (except Nursing Education Post-Baccalaureate Certificate) ¹	563	563
College of Nursing - Nurse Anesthesia Program	250	25
<u>Professional Programs:</u>		
College of Medicine - MD Program Health Fee ²	175	175
Distance Learning Fee	257	26

¹ Flat Rate per Semester

² Flat Rate Fall Semester ONLY

SPECIAL FEE PROGRAMS ^{1,2}
EFFECTIVE SUMMER SEMESTER 2017

	General Fee ³	Campus Life/DL Fee ⁴	ITIE Fee	Instructional Fee	In-State Total	Non- Resident Surcharge	Non- Resident Total
College of Business:							
Premium Graduate Programs ⁵	\$ 398	\$ 257	\$ 184	\$ 9,640	\$ 10,479	\$ 3,919	\$ 14,398
Graduate Distance Learning:							
Business Foundations Certificate	398	257	184	9,640	10,479	3,919	14,398
Enterprise Resource Planning Certificate	398	257	184	9,640	10,479	3,919	14,398
Health Care Administration Certificate	398	257	184	9,640	10,479	3,919	14,398
Health Care Finance Certificate	398	257	184	9,640	10,479	3,919	14,398
Health Care Operations Certificate	398	257	184	9,640	10,479	3,919	14,398
Health Care Policy & Registration Certificate	398	257	184	9,640	10,479	3,919	14,398
Marketing Graduate Certificate	398	257	184	9,640	10,479	150	10,629
Masters of Business Administration	398	257	184	9,640	10,479	3,919	14,398
Non-Matriculated	398	257	184	9,640	10,479	150	10,629
Taxation Programs	398	257	184	9,640	10,479	2,419	12,898
College of Design, Architecture, Art, and Planning:							
Master's in Architecture	398	257	184	7,497	8,336	7,899	16,235
College of Law:							
JD/MBA							
3 years at Law Rates	398	257	184	11,166	12,005	2,500	14,505
1 year at MBA Rate	398	257	184	9,640	10,479	2,419	12,898
JD/MS							
3 years at Law Rates	398	257	184	11,166	12,005	2,500	14,505
1 year at MS Rate	398	257	184	6,395	7,234	5,871	13,105
College of Medicine:							
MS in Physiology	398	257	184	18,500	19,339	200	19,539
MS w/ Safety Pharmacology Emphasis	398	257	184	12,312	13,151	510	13,661
Clinical & Translational Research - DL	398	257	184	9,669	10,508	150	10,658
UC Clermont College:⁶							
Bachelor of Technical & Applied Studies (BTAS)	233	-	135	3,468	3,836	4,998	8,834
UC Blue Ash College:⁶							
Bachelor of Technical & Applied Studies (BTAS)	233	-	135	3,468	3,836	4,998	8,834
Distance Learning:							
Radiation Science	398	257	184	4,661	5,500	180	5,680
College of Business:							
Premium Graduate Programs ⁵	\$ 39.80	\$ 26.20	\$ 18.00	\$ 806.00	\$ 890	\$ -	\$ 890
Graduate Distance Learning:							
Business Foundations Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Enterprise Resource Planning Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Health Care Administration Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Health Care Finance Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Health Care Operations Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Health Care Policy & Registration Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Marketing Graduate Certificate	39.80	26.20	18.00	806.00	890	15.00	905
Masters of Business Administration	39.80	26.20	18.00	806.00	890	15.00	905
Non-Matriculated	39.80	26.20	18.00	806.00	890	15.00	905
Taxation Programs	39.80	26.20	18.00	806.00	890	15.00	905
College of Design, Architecture, Art, and Planning:							
Master's in Architecture	39.80	26.20	18.00	750.00	834	790.00	1,624
College of Medicine:							
MS in Physiology	39.80	26.20	19.00	1,850.00	1,935	20.00	1,955
MS w/ Safety Pharmacology Emphasis	39.80	26.20	19.00	1,232.00	1,317	51.00	1,368
Clinical & Translational Research - DL	39.80	26.20	19.00	967.00	1,052	15.00	1,067
UC Clermont College:⁶							
Bachelor of Technical & Applied Studies (BTAS)	19.00	-	11.00	289.00	319	417.00	736
UC Blue Ash College:⁶							
Bachelor of Technical & Applied Studies (BTAS)	19.00	-	11.00	289.00	319	417.00	736
Distance Learning:							
Radiation Science	33.00	22.00	15.00	389.00	459	15.00	474

¹ For fee and student category definitions see Appendix 2.

² Program fees and/or course-specific fees may apply.

³ General Fee for regional campuses include a parking fee of \$48 per semester (Clermont) and \$70 per semester (Blue Ash).

⁴ Distance Learning students pay the Distance Learning Fee in place of the Campus Life Fee.

⁵ All MA, MBA, MS, MAHR, Graduate Certificates, Non-Matriculated Programs and Post-Baccalaureate Certificates (excluding Economics Ed & Data Science)

⁶ Campus differential tuition may apply.

⁷ General Fee for regional campuses include a parking fee of \$4.00 per semester (Clermont) and \$5.83 per semester (Blue Ash).

**ROOM AND BOARD RATES
FISCAL YEAR 2017-18**

	2016-17 Actual		2017-18 Actual	
	SEMESTER	ANNUAL	SEMESTER	ANNUAL
I. SCHEDULE OF BASIC ROOM RATES				
A. Calhoun, Daniels, Dabney, Siddall <i>(Multiple Occupancy)</i>	\$ 3,279	\$ 6,558	\$ 3,312	\$ 6,624
B. Stratford Heights ¹ <i>(Multiple Occupancy)</i>	\$ 3,772	\$ 7,544	\$ 3,810	\$ 7,620
C. Calhoun, Daniels, Siddall <i>(Designed Singles)</i>	\$ 3,784	\$ 7,568	\$ 3,822	\$ 7,644
D. Stratford Heights ¹ <i>(Designed Singles)</i>	\$ 4,082	\$ 8,164	\$ 4,123	\$ 8,246
E. Turner Hall, UPA ¹ <i>(Double Suites)</i>	\$ 3,998	\$ 7,996	\$ 4,038	\$ 8,076
F. Turner, Schneider, UPA ¹ <i>(Single Suites)</i>	\$ 4,240	\$ 8,480	\$ 4,241	\$ 8,482
G. Morgens <i>(Apartment- Double Occupancy)</i>	\$ 4,199	\$ 8,399	\$ 4,283	\$ 8,564
H. Morgens <i>(Apartment- Single Occupancy)</i>	\$ 4,452	\$ 8,905	\$ 4,497	\$ 8,994
II. SCHEDULE OF BASIC BOARD RATES				
Unlimited Plan/Semester (Unlimited swipes) ²	\$ 2,203	\$ 4,406	\$ 2,247	\$ 4,494
186 Plus Plan/Semester (12 Plus Meals/Week Plan) ³	\$ 2,185	\$ 4,370	\$ 2,229	\$ 4,458
III. SCHEDULE OF ROOM AND BOARD RATES				
Unlimited Plan/Semester (Unlimited swipes) ² at Calhoun, Daniels, Dabney, Siddall (multiple occupancy)	\$ 5,482	\$ 10,964	\$ 5,559	\$ 11,118
186 Block Plan/Semester (Averages 12 Meals/Week Plan) ³ at Calhoun, Daniels, Dabney, Siddall (multiple occupancy)	\$ 5,464	\$ 10,928	\$ 5,541	\$ 11,082
Unlimited Plan/Semester (Unlimited swipes) ² at Calhoun, Daniels, Siddall (single occupancy)	\$ 5,987	\$ 11,974	\$ 6,069	\$ 12,138
186 Block Plan/Semester (Averages 12 Meals/Week Plan) ³ at Calhoun, Daniels, Siddall (single occupancy)	\$ 5,969	\$ 11,938	\$ 6,051	\$ 12,102
IV. OFF CAMPUS MEAL TICKET RATES				
65 Meals and 150 Bearcat dollars/Semester	\$ 713	\$ 1,426	\$ 727	\$ 1,454
48 Meals and 75 Bearcat dollars/Semester	\$ 491	\$ 982	\$ 501	\$ 1,002
36 Meals and 45 Bearcat dollars/Semester	\$ 381	\$ 762	\$ 389	\$ 778

1) The option of signing a twelve month lease is available to Turner, Schneider, Stratford Heights and University Park Apartments residents only. This option adds \$1,230 to the annual rate.

2) The option of Unlimited meal swipes also includes 15 guest swipes and 150 Bearcat dollars per semester.

3) The option of the 186 meal plan includes unrestricted guest swipes per semester.

**SUMMARY OF FULL-TIME RESIDENT STUDENT FEES
OHIO DEPARTMENT OF HIGHER EDUCATION PUBLIC INSTITUTIONS**

	FY 2016 (Fall 2015) Fees	FY 2017 (Fall 2016) Fees	Percent Change
UNDERGRADUATE FEES			
Miami University (Continuing Students)	\$ 14,233	\$ 14,233	0.0%
University of Cincinnati	\$ 11,000	\$ 11,000	0.0%
Bowling Green State University	\$ 10,726	\$ 10,726	0.0%
Ohio University (Continuing Students)	\$ 10,602	\$ 10,602	0.0%
University of Akron	\$ 10,270	\$ 10,270	0.0%
Ohio State University	\$ 10,037	\$ 10,037	0.0%
Kent State University	\$ 10,012	\$ 10,012	0.0%
Cleveland State University	\$ 9,768	\$ 9,768	0.0%
University of Toledo	\$ 9,380	\$ 9,380	0.0%
Wright State University	\$ 8,730	\$ 8,730	0.0%
Youngstown State University	\$ 8,317	\$ 8,317	0.0%
Shawnee State University	\$ 7,364	\$ 7,364	0.0%
Central State University	\$ 6,246	\$ 6,246	0.0%
Average	\$ 10,831	\$ 10,831	0.0%

UNDERGRADUATE TUITION GUARANTEE PROGRAMS			
Miami University - Tuition Promise		\$ 14,736	
Ohio University - OHIO Guarantee	\$ 11,548	\$ 11,744	1.7%

GRADUATE FEES			
University of Toledo	\$ 14,494	\$ 14,494	0.0%
University of Cincinnati	\$ 14,468	\$ 14,468	0.0%
Cleveland State University	\$ 13,878	\$ 13,954	0.6%
Miami University	\$ 13,308	\$ 13,526	1.6%
Wright State University	\$ 13,082	\$ 13,474	3.0%
Ohio State University	\$ 12,425	\$ 12,425	0.0%
Bowling Green State University	\$ 11,662	\$ 11,798	1.2%
Youngstown State University	\$ 11,280	\$ 11,792	4.5%
Kent State University	\$ 10,864	\$ 11,090	2.1%
Ohio University	\$ 9,444	\$ 9,510	0.7%
Shawnee State University	\$ 9,027	\$ 9,463	4.8%
University of Akron	\$ 8,983	\$ 8,983	0.0%
Central State University	\$ 6,246	\$ 6,570	5.2%
Average	\$ 11,474	\$ 11,658	1.6%

Source: "FALL 2016 SURVEY OF STUDENT CHARGES - For Academic Year 2016-2017" by The Ohio Department of Higher Education

**STATE SHARE OF INSTRUCTION AND STUDENT FEES
TEN YEAR & FIVE YEAR TRENDS
UPTOWN CAMPUS
(IN THOUSANDS)**

	<u>State Share of Instruction¹</u>			<u>Student Fees²</u>		
	<u>State Share of Instruction</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Fees</u>	<u>Dollar Change</u>	<u>Percent Change</u>
FY 2008 Actual	\$ 152,367	\$ 7,252	5.0%	\$ 316,455	\$ 17,898	6.0%
FY 2009 Actual	\$ 167,319	\$ 14,952	9.8%	\$ 319,730	\$ 3,275	1.0%
FY 2010 Actual ^{3,4}	\$ 178,781	\$ 11,462	6.9%	\$ 338,870	\$ 19,140	6.0%
FY 2011 Actual ⁵	\$ 179,437	\$ 656	0.4%	\$ 374,193	\$ 35,323	10.4%
FY 2012 Actual ⁶	\$ 153,805	\$ (25,632)	-14.3%	\$ 415,804	\$ 41,611	11.1%
FY 2013 Actual	\$ 156,582	\$ 2,777	1.8%	\$ 450,297	\$ 34,492	8.3%
FY 2014 Actual	\$ 162,923	\$ 6,341	4.0%	\$ 461,419	\$ 11,122	2.5%
FY 2015 Actual	\$ 172,491	\$ 9,568	5.9%	\$ 483,766	\$ 22,347	4.8%
FY 2016 Actual	\$ 183,003	\$ 10,512	6.1%	\$ 492,767	\$ 9,001	1.9%
FY 2017 Actual	\$ 194,935	\$ 11,932	6.5%	\$ 497,505	\$ 4,737	1.0%
FY 2018 Budget	\$ 193,751	\$ (1,184)	-0.6%	\$ 497,505	\$ -	0.0%
Ten Year Average Increase (Actuals)			3.2%			5.3%
Five Year Average Increase (Actuals)			4.9%			3.7%

- (1) These figures represent the State Share of Instruction. Other challenge items such as Access, Success, Jobs, Research and Priorities in Higher Education are not reflected in this table through FY 09.
- (2) Student Fees include Instructional, General, IT&IE, Campus Life, Non-Resident Fees, Program Fees, Co-Op Fees and Distance Learning Program Fee. Includes Inflation and Enrollment Growth.
- (3) In FY 10 Access and Success Challenges were absorbed into State Share of Instruction.
- (4) SSI includes \$27.9 million in Federal Stimulus funding
- (5) SSI includes \$25.8 million in Federal Stimulus funding
- (6) Federal Stimulus discontinued at the end of FY11

**ANNUAL FEE HISTORY
OHIO RESIDENT FEES - UPTOWN CAMPUS**

<u>Year</u>	<u>Center for</u>					
	<u>Under-graduate</u>	<u>Access and Transition**</u>	<u>Graduate</u>	<u>Law</u>	<u>Pharmacy</u>	<u>Medicine</u>
2007-08	\$ 9,399	\$ 7,392	\$ 12,111	\$ 18,982	\$ 12,111	\$ 26,910
2008-09	\$ 9,399	\$ 7,392	\$ 12,354	\$ 19,362	\$ 12,354	\$ 27,987
2009-10	\$ 9,399	\$ 7,392	\$ 12,723	\$ 19,942	\$ 12,723	\$ 29,385
2010-11	\$ 10,065	\$ 7,917	\$ 13,236	\$ 20,946	\$ 13,236	\$ 30,855
2011-12	\$ 10,419	\$ -	\$ 13,701	\$ 22,204	\$ 14,361	\$ 31,935
2012-13 (Semesters)	\$ 10,784	\$ -	\$ 14,182	\$ 23,536	\$ 15,726	\$ 28,820
2013-14	\$ 10,784	\$ -	\$ 14,182	\$ 23,536	\$ 17,930	\$ 29,096
2014-15	\$ 11,000	\$ -	\$ 14,468	\$ 24,010	\$ 18,290	\$ 29,680
2015-16	\$ 11,000	\$ -	\$ 14,468	\$ 24,010	\$ 18,290	\$ 29,680
2016-17	\$ 11,000	\$ -	\$ 14,468	\$ 24,010	\$ 18,290	\$ 29,680
2017-18	\$ 11,000	\$ -	\$ 14,468	\$ 24,010	\$ 19,278	\$ 29,680
Ten Year Average Annual Increase	\$ 160	N/A	\$ 236	\$ 503	\$ 717	\$ 277
	1.6%	N/A	1.8%	2.4%	4.8%	1.1%
Five Year Average Annual Increase	\$ 43	N/A	\$ 57	\$ 95	\$ 710	\$ 172
	0.4%	N/A	0.4%	0.4%	4.3%	0.6%

**Formerly University College, CAT has been discontinued in FY12

**FULL TIME EQUIVALENT (FTE) ENROLLMENTS
ALL-TERMS SUBSIDY ELIGIBLE REPORTING, FY 2012 to 2017**

<u>Year</u>	<u>Uptown Campus</u>			<u>Blue Ash College</u>	<u>Clermont College</u>	<u>Grand Total</u>
	<u>Undergrad</u>	<u>Graduate & Professional</u>	<u>Total Uptown</u>			
2011-12	18,353	5,916	24,269	3,690	3,024	30,983
2012-13	17,901	5,998	23,900	3,476	2,773	30,149
2013-14	18,815	6,404	25,219	3,595	2,868	31,682
2014-15	18,928	6,556	25,484	3,688	2,759	31,931
2015-16	19,087	6,510	25,597	3,503	2,861	31,962
Projected 2016-17	19,284	6,402	25,687	3,373	2,801	31,861

Source: Official counts reported to HEI

FTE fomula: Total annual credit hours divided by 30

Projected 2016-17 based on summer and fall 2016 plus spring 2016 (to project spring 2017 flat)

**DEGREES AWARDED
FY 2012 to FY 2016**

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Uptown Campus					
Undergraduate Certificate	287	373	272	324	331
Post Bacc / Grad Certificate	65	135	316	411	561
Associate	152	93	73	34	42
Baccalaureate	4,701	4,811	5,022	5,417	5,596
Master's	2,413	2,652	2,872	2,924	3,092
Doctoral Research	242	230	265	213	284
Doctoral Professional	461	515	503	477	476
Blue Ash College					
Undergraduate Certificate	42	29	11	11	31
Post Bacc / Grad Certificate	16	14	8	17	12
Associate	534	565	554	529	1,030
Baccalaureate	9	34	35	40	40
Clermont College					
Undergraduate Certificate	68	55	69	42	32
Post Bacc / Grad Certificate	13	9	10	14	10
Associate	471	462	468	424	502
Baccalaureate		31	62	60	72

Source: Official figures reported to HEI

APPENDIX 2

Definitions Used Throughout

Academic Support – Activities carried out primarily to provide support services that are an integral part of the operations of one of the three primary missions – instruction, research and public service. This category includes Academic Affairs Administration, Libraries, Museums & Galleries and the Deans' offices.

Auxiliary Enterprises – Entities that exist to furnish a service to students, faculty or staff and charge a fee directly related to, but not necessarily equal to, the cost of the service. These entities manage as essentially self-supporting. The state of Ohio specifically identified the following: Residence & Dining Halls, Intercollegiate Athletics, Student Unions, Bookstores, Parking Lots & Garages, Kingsgate Conference Center, the Campus Recreation Center, Faculty Club and the Fifth Third Arena at the Myrl H. Shoemaker Center.

Campus Differential Tuition — This required fee applies to any full-time student who registers for 7 units/hours, or more, outside of their primary campus, academic program level and/or career. This fee is the difference between the full-time instructional fee charged at the primary program level, or campus, and the full-time instructional fee for the campus or highest program level. This includes the Non-Resident Surcharge portion of the Instructional Fee.

Campus Life Fee – Fee charged to all undergraduate, graduate and professional students (except UC Blue Ash, Clermont College, and Distance Learning Programs), covering various recreational and entertainment facilities and programming that can be utilized by all students to enhance the campus environment and increase student engagement. This fee was voted on and approved by the student body.

Current Fund – A fund used to expend resources earned for operating purposes during the current fiscal year. This fund group is divided into two fund subgroups: unrestricted and restricted. NOTE: Non-Current Funds have been excluded from this report. These funds include Plant Funds, Loan Funds and Endowment Principal.

Departmental Operating Expenses (DOE) – Expenses related to the operation of a department excluding salaries and benefits.

Designated General Fund (also called a Designated Fund) – A subgroup of Current Unrestricted Funds, these funds are designated, or set aside, by the Board of Trustees for specific purposes, programs or activities.

Distance Learning Fee: This required fee is used to support the infrastructure (state authorization process, information technology, etc.) needed to support the Distance Learning Mission.

Endowment Income – Revenue generated from Endowment principal. The donor specifies that the principal (or corpus) is to be held in perpetuity. This principal is unexpendable, but is invested to produce earnings that are generally available, in whole or in part, for current use.

Full-time Equivalent Student (FTE) – An enrollment unit determined by dividing total student credit hours of course instruction by 30 for the fiscal year. This definition excludes the MD program.

General Fee - This required fee provides funding for non-instructional services and is assessed uniformly to all enrolled students. These services are directly related to students' academic progression through the university. The fee also enhances many programs available to and used by all students including many web-delivered services. The distribution of these fees is determined by the Student Advisory Committee on the University Budget (SACUB).

Grants and Contracts – All amounts earned on grants, contracts, or cooperative agreements from federal, state or local government agencies. These amounts could also include funds that result from contracting or furnishing of goods and services of an instructional, research or public service nature from a nongovernmental organization.

Gross Tuition, Fee and Other Student Charges – General revenue received from regular session, summer school, continuing education and other fees. These other fees include IT&IE Fee, Campus Life Fee and Nonresident Surcharge Fee. See definition of each fee within.

Information Technology and Instructional Equipment (IT&IE) Fee – Fee charged to all undergraduate, graduate and professional students for the purpose of improving access to and assistance with information technology as well as funding other types of instructional equipment.

Institutional Support – Activities for operations that provide support services for central, executive-level activities concerned with management and long-range planning for the entire university. This category includes Executive Management, Finance, Human Resources, Administrative Services, Public Affairs and Development.

Instructional Fee — This required fee covers costs associated with instruction and classroom time including classroom supplies and materials.

Instruction and General – All activities allocated directly and applicably as part of the university's instructional program. This category includes departmental research and public service that cannot be separately budgeted.

Performance-Based Budgeting – Key Definitions:

Base Net Revenue Target: this is the amount of base net revenue that must be generated by the revenue producers in order to maintain a balanced university budget. (Base Net Revenue plus the positive value of the Direct Threshold Share)

Base Net Revenue: the current amount of net revenue being generated minus direct expenditures.

Direct Expenditures: expenditures and net transfers directly controlled by revenue producers. These amounts do not reflect the total costs of revenue producers. The following costs of goods and services used by revenue producers are included in Indirect Expenditures: utilities, maintenance, libraries, student affairs, research, and debt service, among others.

Indirect Expenditures: all expenditures and net transfers controlled by revenue supporters. These amounts do not accurately represent university overhead because they include some costs of goods and services used by revenue producers; examples include: utilities, maintenance, libraries, student affairs, research, and debt service.

Inter-Campus Tuition Transfer: net adjustments for students who take classes outside of the *campus* of their academic program.

Home College: the college that offers the academic program/major chosen by students.

Inter-College Tuition Adjustment In: net adjustment for students from other colleges taking courses in a home college.

Inter-College Tuition Adjustment Out: net adjustment for home college students taking courses in other colleges.

PBB Report (PBB 100): document that shows each college's year-to-date performance as of the close of business. For each general fund revenue and expense item, the report shows annual budget, expected year-to-date amount, actual year-to-date amount, and the variance between expected and actual amounts. The purpose of the Monthly Report is to help colleges monitor performance relative to PBB goals.

Progress Tracking Report: document that contains selected items from the PBB Monthly Report plus projections for the entire fiscal year. This report also includes adjustments for in-progress transactions that have not yet been completed in the financial system. It is prepared early in the fall and spring semesters and at the end of the year. The purpose of the Progress Tracking Report is to give college and university leaders early indications of full-year performance in meeting PBB goals.

Revenue Producers: those units that generate revenue (typically colleges).

Revenue Supporters: those units that support the revenue producers (Provost Office, Registrar, Finance, etc.).

Revenue: all dollars generated (tuition, fees, State Share of Instruction, other) distributed by home college. The revenue section also includes scholarships in order to present net revenue.

Shortfall: the amount a unit returns, in the form of an expense budget cut, for failing to meet its threshold share.

Splittable Revenue: all revenue generated beyond the threshold share except University Scholarships & Fellowships, General Fees, Other Revenue and Sponsored Revenue. General Fees and Sponsored Revenue are not splittable because they have been earmarked. The term "splittable" is used because this surplus is split between the revenue producer and the Provost's office.

Threshold Plan: the plans that units submit to meet their threshold shares.

Threshold Share, Direct: the amount of the total university threshold that is assigned to each revenue-producing unit, which they must add to their base net revenue for the academic year.

Threshold Share, Indirect: the amount of the total university threshold that is assigned to each revenue-supporting unit. For this type of unit, this amount represents a mandatory expense budget reduction.

Total University Threshold: the difference between the anticipated total net revenue and the anticipated total expenditures for the entire general fund for the fiscal year. This is the figure that forms the basis for the direct and indirect threshold shares. It is referred to as a budget reallocation or cut in other university budget documentation.

Internal Campus Services Overhead – An internally charged fee within the Campus Services Auxiliary from one Campus Services Department to another and not to other funds for shared expenses.

Mandatory Transfer – Transfer made from one fund to another in order to comply with legally enforceable agreements, such as bond indentures and debt agreements.

Non-Mandatory Transfer – Transfer made from one fund to another at the discretion of the governing board to serve whatever purpose the board agrees is desirable.

Nonresident Surcharge – Fee charged for the full cost of instruction for non-Ohio residents. The Ohio Board of Regents subsidy policy provides very little support for out-of-state undergraduate students and only if they remain in the state of Ohio after graduation.

Operation and Maintenance of Plant – Current year activities that provide support for the administration, supervision, operation, maintenance, preservation and protection of university buildings, net of amounts charged to auxiliary operations and the UC Medical Center. This category includes utilities, repair and renovations, custodial services, grounds maintenance, space rental and property insurance.

Metropolitan/Reciprocity Tuition: Some non-Ohio residents may qualify for these special tuition rates based on program, county of residence, and application approval.

Private Gifts – Contributions received from an outside organization or individual. Funds raised are allocated according to restrictions established by donors. If gifts are made without donor restrictions, allocation is determined by the university.

Program Fee: This fee is college and/or program specific and the purpose and use varies.

Public Service – Activities established primarily to provide noncredit designated course offerings and services beneficial to individuals and groups external to the university. This category includes Continuing Education and Cooperative Extension Services.

Recovery of Expenses – Expenditure made for or on behalf of the university that subsequently is recovered (reimbursed) in cash or internal transfer.

Restricted Funds (also called “Current Restricted Fund”) – A subgroup of Current Funds that is expendable only for those purposes, programs or activities specified by the donors and organizations providing the funds through gifts, grants or contracts. Externally imposed restrictions are different from internally created designations established by the Board of Trustees on unrestricted funds because restrictions cannot be removed without consent from the external parties.

Sales and Services Income – There are two different types of sales and services income. The first type falls under the educational activities category. These revenues are related incidentally to the conduct of instruction, research and public service and exist to provide instructional and laboratory experience for students that incidentally create goods and services that may be sold to students, faculty, staff and the general public. The second type of sales and service income falls under the auxiliary enterprises. These revenues exist to furnish goods or services, rather than training or instruction.

Scholarships and Fellowships – Outright grants and trainee stipends to individuals enrolled in formal course work. These waivers are charged against Tuition and Fees for a net amount recorded in sources of income in general funds. In other funds, scholarships and fellowships are recorded as expenditures.

Separately Budgeted Research – Activities specifically organized to produce research outcomes, whether commissioned by an external agency to the university (restricted funds) or by the university (unrestricted funds) and includes matching funds applicable to the conditions set forth by a grant or contract.

State Appropriations (State Share of Instruction or SSI) – Formula-driven state funding recommended and approved by the Governor and the State Legislature. **NOTE:** The methodology of this formula was drastically changed beginning in FY 2010.

Student Services – Activities for which the primary purpose is to contribute to a student's emotional and physical well-being, as well as his/her cultural and social development outside the context of the formal instructional program.

Temporary Investment Income – Interest received on the investment of cash or equivalents into short-term instruments, which are invested for diversification of risk and yield. Such securities are limited to those issued by the U.S. government and federal agencies, government-sponsored enterprises and government-sponsored private corporations, plus prime commercial paper, certificates of deposit and other money market securities.

Undesignated General Fund (also called “Current Unrestricted Undesignated Fund”) – A subgroup of Current Unrestricted Funds whereas current resources are available for allocation in support of core instruction, instructional support and related general administrative and physical plant expenditures. The university maintains a separate undesignated general fund for the Uptown Campus and one for each of the regional campuses. This type of fund is free of internal designation by the Board of Trustees to specific purposes, programs or activities.

University Overhead – An internally-set rate charged by the undesignated general fund to other funds for administrative charges paid by the fund (including but not limited to utilities, basic maintenance of buildings.) This fee nets to zero effect on the current funds budgeted financial statements, but affects the budgeted sources of the undesignated general fund and the budgeted expenditures of restricted, designated and auxiliary funds.

APPENDIX 3

Relationship to Financial Statements

The university's Current Funds Budget Plan and the university's Audited Financial Report are compared in the following table. The audited annual financial report includes all actual data for the fiscal year on a full-accrual basis along with discussion of any relevant subsequent events.

	Budget Plan	Financial Report
Document Approvers/Users		
Adopted by Board - Internal Performance Monitoring	X	
Auditor, State of Ohio		X
Federal Clearinghouse		X
Rating Agencies/Investors		X
US Dept of Education		X
Accounting Method/Standards		
Fund	X	
Governmental Accounting Standards Board (GASB)		X
Accounting Basis		
Accrual - Modified	X	
Accrual - Full		X
Accounting Data		
Budget Projections - Current Fiscal Year Budget Compared to Next Fiscal Year's Projected Budget	X	
Audited Financial Results - Compare prior two (2) fiscal years		X
Funds Included in the Report		
Current Funds	X	X
• General Funds		
• Auxiliary Funds		
• Designated Funds		
• Restricted Funds		
• Expendable Endowment		
• Gifts		
• Grants/Contracts		
Non-Current Funds		X
• Loan Funds		
• Plant Funds		
• Endowment Principal Funds		
Financial Reports		
Statement of Net Position		X
Current Funds - Net Increase/(Decrease) in Fund Balance	X	
Statement of Revenues, Expenses and Changes in Net Position		X
• State Operating Appropriations		
• Reflected as Operating Revenue	X	
• Reflected as Non-Operating Revenue		X
• Grants & Contracts		
• Cash Basis	X	
• Accrual Basis		X
• Debt Service		
• Principal & Interest Reflected in Mandatory Transfer	X	
• Principal Payment is Reflected as One Component of the Change in Long-term Debt - Current and Noncurrent		X
• Interest on Capital Asset Related Debt - Nonoperating Expense		X
• Depreciation Expense		X
• Investment Income (Endowment and Operating)		X
• Increase in Fair Value of Investments (Endowment & Operating)		X
• Gains/Loss on Disposal of Assets		X
• Non-Capitalized Expenditures Reflected as Operating Expense	X	X
Statements of Cash Flows		X

APPENDIX 4

Other Sources for Important Information

Financial Policies – <http://www.uc.edu/af/policies/>

- ◀ Operating Cash Policy
- ◀ Structural Deficit Policy

Office of Budget Management – <http://www.uc.edu/af/budgetfinsvcs/budgetmgt.html>

- ◀ Contains links to UC Budget Plans for FY 2006 — FY 2018

Controller's Office – <http://www.uc.edu/af/budgetfinsvcs/controller.html>

Government Cost Compliance (F&A Rates) – <http://www.uc.edu/af/gcc.html#FederalRate>

University Decision Making Process - <http://www.uc.edu/provost/faculty1/academic-planning/decisionmaking1>

Budget-Building Process

The FY 2018 budget is the product of a transparent and participatory decision-making process, structured around key committees with multiple constituencies. Among these committees are the Academic Committee (AC), which focuses on strategic academic priorities; the Fiscal Coordinating Committee (FCC), which facilitates integrated decisions around fiscal planning and priorities; and the Budget Committee (BC) which supports the Executive Committee on fiscal matters. All of these groups, as well as the Faculty Senate and the Academic Operations Committee (AOC), send proposals to the Provost. The Provost, the Executive Committee, and the President's Cabinet advise and make proposals to the President who then submits recommendations to the Board of Trustees for approval.



The Vontz Center for Molecular Studies, designed by Frank Gehry, opened as the gateway to the UC Medical Center in September 1999.
Photo courtesy of the University of Cincinnati.