

**Regular Meeting of the Board of Trustees
June 27, 2006**

Table of Contents

Two Hundred and Sixty-Fourth Session of the Board of Trustees	277
Attendance	277-278
Report of the President	279-281
Introduction by President Zimpher of Presentations	281
Lawrence J. Johnson, Ph.D., Dean College of Education, Criminal Justice, and Human Services– PowerPoint Presentation.....	282-283
Jeff Edmondson, Director of the College Access/Success Partnership KnowledgeWorks – PowerPoint Presentation.....	284-286
Craig M. Vogel, Professor, School of Design College of Design, Architecture, Art, and Planning PowerPoint Presentation.....	286-290
Mike Thomas, Director of Athletics PowerPoint Presentation.....	291-298
President Zimpher’s comments regarding budget matters	299-301
Dr. Perzigian’s comments regarding budget adjustments	301-303
Dr. Henney’s comments regarding budget adjustments	303-304
Board Committee Meetings	304
Regular Meeting of the Board of Trustees	305
Approval of the Minutes of the Regular Meeting of May 23, 2006	305
Approval of the Items Recommended by the Board Committees	305-321
Academic and Student Affairs Committee Recommendations	305-311
Department Head Appointment – Mark A. Raider McMicken College of Arts and Sciences	305-306

Department Head Appointment – James M. Murray McMicken College of Arts and Sciences	306
Department Head Reappointment – Timothy J. Hodges McMicken College of Arts and Sciences	306
Division Chair Reappointment – Darwin R. Church Clermont College	306
Head Reappointment – Karen A. Machleit College of Business	306-307
Head Reappointment – Vivek Choudhury College of Business	307
Tenure Appointment – Barbara Black College of Law	307
Tenure Appointment – Guy Van Orden McMicken College of Arts and Sciences	308
Tenure Appointment – Charlotte E. Skinner Raymond Walters College	308
Recommendations for Tenure and Promotion for Faculty	308-309
Emeritus Status for Faculty Member and librarians	309
Change in Masters and Doctoral Degree Designations, Educational Foundations Graduate Programs, College of Education, Criminal Justice, and Human Services	309-310
Gordon and Helen Hughes Taylor Chair of Internal Medicine Francis X. McCormack, M.D., College of Medicine	310
Promotion to Full Professor – W. Sean Davidson College of Medicine	310
Change of Department Name to Department of Anesthesiology, College of Medicine	311
Change of Department Name to Department of Cell and Cancer Biology, College of Medicine	311
Addition of the Doctor of Physical Therapy Degree Program to Department of Rehabilitation Science,	

College of Allied Health Sciences	311
Board-Administration Committee Recommendations	311-313
Amend Rule 3361:20-41-01, Investments: Policy for Administration of Invested Funds.....	311-312
Modification of University Rule 3361:50-81-16(A) College of Law – Section 9. Eligibility to Continue Study.....	312-313
OPERS Voluntary Retirement Incentive Plan.....	313
Physical Plant Committee Recommendation.....	313-314
Adoption of Policies and Commitments for Local Administration Of Capital Facilities Projects	313-314
Finance Committee Recommendations	314-320
2006-2007 Current Funds Budget	314-315
2006-2007 ITIE Fee Increase	315
Capital Budget For Approval Fiscal Year 2006-2007.....	315
General Receipts Obligations, University of Cincinnati Capital Reduction Projects	315-316
Amending Resolution No. 05.11.29.12 Decreasing the Authorization For General Receipts Obligations, University of Cincinnati, Jefferson Grid	316-317
General Receipts Obligations, University of Cincinnati, Removal of Sawyer Hall for Land Bank Use	317
General Receipts Obligations, University of Cincinnati, Zimmer Auditorium Renovation	317-318
General Receipts Obligations, University of Cincinnati Teachers College/Dyer Phase II	318-319
Taft Memorial Fund.....	319
Amendment of the Lease Term and Payment Schedule for Lease of Of Turner Center Space Located at Vine Street and Daniels Street In Corryville.....	319

Amendment of the Lease Term and Payment Schedule for the Stetson Square Office Space Located at Martin Luther King Drive and Highland Street	319-320
Roll Call Vote	320-321
Unfinished & New Business.....	321
Faculty Senate Report by John Cuppoletti	322
Alumni Association Report by Bob Dobbs	323-324
Student Trustee Report by Jim Masterson.....	324-325
Student Trustee Report by Daisy-Malloy Hamburg.....	325-326
Student Representative Report by Jerry Tsai.....	326-328
Student Trustee Report by Nick Furtwengler	328-329
Election of Officers	
Jeffrey L. Wyler as Chairman of the Board.....	329-330
H. C. Buck Niehoff as Vice Chairman of the Board	330
Anant R. Bhati as Secretary of the Board	331
Executive Session.....	331-332
Adjournment	332

UNIVERSITY OF CINCINNATI

Official Proceedings of the

Two Hundred and Sixty-Fourth Meeting of the Board of Trustees

(A Regular Meeting)

June 27, 2006

The Two Hundred and Sixty-Fourth Session of the Board of Trustees of the University of Cincinnati was opened at 8:30 a.m. on Tuesday, June 27, 2006, in Tangeman University Center (TUC), Room 400B&C, of the University of Cincinnati. Notice of this meeting was given in accordance with Section 121.22 of the Ohio Revised Code. The proceedings of the Board, when not otherwise provided for by its bylaws, are governed by *Robert's Rules of Order*.

Jeffrey L. Wyler, Vice Chairperson of the Board of Trustees, presided. Mr. Wyler asked that roll be called.

BOARD MEMBERS PRESENT:

Thomas H. Humes, Anant R. Bhati,
Jeffrey L. Wyler, H. C. Buck Niehoff,
Sandra W. Heimann, C. Francis Barrett,
and Margaret E. Buchanan

BOARD MEMBERS ABSENT:

Phillip R. Cox and Gary Heiman

ALSO PRESENT:

Nancy L. Zimpher, President;
Jane E. Henney, Senior Vice President
and Provost for Health Affairs;
Anthony J. Perzigian, Senior Vice President
and Provost for Baccalaureate and
Graduate Education;
Sandra J. Degen, Vice President for
Research;
Daniel L. Grafner, Vice President for
Development and Executive
Director, UC Foundation;

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

Mitchel D. Livingston, Vice President for
Student Affairs and Services;
Monica Rimai, Interim Senior Vice
President of Finance and Operations
Frederick H. Siff, Vice President and
Chief Information Officer;
James R. Tucker, Vice President for
Administrative and Business
Services;
Gregory J. Vehr, Vice President for
Governmental Relations and
University Communications;
James E. Wesner, Interim Vice President for
Legal Affairs and General Counsel;
James D. Plummer, Executive Chief
Financial Officer;
Greg Hand, University of Cincinnati
Spokesperson;
Nick Furtwengler, Undergraduate Student
Trustee;
James Masterson, Former Graduate Student
Trustee
Daisy-Malloy Hamburg, Graduate Student
Trustee;
Robert Dobbs, Alumni Representative;
Stephen Thompson, Alumni Representative;
John Cuppoletti, Faculty Representative;
Lynn Davis, Faculty Representative;
Robert Faaborg, Faculty Representative;
Jerry Tsai, Student Representative;
Virginia L. Steiner, Executive Secretary
and Clerk, Board of Trustees;
and the public

(Prior to the Board Committee Meetings and the Regular Board Meeting, Vice Chairperson Jeffrey L. Wyler began the proceedings at approximately 8:30 a.m.)

Prior to the start of proceedings, Mr. Wyler called on President Zimpher to introduce Athletic Director Mike Thomas. Mr. Thomas introduced the university's new Men's Basketball Coach, Mick Cronin. Mr. Cronin expressed his pleasure as being a part

of the UC community and excitement to lead the basketball program, and he was welcomed by the board.

Mr. Wyler:

We will call the meeting to order. We appreciate everybody joining us today. Our first order of business is to present our President, Nancy Zimpher, and she will give us a brief address.

Report of the President

President Zimpher:

I want to thank the board members who took part in our 187th Commencement on June 10. Our graduates are indeed the greatest asset we provide and our class of 2006 includes more than 4,000 students. As you know, we had nearly two full houses on June 10—thousands of parents and family and loved ones who enjoyed the celebration along with us. So, thank you, for your contributions.

Hats off to the College of Pharmacy, where 100% of our PharmD Graduates have accepted either high-paying jobs or ten who are heading to Pharmacy residencies. Of those directly entering the workforce, they will enter with an average starting salary of \$96,000.

A ten-year project to electronically reconstruct the Midwest's ancient Native American earthworks, led by DAAP's John Hancock, premiered June 20 at the Cincinnati Museum Center. The project will now travel the nation, already stopping in Columbus, Cleveland, Chicago, and the developments have been featured in the *New York Times*, *Architecture Week*, *Archeology Magazine*, *Ohio Magazine*, *the Columbus Dispatch*, and other media outlets.

Laura Morris, a student in the McMicken College of Arts and Sciences, is one of forty outstanding research participants from the US, attending the Lindau Meeting of

Nobel Laureats and students. This year's event, which traditionally rotates by discipline, will focus on chemistry and is meeting in Germany.

Tim Broderick, Assistant Professor of Surgery and Medical Director of our Center for Surgical Innovation, recently led the first test of a communications platform for mobile telesurgery. In one phase of the test, Dr. Broderick sitting in Seattle, Washington, operated on a simulated patient in Simi Valley, California. You also recall that on June 1, the Center for Surgical Innovation, a \$9.5 million teaching and research facility, officially opened. It is an interdisciplinary collaboration between the departments of surgery and biomedical engineering and leading government and industry partners.

In this, our co-op centennial year, four of our co-op students are working their magic with internationally acclaimed illusionist, David Copperfield, in Las Vegas. The students, Dave Mackey, Susan Retterbush, Bryan Porter, and Michael Run are assisting Copperfield with designs for future logos, future props, and illusions, as well as a redesign of his museum and warehouse.

The British newspaper, *The Guardian*, last week did a feature article on UC's new mobile phone network, which has been launched as our new students began arriving for orientation which started last week. New students are encouraged to purchase a UC mobile plan in partnership with UCit and Cincinnati Bell and can receive a free Bearcat cell phone with the plan.

Our new UC|21 Summer Bridge Program called Sparks, for short, starts up on July 23. Eighty-four incoming freshmen have signed on to the sixth week program which provides the new students with a five-week program, focusing on writing, math and study skills and allows them to live on campus during this bridge program.

The New York production of the revival of *Mary Poppins* opens in November, playing in the starring role of the world's most famous Nanny is CCM alum, Ashley Brown, who graduated in 2004 with a BFA in musical theater.

Our UC Clermont campus dedicated its new West Wood's Academic Center in May. The two story addition contains high tech classrooms, faculty offices and a student study lounge.

We also have just recently put into service the new human resources component of our UC FLEX system, the first major revamping of our technology system in decades and, now, we are adjusting to the new system.

I would like to thank Vice President Mitch Livingston for his leadership of the NCAA Certification Process Self-Study Steering Committee, as well as Dean Dan Acosta for preparing the written report that was submitted to the NCAA in May. The certification process assures that the NCAA's commitment to the integrity of intercollegiate athletics is shared and advanced by its member institutions. The self-study identified areas that have been improved since the 2002 interim report and took a careful look at governance and commitment to rules compliance, academic integrity, equity and student athlete welfare. A peer review team will be on campus in the fall for an evaluation visit, and we expect to receive their report in February of 2007.

In our presentations this morning, we will first hear from Larry Johnson, Dean of our College of Education, Criminal Justice, and Human Services, and Jeff Edmondson from KnowledgeWorks, Director of the College Access/Success Partnership, which we are calling CAP, for short. It is an exciting collaboration for our region to see that and ensure that all Cincinnati USA students graduate from high school and from college. I now turn the program over to Larry Johnson and Jeff Edmondson. Welcome, gentlemen.

(Lawrence J. Johnson, Ph.D., Dean of the College of Education, Criminal Justice, and Human Services, and Jeff Edmondson from KnowledgeWorks, Director of the College Access/Success Partnership (CAP), gave the following presentation utilizing PowerPoint slides. A handout consisting of copies of the slides was distributed to the

members of the board and others seated at the meeting table. A copy of the handout is on file in the Office of the Board of Trustees.)

Dr. Johnson:

It is an honor to be here this morning, and we want to talk to you about what we think is a very exciting program. This was started by President Zimpher and without her leadership, this would not have taken place. It is one of the most exciting things that has happened. I am going to talk to you briefly about the main components, and Jeff is going to talk about the leaders.

For the first time since I have been here since 1990, all of the people in the area that are focused on education have come together to talk about, “let’s all get really serious and try to have every child succeed in this city.” This is not just a social justice or educational endeavor. This is an economic endeavor. It is really clear that your income earning is related to your degree power. You double the amount of money that you will earn in your lifetime by getting a baccalaureate degree, and imagine if we could change the trajectory of kids in this city and have more of them getting college degrees.

This is the unfortunate truth of what we have going on out there. In Ohio, only 70% of the students graduate with a high school education. Thirty-eight percent of those students go on to college, twenty-eight percent are still there when they are a sophomore, and only seventeen percent graduate. This is even worse when you look at the urban core, and if you go back to the last slide that I talked to and look at income power, we have lots of room to grow and lots of ways to change the situation.

The vision that we have is that if we all work together, and if we all could put aside our differences and all our agendas and try to come up with a common set of benchmarks and goals that we could all do, we can ensure that every child succeeds in this community. In this community, we have reached across the river and we have both Northern Kentucky and Cincinnati.

There are three main components to this endeavor. One is the P-16 effort where everybody, pre-school through graduation of college, that has skin in the game are coming around the table to talk about how can we work together to support the kids to be successful. The second is coordination of existing scholarships and bringing new money to the table to do this, and not just for need students. As you will see later, we are talking about making a promise for everybody who graduates from Cincinnati high schools and, finally, through our Center for Urban Education (CUE) that there be a research and accountability, that we have clear benchmarks, that we have yearly public report cards on the progress that we are making.

As I said, these are the common set of indicators that we have all come to; and I will not bore you with details, but there are two or three benchmark indicators in each one of these. It is basically every child comes to school ready to learn, and while they are in school, they get the support, both inside and outside, to succeed. Kids are prepared for some kind of postsecondary education, kids get into postsecondary education and are supported there and succeed and we get people employed in this area and we up the employment piece.

One of the parts we are working on now, and we are doing some economic modeling to try to do this, is the last-dollar scholarship built very much on our Cincinnati Pride scholarship that would guarantee up to \$5,000 per year, for \$20,000 over a four-year period of time. We went to Kalamazoo and some of the places that have done this—they are actually advertising. I am not sure if you are aware, but in Kalamazoo anybody who graduates from Kalamazoo High School can go on to a Michigan school for free. They actually advertise now that this is a promised scholarship, and it has turned around the economic development. In fact, in Kalamazoo, they did not really have an education motive. They said what could we do to change the economic environment in Kalamazoo to revitalize it. So, this is an economic effort that we are trying to make a difference. It is about students' success in education and, lastly, it is about social justice and doing the right thing and changing some of the orientation. Jeff will continue.

Mr. Edmondson:

After Dr. Zimpher was able to pull together all the right players, I was charged with the task of trying to get everybody at the same table. The first thing we had to do was develop a common language about what we were trying to achieve. So, through the efforts of the Center for Urban Education, they undertook an in-depth study to review hundreds of research papers on what are the key benchmarks that every student needs to hit across the education pipeline, starting from birth straight through to some form of post secondary education in order to be successful.

What the Center for Urban Education created here was a national model. We have had numerous efforts across the country contact us about this after they heard about it, because what it does is it incorporates both the academic, which is the top in the red portion and the student and family support components, which are on the bottom half. Now, this is hard to read. You have a copy with you on your table, if you want to look at the details.

What we are aiming to do here is to pull together the right players so that we can look at these benchmarks and figure out what strategies we would want to employ together in order to ensure that every student hit these benchmarks throughout the pipeline. What we have developed here is a structure through which we could do this for the entire community. And, once again, as Larry said, this is a Cincinnati and Northern Kentucky, so Newport and Covington are engaged, along with NKU. Really what we have tried to do here without going through all the details is the grass roots are at the top and the grass tops, if you will, are at the bottom. So, what we have tried to do is get the practitioners and early childhood student family support, K-12 academics, and post secondary to come together and talk about what are their priorities, what are the challenges that they face.

Then, the leadership of those groups will come together in the P-16 alliances in the middle to talk about what they need to do to align their system so they are no longer

working in silos. What can be done to improve student transitions and student educational experiences.

And, at the bottom, will be a CEO level group that will look at the strategies that are recommended by those P-16 councils to determine what would, if we could really dedicate our resources to some very specific strategies, what would those look like? So, in addition to the scholarships, those would be things such as building on those successes of success by six, the standards that they have created in making sure that the K-12 systems are using those so there is a smooth transition, college access support, tutoring, mentoring. Those kinds of services can be better aligned so that we can make sure that we are reaching every student in this region.

These are the players that we brought to the table. Dr. Zimpher has truly facilitated a process that has brought together an unprecedented level of collaboration among education partners but, in addition to that, you can see that not only are the superintendents on board, but corporate partners and key civic partners that have engaged in the education of youth throughout the city are also participating.

It really is our hope—not to beat a dead horse—but as Larry said, this cannot only serve to improve student outcomes but economic outcomes and can start to reverse the trend that we all saw in the paper of net population outflow in this region to start turning that around and creating some hope as far as the population growth of this city goes. Thank you very much for your time. I believe we will take any questions you might have.

Mr. Wyler:

Any questions?

Dr. Bhati:

How do we stand with other states? Seventeen percent graduation rate is frightening.

Dr. Johnson:

We are on the low end, I do not know exactly where on the low end, but Ohio is not one of the highest producers of high school graduates.

Dr. Zimpher:

Yes. You could use the statistic we used with the legislature last year which is Ohio ranks 39th in the number of citizens who hold a baccalaureate degree.

Dr. Bhati:

I think the support that you get from the state is about 49th in the country right now.

Dr. Zimpher:

We try to say there is a relationship.

Mr. Wyler:

Thank you very much, Larry, Jeff.

President Zimpher:

Thanks, Jeff and Larry. Next, we will have a presentation, the final in a series of Center and Institute Presentations, today led by Professor Craig Vogel of the School of Design from the College of Design, Architecture, Art, and Planning about the Center for Design Research and Innovation. So, Mr. Vogel, welcome.

(Craig M. Vogel, Professor, School of Design, College of Design, Architecture, Art, and Planning gave the following presentation, utilizing PowerPoint Slides. A handout consisting of copies of the slides was distributed to the members of the Board and others seated at the meeting table. A copy of the handout is on file in the Office of the Board of Trustees.)

Mr. Vogel:

Good morning. It is a tough move following the focus on undergraduate education, but I am a great believer in props to make a point so I figured what could I do to make a point about the Center for Design Research and innovation. This is a fly swatter and this is a fly swatter. It is that time of year where we are starting to think about this. This is a manufacturing design, designed to be manufactured at the lowest cost to sell the most amount to generate the most profit.

This is a fly swatter designed to generate the most profit per item and meet the needs of the value of its customers. Now, you might think, “What is so important about fly swatters?” The interesting thing about it is that design touches our lives from things such as mundane as fly swatters, to the chairs you are sitting on which, luckily, are comfortable enough for you to endure the length of this meeting, to the clothes you are wearing, to the room that you are in, to the posters on the wall, to the cars you drove to get here, to the building that you are in, to the campus that has been so wonderfully designed over the last decade.

DAAP had the ability to touch things from this scale all the way up to Urban and Regional Planning. It is one of the most comprehensive schools of Design, Art, and Architecture in the world. I am very fortunate to have been here for two years and to be able to inaugurate the Center for Design Research and Innovation. The center is two years old and it was formed out of the brain child of the work of Judith Koroscik, who was kind enough to come here this morning after a week at Singapore—it is eight o’clock at night for most of us who were on that trip, and Robert Probst, the head of the School of Design, with support from Tony Perzigian. I came here from Carnegie Mellon two years ago to start this center. The idea behind it was to create a Center for Research and Innovation, and the goals were to support the education, the exploration and to enable people to create a level of design that has not been part of the School of Design at DAAP.

The School of Design is well known and recognized for its undergraduate excellence, but what we sought to do was to build on top of that a base of project and

research at the graduate level that would complement and grow the undergraduate excellence which is well established. So, my job is to help the college take ideas and turn them from rough ideas and translate them, along with working with other parts of the university into innovative ideas and solutions and see if we can get them implemented.

On the industry level we have had some wonderful luck, working with our regional and international companies. To start, LPK is one of the largest brand companies in the world situated here in Cincinnati has 400 people working downtown. It is one of six brand companies with over 200 people here in the city of Cincinnati. We are one of the largest per capita brand design cities in the country, a well known secret about the creative potential of Cincinnati. Jerry Kathman, one of the principals of that company, was responsible for the designer of identity and from the moment I got here, has been a strong supporter of the concept of the center. We are involved in a concept called Design Activation with LPK to help get the word out about what design can do for companies.

Yellow Springs Instruments is a company that we are working with, and it is one of the leading companies in the world doing water analysis. It is located just a few hours from here. We have been working with them for a year to help integrate design into their product development process.

Fernald, which many of you know, is another. We are helping them to reuse land that was part of the industrial revolution that needs to be reused and rethought for today's applications in Cincinnati. Then Steed Hammond Paul is a very interesting project. We are looking with them at how we can design homes more effectively for aging baby boomers, which I will get to a little bit more in a minute.

And, most recently, some of you may have seen on the DAAP website that we were fortunate enough to have the opportunity to work with JC Penney to redesign the interior of their stores. They have done a wonderful job of creating a new kind of structure for their company over the last year to provide profitability. The one remaining

missing link in their new branding is the redesign of their stores, which needs to catch up with their advertising and infrastructure development. So, we are very fortunate that Mike Ullman has given us the opportunity to work with him to re-brand their stores.

Now, I have been very fortunate, in addition to working regionally with industrial partners, to have the opportunity to work across the university. My interest is connecting to the vertical opportunities within DAAP from urban planning to product development, but also across the university, we have put together a proposal for the Third Frontier with Techsolve and received last year a \$1.9 million grant on innovation. I have been working with Techsolve for the last year and a half, implementing programs and strategies to support the growth of innovation in small and medium companies throughout Ohio.

We are also working with Stephen Page in Physical Rehabilitation on the issue of designing appropriate orthotic devices for people with strokes. One of the nastiest situations from stroke is a condition known as drop foot, where people have to wear an orthotic device on their foot, and we are trying to make that a more sophisticated and appropriate design suffering with that problem.

Bill Heineman's work in chemistry in understanding how to find Ecoli in lakes led to our connection with Yellow Springs Instrument. So, we have been very fortunate to work with Bill Heineman in Chemistry and for the last two years he has been a very good partner and an ally for the Center. Also, we are working with Chris Allen in Business and Teik Lim of Mechanical, Industrial, and Nuclear Engineering for Lion Apparel. Tomorrow we will be doing a program with them and we are trying to help them. They are the largest manufacturer of safety and fire equipment for fire and rescue throughout the world, and we are trying to help integrate design into their process.

We are also working with Tim Broderick and Chuck Doarn and we are working with the Center for Surgical Innovation on the Sea Orbiter project, which is an international program, and we look to work further with them. In addition, we are

working with Bill Ball in developing a graduate and undergraduate program in biomedical design that has been developing for several years.

So, I think the important thing for you to understand is that for us as a resource, we see the emergence of design as being totally appropriate to the goals of UC|21, and where our sophistication and success has been is putting the student at the center—our undergraduate academic excellence. But a challenge that we face as a discipline is to grow our research capability and then move that to the center of the strategic vision of what the university can accomplish in the coming century.

It is very exciting for me to be here. I cannot believe the opportunities that are on the campus for me to work with and the people like Ann Welsh, who I have had the opportunity to work with since I got here, and to do things that are extraordinary. I am fortunate to be on the Interdisciplinary Infrastructure Committee with her, and we are looking at how we can continue to grow the ability to have more interdisciplinary work on campus.

That is my presentation and I will be glad to answer any questions.

Mr. Wyler:

Any questions?

There were no questions.

Mr. Wyler:

Thank you very much, Professor.

Mr. Vogel:

And, you can get the fly swatter at Target.

President Zimpher:

And, I would only add, what a privilege it is to see our design folks in action half way around the world, a pretty impressive group of people. Thanks very much, Craig.

Now, our final presentation for the morning is the new vision being put forth for Bearcat Athletics and we will hear from Athletic Director, Mike Thomas. Good morning, Mike.

(Michael Thomas, Director of Athletics, gave the following presentation, utilizing PowerPoint slides. A handout consisting of copies of the slides was distributed to the members of the Board and others seated at the meeting table. A copy of the handout is on file in the Office of the Board of Trustees.)

Mr. Thomas:

Good morning, Nancy. The first order of business, although he is not here today, you heard his name mentioned already and we thank Dean Dan Acosta of the College of Pharmacy, for his leadership and continued service as our chairman of the University Athletic Committee. I would also like to thank the hi-tech people behind the Wizard of Oz screen for taking care of me this morning.

To get started, the goals of today's presentation includes sharing the Athletics Department facts & figures, my first 100 days on the job, our vision for the future—setting the ideals, and taking any questions you may have.

Department Facts & Figures—the Department of Athletics is comprised of 530 student-athletes in 18 sports; here is the breakdown by gender and by program. You can tell I have not been living with my four children. I have not had to raise my voice. You can see the breakdown by gender, by program, based on our December 1 squad list. You can see the distribution by academic discipline. You can see that most of our kids are studying in the College of Arts & Sciences followed by the School of Business.

With regards to academic performance, based on the most recent NCAA numbers, our student athletes are graduating at a rate of 61%, which is really on par with the national average and ahead of the general student body here at UC. In the 1990s, 78% of our student-athletes who acknowledged their eligibility have graduated.

With regard to grade point average, in early 2003 when we started tracking student-athletes, we were a little bit ahead of the general student body, but that trend has been reversed so we certainly have some work to do on that end. For FY2007 we have a projected budget at this point of time of \$26 million. You can see that roughly 60% of our funds come from outside sources with the other being advertising with our ISP contract. We outsource our multimedia, guarantees, mostly game contracts, and auxiliaries which are really dependent on game day revenues. And, finally, we have approximately 125 full-time employees in the Department of Athletics.

I started on December 1, and on December 15 I had my initial meeting with my entire staff and I went through a checklist of those things that I wanted to accomplish in my first 100 days on the job. I do apologize as I go through this, the software will not line up, so where you see a check mark, I am not sure what you see, but you will see something that identifies that the task has been completed. This includes assessing operations of all the department units, introduction to all department coaches and staff, introduction to all 530 student-athletes, introduction to key constituents. I do not think that job ever ends; it is ongoing. And to continue, step onto every field of play, establish fit within the Cincinnati Community, and establish fit within the University.

Just to share a little bit with you there, you see the core values for UC|21. The six core values of UC|21 are part of the fabric of Bearcat Athletics. That is how we function every day. If you look at the goals and strategic actions, these six goals, when you pull each one of those out, are things that we strive for as a department on a daily basis. And, finally, beginning the process to establish our strategic planning initiatives for the future.

The first 100 days, as you can imagine, my first six months have been quite interesting—the consuming events of the men’s basketball process. I think, with Mick Cronin we have a bright future and my remarks today will be geared toward the future. Before I get there, I want to share with you and acknowledge and thank all of those people who have been part of where our program is today—the UCAT supporters, our alumnus, individual benefactors, and former student athletes. They really set the foundation for the program that we are today, and they need to know that they are going to be vital to our success in the future.

Also, in the history of Bearcat Athletics, two of the most significant things have happened in recent months. The opening of the Varsity Village—that building is a difference maker. If you have not been over there, I encourage you to do so. It puts us ahead of the Big East facilities curve and is already paying dividends, especially in the area of recruiting. The Big East, for this institution, opens us up to new markets and as a department, provides opportunities that had not been afforded to us before. We are going to be great; we are going from good to great. We want to be the DAAP and CCM of college athletics, and for those of you who are fans of Jim Collins, the author of *Good to Great* and *Built to Last*, he talks about BHAG’s, being big, hairy, audacious goals. Well, for the Department of Athletics, it is “Bearcats Have Audacious Goals,” and I am going to share a few of those with you this morning.

The Vision for the Future and Setting Ideals—we are underway with a department planning process that will identify the strategic action through the steps necessary to reach our destination points that we have established athletically, academically, and in fulfillment of our high profile role in the community. Just to share with you a piece of this process, a few weeks back we had a retreat with our department heads and our coaches, a two day retreat, and you see the core of really what was discussed with the goal of putting together action plans and having those action plans produced by the first week of September.

One thing that this planning process will not do is yield a vision. That is what I was brought here to do—that is my job; however, the planning process forced us to be brutally honest about our current reality and invites us to determine where we want to be, our ideal state, over the next five years. We call this process “CATAPULT.” Implicit in the name is the notion that we are moving forward and, in fact, projecting ourselves from our current reality to our ideal state.

Now, another definition, and you will not see this in the Webster’s Dictionary, but you will see it in the Thomas’ Dictionary. “CATAPULT” is defined as a device for launching UC Athletics to the top of the BIG EAST at a high rate of speed. The first ideal speaks to Athletic performance, specifically, championships. We will win a BIG EAST Championship in every sport within the next five years. Now, every time I say this Coach Cronin reminds me that he has a six year contract.

I have charged our head coaches and our sport supervisors with providing a blueprint for the respective programs with expectations that they win a BIG EAST Championship by the year 2011. If we are competing at the top of the BIG EAST, we are competing with the best teams in the country, which means that we are competing for National Championships. Consistent with UC|21 objectives, we will strive for excellence in all areas of athletics just as we seek in academics and research that being one of national prominence.

And, speaking of academics, our second ideal focuses in this area. Our student-athletes will set the pace at UC academically by continuing to lead the general student body in graduation rate and over a five-year period outperform the general student body in grade point average. Consistent with institutional efforts to move the needle in all areas, I believe it is extremely important that our student athletes set the pace on campus with regard to the two most popular barometers for gauging academic performance, that being graduation rates and grade point average.

We will honor our promise to our student athletes and their parents during the UC recruiting process that we will hold their sons and daughters to high standards of performance in their athletic endeavors and in the classroom, and we will establish a culture whereby we will demand athletic and academic achievement. For those student athletes that are up to the challenge, they will be rewarded with championship rings and diplomas. In our world of college athletics, R&D stands for rings & diplomas.

And, finally, the third ideal speaks to engaging the UC family and the Cincinnati community. Together we will respect and honor the privilege of competing as Cincinnati Bearcats. We recognize our goals cannot be achieved without engaging the UC family and the Cincinnati community. We cannot underestimate athletics' role in the marketing of this institution and recognize that athletic success is crucial to our on-going efforts of extending our boundaries beyond the institutional draw of Southern Ohio. There is a growing appreciation at UC of the shared responsibility among our students, our faculty, staff, and our alumni, of catapulting Bearcat Athletics to the ideals that we have established.

And, never more important than today, do we really need to engage the Cincinnati community. I will share with you just a sampling of some of the external relations strategies we have in place for the summer. Some of these are already underway. If they are not underway, it will happen shortly. These are some of the things we are doing out in Southern Ohio to have a real presence.

By way of review our three ideals speak to the standards that we will measure ourselves against as we move forward. Winning—our benchmark will be championships; academics—our student athletes will set the pace on campus with regard to graduation rates and grade point average and together athletics will serve as the bonding agent with students, faculty, staff, our alumni, the Bearcat fans, and the Cincinnati community. Also, on this third ideal, as we move further and progress through the planning process, we will further that performance metric as clearly as we have of that of championships and academic achievement.

Now, as we undertake the heavy lifting of catapulting Bearcat athletics to the ideal state, I invite you to share your thoughts and observations with me. I fully understand that this program belongs to everybody in this room and to all the constituents that I mentioned previously. It is my job and the jobs of our coaches and staff to manage it to the best of our collective ability. And, in doing so, to do our jobs most effectively, we need to come to appreciate your concerns and ideas, so it is critical that we foster avenues for interaction and effective listening.

That being said, I will leave you with my contact information and take any questions that you may have.

Mr. Wyler:

Thank you, Mike. Questions of the Athletic Director?

Mr. Barrett:

I have one question. Mike, these handouts were very helpful. Could we also get a breakdown of the finances and the number of athletes, the breakdown between male and female and all the sports? I thought it was very informative.

Mr. Thomas:

Yes, absolutely. I will make sure that you have the embedded files, especially on the finances. Things are pretty good. We have great opportunities. I have not resorted to Mr. Vogel, using his fly swatters as tennis rackets, so we are moving in the right direction. You have to know that it is difficult following someone from DAAP with the high expectations and high performance that they do on a daily basis. Any other questions?

Mr. Humes:

I would like to congratulate you on your "CATAPULT" program, especially opening the new Varsity Village. I know that the capital facilities for the first time ever

are in place in many regards to help our program go where it needs to go. On the budget basis, could you either give us a thumbnail sketch now or, perhaps, prepare for us how does UC's budget for Athletics compare with the other Big East schools. I understand that we are at the lower end of it, and what are our plans, what opportunities do we have to make it more competitive from a budget point of view, particularly concerning the challenging economic environment that we have?

Mr. Thomas:

Yes, I can give you some general information on that, Tom. I would be glad to share the hard documents that would give you more detail. There are sixteen playing Big East Schools, eight of them which participate in football. I compare us with the football playing schools because that is comparing apples to apples. We are seventh out of eight schools as it relates to the football playing budgets and only South Florida is below us. As I shared with you, our projected FY07 budget is \$26 million; Louisville's FY07 budget, for example, is \$41 million. Now, when you look at that, you cannot necessarily compare because it is not apples to apples because one thing, for example, Syracuse is in our conference and their scholarships. It is a private school. So there are some things that you cannot just look at the straight hard lines of what those budget numbers are.

What are our opportunities? I think our opportunities are great. I really do. It is going to take a lot of work. It means that we are going to have to sell a heck of a lot of football tickets. Right now, our season ticket base is 5,000. If we get that to 20,000, for example, it is going to be a challenge, but you do the math. Fifteen thousand tickets at \$25 per head, seven games per year, that is significant. So that is helpful. You look at the corporate sponsor deal with ISP, there is a lot of Fortune 500 type companies in this community and some that we need to do a better job of cultivating. I think with UCATS, as you well know, they have done an outstanding job. We just need to continue to work that and grow that and build on the wonderful things that they have done to this point. So, we do have a lot of work to do. Any stone that is a revenue stone, we will turn it over, but I think it is a great opportunity and it is the right time to make it happen. Thank you, Tom. Any other questions? Yes, Bob.

Mr. Dobbs:

The new Adidas contract—does that actually provide us funding or do we just get, basically, equipment for free?

Mr. Thomas:

It is actually both, and I can give you the numbers because it would be public information. People ask the question, why did we leave Nike. Well, Nike was not a comprehensive all sports deal for all eighteen sports, and I felt that that was important. The Adidas deal folds us into fifteen sports immediately with product and cash and in two years, the football program will fold into the Nike deal, and after next year both soccer will. And, in hard numbers, product and cash, I can share with you the difference between Adidas and Nike, over the five years, was \$5.5 million to \$1.2 million, so when people ask you why we made the transition, it was an easy one. Besides the fact that Coach Cronin is an Adidas coach, so when he was not recruiting, he was in my ear about shoes and apparel. Anything else? Thanks for your time.

Mr. Wyler:

Thank you, Mike. Before we begin the Committee Meetings, I need to announce that Buck Niehoff will chair the Physical Plant Committee in Gary Heiman's absence and Sandy Heimann will chair the Finance Committee Meeting in my place. I am making a temporary appointment to the Finance Committee, Fran Barrett, so I thank each of you for your willingness to serve.

I want to bring to your attention the fact that one recommendation has been added to the agenda of the Board-Administration Committee and two recommendations have been added to the Finance Committee agenda. Copies of those revised agendas are at your place.

Before we begin, I would like to call on Dr. Zimpher for a comment or two and then we will go into our committee meetings.

Dr. Zimpher:

We have some very heavy lifting to do today, and I wanted to provide a bit of context. This is not for the business of each and every committee but it applies to the bulk of the business.

For some time now, you have been hearing about our commitment to transform the way that UC does business and pursues its mission so that we fully support our academic priorities, pay for the physical transformation of the campus that has already occurred, and become a responsible partner with our uptown neighbors and, in this way, fulfill the vision of UC|21 and take our rightful place as a premier urban research institution of higher education.

This process began in earnest in February with the creation of what we affectionately now roll up our tongues as the PBAC, the President's Budget Advisory Committee, and the very transparent way we set tuition and fees in March through a tuition retreat, as some of you will recall, our first step in building the 2007 fiscal year budget.

This process of transformation in the way we do business continued in April when we faced into our significant budget shortfall, made the commitment to solve that shortfall in a fiscally responsible and open manner, and turned to the entire campus with the facts—the good, bad, and the ugly—seeking input on how best to manage the situation as a university as opposed to individual silos.

You heard the results of that process last month. It is a testimony to the intelligence and creativity that, as a university community, we generated over \$34 million in savings ideas that UC will see over the course of the next three to five years. It is important to note that these ideas spoke not only in terms of cutting budgets but a re-organization toward greater efficiency and of actually generating new revenues based upon informed data-driven decision making. But, of course, because our budget shortfall

is right now, we cannot wait three to five years to solve our problem. What you will be hearing about today and voting on is UC's plan to address its financial challenges, starting with this new fiscal year.

Last month, you heard that our budget shortfall was approximately \$22 million. What you will hear today is that because of additional information about health care costs and a deliberate decision to be cautious about revenue projections and energy costs, that figure is now at \$27 million. We know that of the \$34 million worth of savings ideas, we can achieve \$11 million in this fiscal year and after some very difficult discussions involving myself, the PBAC, and the three Senior Vice Presidents, we have decided to do the fiscally responsible thing and take the majority of those cuts permanently in this coming fiscal year. Monica Rimai will talk you through the details of this process when we review the actual budget book, but what I wanted to give our two Provosts an opportunity to do today is to share briefly some thoughts they have about the process and, hopefully, their optimism in making the necessary structural and financial changes to meet this challenge.

Before doing so, I just want to acknowledge that for some in the audience and many on campus, this has been an all too familiar refrain—just one more budget cut and we will fix this problem once and for all, and we are going to do business differently from here on out. I get that people are skeptical, but to those who would say that we have heard it all before, let me remind you that never has UC experienced such an open, honest and iterative budget setting process and that should give you some confidence that it is a new day.

Moreover, I know that we cannot manage a cut of the magnitude that we are talking about here without some fundamental structural changes, and to that end, I am announcing that by September 1, I will be introducing a significant reorganization of central administration that will result in a more nimble and efficient administrative infrastructure.

Furthermore, beginning next week, the PBAC will start assembling teams, tasked with formulating new revenue-generation programs, based upon accurate cost data, and new tuition/discount policies that address the now infamous enrollment yield issue head on, as well as a host of other critical issues, the resolution of which will help fund our academic priorities.

I know that we have more than our share of challenges ahead of us with issues that have yet to be resolved, but I also know that facing these challenges head on will reap benefits almost immediately because as we began to experience savings from the remainder of the \$34 million ideas, from reorganization and from wise and informed policies, we will fund UC's future.

With that, my colleagues, I hope, will join in a moment—Tony and Jane—this falls to the academic areas to manage the implications of the cuts we are going to discuss today—a word from both of you?

Dr. Perzigian:

I would like to underscore a point that President Zimpher made regarding the process and the climate that we found ourselves in the last six months or so and, as you know, I have considerable historical perspective and I must say, and I know I speak for the deans and the faculty, that this process has been very transparent, it has been very engaging, it has been very collaborative and it has been the whole university community, bringing its best intellectual resources to the table to cope with these budget adjustments that are facing us for 2007 and, possibly, beyond.

To provide just a brief perspective regarding my area, later today the board will approve a budget of approximately \$1 billion. About one-fifth of that is general funds in my area, approximately \$200 million. Of that \$200 million, I would say, roughly \$130 million is my cut base. Of that \$130 million, approximately 93% of that budget is found in salaries—faculty, staff, and student assistant salaries. So, as we review the plans from the colleges, we will obviously be looking at some reduction in force through staff,

administrative cuts, some faculty positions will certainly probably be lost. Certainly, many of the open positions will probably have to be put on the back burner for now for filling, but regarding the student assistant budgets, that is certainly an area that we need to be very, very careful in protecting. Student assistant budgets are clearly correlated with our retention efforts, so the more students that we have working on campus, our retention numbers go up.

So, as the college plans are reviewed over the next month or so, we are certainly going to place the highest possible premium on maximizing the availability of course sections next year. We will be consolidating many low demand sections and, as President Zimpher will be doing at the university level, we will be doing, certainly, in our respective areas regarding achieving administrative efficiencies through restructuring, through reorganization.

Of note, earlier this month, we have re-launched an academic prioritization process, and through UC|21, we are identifying our top most academic funding priorities. Certainly, that will not have an immediate impact on 2007 but, certainly, in terms of shaping our priorities for 2008 and beyond.

Bear in mind, that as the cuts are managed, as they are absorbed and, in my case, on \$130 million base, we are going to try to do that in the least deleterious manner as possible. It will be, of course, important for us in this juggling act to make sure that we continue our support for retention-related activities. For example, first year experience programs, our learning community programs we will have, and as best we can, this next year and beyond, continue to support our entrepreneurial initiatives, especially those that yield enrollment growth and tuition revenue increases. And, of course, the juggling act will have to involve a continued support as best as possible for our core academic services, ranging from advising to library collections to technology.

Indeed, there will be considerable belt tightening this year. Our operating budgets, travel budgets, supply budgets, obviously will have to be examined very closely,

but given that 93% of my budget area is in salaries, a bulk will have to come through salary savings combined with very creative and aggressive offloading through other fund sources, such as the endowment.

As alluded to by President Zimpher, we have experience with this. We have deans who are experienced in managing in this environment, and I think that we will be able to build on some efforts that Provost Henney and I undertook last fall when we conducted our first ever joint budget hearings for the colleges. Growing out of those budget hearings was an excellent set of academic priorities for reallocation and, I think, those academic priorities that were identified last fall will now, in particular, inform those areas that we want to especially buffer from any budget cuts. But going forward, as we review the plans from the colleges for 2007, we will obtain student curricular demand, academic excellence, and revenue production will be factored as carefully and guardedly as possible.

President Zimpher:

Thank you, Tony.

Dr. Henney:

From the Academic Health Center side our annual budgeting process, which has been going on and really preceded me by many years happens every year. It begins in January. Certainly, we did not anticipate the magnitude of a gap of \$27 million, but we did know that it would be significant. So, based on that, we gave our colleges and units a budget direction that asked for a 3% decrease to general funds and we held some fifty-two budget hearings of all of the colleges and departments in the Academic Health Center.

We now know the magnitude of the cut is much greater than that and so I have held a series of meetings with the deans. We have not allocated the exact amounts to the colleges yet but they are certainly in the planning mode right now for another substantial cut in addition to what they had planned. The CFO of the Academic Health Center is

meeting with individual departments at their request to inform them and discuss the budget situation of the university and its impact on the Academic Health Center. In brief, our total reduction for this target, our general funds reduction, is about \$3.4 million for the AHC, and that represents about an 8.4% decrease.

It comes, and as we approach these expense reductions, it will be difficult. We feel we are up to it. I think some of the mechanisms and tools for taking and impacting some of those reductions will be presented to you later today, including the OPERS incentive retirement plan and the endowment spending policy. They will be tools that will be helpful to us. We plan to take these expenses in a way that will not damage our top line revenue. We do have tremendous enrollment growth in the Academic Health Center. Over the last three years, Allied Health has grown by some 90%, Nursing by 30%, and Pharmacy by 20% so we do not want to, while we are taking these expense cuts, do things that would harm or detract from our revenue growth. We will look hard at our administrative positions; we will be looking at potentials for reorganization and streamlining and we feel that we are up to this difficult task. Thank you.

Mr. Wyler:

Thank you, President Zimpher and the two Provosts. Having said that, let us begin our committee meetings with the Academic and Student Affairs Committee. Mr. Niehoff is the Chairperson.

THE BOARD COMMITTEE MEETINGS

(Proceedings of the board committee meetings are contained in the respective committee meeting minutes, which are on file in the Office of the Board of Trustees.)

The committee meetings began at 9:27 a.m.; the meetings concluded at 10:38 a.m.

THE REGULAR MEETING OF THE BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was convened at 10:38 a.m. and, as noted on the first page (page 277) of these minutes, roll call was taken.

Approval of the Minutes of the May 23, 2006 Regular Meeting

Mr. Cox called for additions, corrections, or deletions to the minutes of the May 23, 2006, Regular Meeting of the Board of Trustees. Upon motion of Dr. Bhati, seconded by Mrs. Heimann, the minutes were approved as distributed.

Approval of the Items Recommended by the Board Committees

Listed below are the items recommended to the Board of Trustees for approval by the Academic and Student Affairs Committee, the Board-Administration Committee, the Physical Plant Committee, and the Finance Committee at their respective meetings held on June 27, 2006, prior to the Regular Meeting of the Board of Trustees.

Academic and Student Affairs Committee Recommendations

06.6.27.01 DEPARTMENT HEAD APPOINTMENT

It is recommended that the Board of Trustees approve the appointment of Mark A. Raider as Department Head of the Department of Judaic Studies, Jewish Foundation Endowed Chair of Judaic Studies, and Professor with Tenure of Judaic Studies in the McMicken College of Arts and Sciences effective September 1, 2006.

Dr. Raider was trained at Brandeis University (M.A., 1993; Ph.D., 1996) and the University of California Santa Cruz (B.A., 1988). He is the author of *The Emergence of American Zionism* (1998), and co-editor of *Abba Hillel Silver and American Zionism* (1997), *The Plough Woman: Records of the Pioneer Women of Palestine: A Critical Edition* (2002), and *American Jewish Women and the Zionist Enterprise*, (2005). His forthcoming works include *Nahum Goldmann: Statesman Without a State*, to be

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

published by the State University of New York Press in 2006. He teaches courses on modern Jewish history, the American Jewish experience, and Zionism and Israel.

06.6.27.02 DEPARTMENT HEAD APPOINTMENT

It is recommended that the Board of Trustees approve the appointment of James M. Murray as Department Head of the Department of History in the McMicken College of Arts and Sciences effective September 1, 2006, through August 31, 2010.

Professor Murray teaches medieval society and culture (538-540), as well as a graduate readings course on Europe before 1500 (740). His principal publications include *Bruges, Cradle of Capitalism, 1280-1390* (Cambridge University Press, 2005); *A History of Business in Medieval Europe, 1200-1550* (Cambridge University Press, 1999) with E. Sidney Hunt; and *Notarial Instruments in Flanders between 1280 and 1450* (Commission Royale d'Histoire, 1995). Professor Murray has been a Fulbright Research Fellow, and he has held fellowships from the Belgian – American Educational Foundation, the American Council of Learned Societies, the American Philosophical Society, and the Medieval Institute of the University of Notre Dame. Professor Murray's research focuses primarily on the urban and economic history of the Low Countries in the later Middle Ages, especially the history of Bruges.

06.6.27.03 DEPARTMENT HEAD REAPPOINTMENT

It is recommended that the Board of Trustees approve the reappointment of Timothy J. Hodges as Department Head of the Department of Mathematical Sciences in the McMicken College of Arts and Sciences effective September 1, 2006, through August 31, 2010.

The review committee unanimously recommended Dr. Hodges for reappointment. The committee used questionnaires to survey faculty, graduate students, and staff. The survey results were very positive with faculty strongly agreeing that Professor Hodges should be reappointed. Professor Hodges received high marks for his leadership in supporting the department's research mission; for serving as a model for faculty in his engagement in scholarship, teaching, and service; for administering the department's day-to-day operations successfully; for administering the department's budget; and for demonstrating fairness and integrity in his decision making.

06.6.27.04 DIVISION CHAIR REAPPOINTMENT

It is recommended that the Board of Trustees approve the reappointment of Darwin R. Church as Division Chair of the Science, Math, and Engineering Division in the Clermont College effective July 1, 2006, through June 30, 2009.

Darwin Church began employment at the University of Cincinnati Clermont College September 1, 1985, as an Instructor in Electrical Engineering and taught in the Electrical Engineering Technology Program. He progressed through the academic ranks of Assistant Professor in 1990, Associate Professor in 1999, and Professor in 2003. He is completing his twenty-first year of employment at UC.

06.6.27.05 HEAD REAPPOINTMENT

It is recommended that the Board of Trustees approve the reappointment of Karen A. Machleit as Head of the Department of Marketing in the College of Business effective September 1, 2006, through August 31, 2009.

Karen Machleit completed her marketing Ph.D. at Michigan State University with support areas in advertising and psychometrics. Her primary research interest is in the area of affective responses in consumption contexts. She has published studies that examine the emotional responses people have to advertising, as well as the feelings that people experience while shopping. She has also studied reactions to the retail store atmosphere, especially reactions to crowded retail environments and the effect of these reactions on shopping satisfaction. Her work has been published in the Journal of Marketing, Journal of Consumer Research, Journal of Consumer Psychology, Psychology & Marketing, Journal of Advertising, Journal of Retailing, Marketing Letters, and the Journal of Business Research, among others. She is a member of the Association for Consumer Research, Society for Consumer Psychology, and the American Marketing Association. Dr. Machleit teaches courses in advertising, marketing research and consumer behavior and teaches a Ph.D. seminar in measurement and path modeling. She has had visiting teaching appointments at ESC-Toulouse, France and Bond University, Queensland, Australia.

06.6.27.06 HEAD REAPPOINTMENT

It is recommended that the Board of Trustees approve the reappointment of Vivek Choudhury as Head of the Department of Information Systems in the College of Business effective September 1, 2007, through August 31, 2010.

Dr. Choudhury has been on the faculty of the Department of Information Systems since 2000 and was appointed as Department Head in September 2003. Prior to this he taught at Florida State University and the University of Pittsburgh. His research interests include: electronic commerce, control of outsourced software development projects, and knowledge management. His publications have appeared in such outlets as Information Systems Research, MIS Quarterly, International Conference on Information Systems, Journal of Small Business Strategy, and Journal of Strategic Information Systems. He is currently a Senior Editor of MIS Quarterly and an Associate Editor of Information Systems Research and of IEEE Transactions on Engineering Management.

06.6.27.07 TENURE APPOINTMENT

It is recommended that the Board of Trustees approve the appointment of Barbara Black as Professor with Tenure in the College of Law effective August 1, 2006.

Barbara Black is a cum laude graduate of Barnard College (1970) and received her J.D. from Columbia Law School in 1973. Upon graduation from law school, she practiced law with two of the nation's most prestigious law firms – Kaye, Scholer, Fierman, Hays & Handler in New York City and then Rogers and Wells in Washington, D.C. She was appointed to the faculty at Pace University School of Law in 1978 and quickly earned a strong national reputation for her scholarship in the corporate, business, and securities law areas. Tenured as an associate professor in 1985 and a full professor since 1987, Professor Black was named the James D. Hopkins Professor of Law in 2003. She is the founder and co-director of Pace's Securities Arbitration Clinic, one of the first clinics to represent small investors in their disputes with broken-dealers, as well as co-director of the Pace Investor Rights Project. Professor Black will also undertake an important responsibility as Director of the Center for Corporate Law.

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

06.6.27.08 TENURE APPOINTMENT

It is recommended that the Board of Trustees approve the appointment of Guy Van Orden as Professor with Tenure of Psychology in the Department of Psychology of the McMicken College of Arts and Sciences effective September 1, 2006.

Guy Van Orden graduated with honors from the University of Oregon in 1979 and received his Ph.D. in Psychology from the University of California San Diego in 1984. Following postdoctoral positions at AT&T Bell Laboratories and University of Colorado Health Sciences Center he joined the Department of Psychology at Arizona State University where for several years he directed the Graduate Program in Cognitive Systems and Behavioral Neuroscience. Since then, Dr. Van Orden has held visiting positions at the University of Amsterdam, University of Connecticut, and Catholic University at Eichstatt, Germany. He has served as guest editor for Ecological Psychology and The Mental Lexicon. He has received a National Institute of Mental Health Individual National Research Service Award, and a FIRST Award and an Independent Scientist Award both from the National Institute of Neurological Disorders and Stroke. He also served as Program Director for the program in Perception, Action & Cognition at the National Science Foundation; on review and advisory panels for the National Science Foundation, U.S. Department of Defense, European Science Foundation, and European Commission; and he is a Fellow of the American Psychologist Association.

06.6.27.09 TENURE APPOINTMENT

It is recommended that the Board of Trustees approve the appointment of Charlotte E. Skinner as Assistant Professor with Tenure in the Mathematics, Physics, and Computer Science Department at the Raymond Walters College effective September 1, 2006.

Professor Skinner began her service with the Raymond Walters College in 1994 as a visiting professor. In 1996 she was appointed as a full time, tenure track faculty member on an instructor line. By 2002, Professor Skinner had achieved tenure as well as appointment to the position of Assistant Professor. During this time Professor Skinner was very active, demonstrating exceptional achievement in teaching, substantial achievement in service and high achievement in professional growth and development. In 2002/03 and 2003/04, Professor Skinner requested and was granted two leaves of absence without pay in order to accompany her husband on his assignment to Singapore. Effective September 2004 Professor Skinner resigned her position anticipating having to spend an additional year in Singapore and then going to Geneva.

06.6.27.10 RECOMMENDATION FOR TENURE AND PROMOTION

It is recommended that the Board of Trustees approve granting of tenure and promotion for faculty effective September 1, 2006, according to the attached list. These recommendations have been approved through the process of progression through the departments, colleges and the Senior Vice President and provost.

From Associate Professor to Professor

McMicken College of Arts and Sciences

Philip Argyres

Physics

Has Tenure

Jintai Ding	Mathematical Sciences	Has Tenure
Annette Hemmings	Education Foundations	Has Tenure
Geoffrey Plank	History	Has Tenure
Anne Runyan	Women's Studies	Has Tenure
Purcell Taylor	Psychology	Has Tenure

From Assistant Professor to Associate Professor

McMicken College of Arts and Sciences

Wendy Eisner	Geography	With Tenure
Laura Nabors	Psychology	With Tenure
Thomas Polger	Philosophy	With Tenure

Clermont College

Tara Rosselot-Durbin	Education	With Tenure
----------------------	-----------	-------------

College of Design, Architecture, Art, and Planning

Nnamdi Elleh	Architecture	With Tenure
--------------	--------------	-------------

College of Education, Criminal Justice, and Human Services

James Koschorek	Educational Studies	With Tenure
Helen Meyer	Curriculum & Instruction	With Tenure

Tenure Only

College of Education, Criminal Justice, and Human Services

Robin Engel, Associate Professor of Criminal Justice
Holly Johnson, Associate Professor of Curriculum and Instruction

**06.6.27.11 EMERITUS STATUS FOR FACULTY MEMBER
AND LIBRARIANS**

It is recommended that the Board of Trustees approve the following emeritus status for the faculty member and librarians listed, effective upon the date of their retirement from the University. The nominations have been reviewed and positively recommended by their faculty colleagues and deans.

Robert K. Conyne, Professor Emeritus of Counseling, College of Education, Criminal Justice, and Human Services

Alice M. Cornell, Associate Senior Librarian Emerita, University Library

Charles W. Groetsch, Professor Emeritus of Mathematical Sciences, McMicken College of Arts and Sciences

Patricia K. Turpening, Senior Librarian Emerita, College of Law Library

L. J. Andrew Villalon, Professor Emeritus of Romance Languages and Literatures, McMicken College of Arts and Sciences

**06.6.27.12 CHANGE IN MASTERS AND DOCTORAL DEGREE
DESIGNATIONS, EDUCATIONAL FOUNDATIONS
GRADUATE PROGRAMS, COLLEGE OF EDUCATION,
CRIMINAL JUSTICE, AND HUMAN SERVICES**

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

It is recommended that the Board of Trustees approve the proposed name and designation changes in the Educational Studies Graduate Program of the College of Education, Criminal Justice, and Human Services. This is the last step in the multi-stage Ohio Board of Regents program approval process.

The College, the Senior Vice President and Provost for Baccalaureate and Graduate Education, the Interim University Dean of the Graduate School, the University Graduate Council and the University Graduate Faculty have endorsed this change.

The Educational Foundations program is seeking to change the name and designations of the Master of Education (M.Ed.) and Doctor of Education (Ed.D.) degrees to a Master of Art (M.A.) and Doctor of Philosophy (Ph.D.) in Educational Studies. The changes will 1) better represent the educational goals of programs geared toward the preparation of scholars and teachers in cognitive psychology and human development, social and cultural foundations of education, and research methodologies; 2) align the programs with comparable ones in Ohio and across the nation; and 3) enhance graduates' competitiveness in the job market.

**06.6.27.13 GORDON AND HELEN HUGHES TAYLOR CHAIR OF
INTERNAL MEDICINE, DEPARTMENT OF INTERNAL
MEDICINE, COLLEGE OF MEDICINE**

It is recommended that the Board of Trustees approve the appointment of Francis X. McCormack, M.D. as the Gordon and Helen Hughes Taylor Chair of Internal Medicine, Department of Internal Medicine, College of Medicine, effective July 1, 2006.

Dr. McCormack is Professor and Director of the Division of Pulmonary and Critical Care Medicine. He has an active NIH and VA Merit funded research program focused on the role of the alveolar epithelium in innate immunity and pulmonary fibrosis. His clinical interest is interstitial lung disease, especially as it relates to genetic lung disorders such as lymphangioleiomyomatosis. He has published approximately 90 peer reviewed papers, reviews and textbook chapters. He has been the Scientific Director of the Lymphangioleiomyomatosis Foundation since it was founded in 1995. Dr. McCormack is a Career Investigator of the American Lung Association and a member of the American Society for Clinical Investigation.

Documentation to support this recommendation is attached.

06.6.27.14 PROMOTION TO FULL PROFESSOR

It is recommended that the Board of Trustees approve the attached promotion recommendation for the faculty member of the College of Medicine to become effective September 1, 2006.

College of Medicine

From Associate Professor to Professor

W. Sean Davidson

Pathology & Laboratory Medicine Has Tenure

06.6.27.15 CHANGE OF DEPARTMENT NAME TO DEPARTMENT OF ANESTHESIOLOGY, COLLEGE OF MEDICINE

It is recommended that the Department of Anesthesia change its name to the Department of Anesthesiology, College of Medicine, effective March 1, 2006. Documentation to support this recommendation is attached.

06.6.27.16 CHANGE OF DEPARTMENT NAME TO DEPARTMENT OF CELL AND CANCER BIOLOGY, COLLEGE OF MEDICINE

It is recommended that the Department of Cell Biology, Neurobiology & Anatomy change its name to the Department of Cell and Cancer Biology, College of Medicine, effective March 1, 2006. Documentation to support this recommendation is attached.

06.6.27.17 ADDITION OF THE DOCTOR OF PHYSICAL THERAPY DEGREE PROGRAM TO DEPARTMENT OF REHABILITATION SCIENCE, COLLEGE OF ALLIED HEALTH SCIENCES

It is recommended that the Department of Rehabilitation Science add the Program of Doctorate of Physical Therapy (DPT) to the College of Allied Health Sciences, effective June 1, 2006. Documentation to support this recommendation is attached.

Board-Administration Committee Recommendations

06.6.27.18 AMEND RULE 3361:20-41-01, INVESTMENTS: POLICY FOR ADMINISTRATION OF INVESTED FUNDS

Synopsis: Authorize a temporary increase in the endowment spending policy from 5% to 6% for fiscal years 2007 and 2008, and eliminate language related to administrative expenses

As reported to the Board at its May 23rd meeting, the 2006-2007 budget process projected a \$22 million budget gap for fiscal year 2007. A university-wide series of budget briefings identified \$34 million of cost reduction savings, and other strategies to bridge the projected \$22 million budget gap. One of the consensus strategies is to increase the endowment spending policy from 5% to 6% for a two year-period, as a temporary source of bridge funding. It is estimated that a total of \$7,000,000 (\$3,500,000 in fiscal years 2007 and 2008) of general fund expenditures can be cut by temporarily offloading such expenditures to individual restricted endowment funds that can appropriately support such expenditures. The increase to a 6% spending policy is a temporary measure that is not sustainable for the long term. It has been expressly stated throughout the budget process that it is a one-time temporary measure.

It is further recommended that the language regarding administrative expenses shall permanently be removed from the endowment spending policy calculation, because

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

such fees are directly paid by the endowment pool and thus already are reflected in the quarterly unit market values on which the spending policy calculation is based.

In order to implement this temporary budget bridging strategy, it is recommended that University Rule 20-41-01(A)(3) Investments: Policy for invested funds, spending policy, be amended as follows:

The income distribution, ~~before administrative expenses~~, for endowment spending in a fiscal year shall be five per cent times the previous twelve-quarter moving average of unit market value. This formula shall be applied to the twelve quarters ending on December thirty-first prior to the fiscal year in question, so that final budget guidance on available income can be issued. For fiscal years 2007 and 2008, the spending policy will be temporarily increased to 6% times the previous twelve-quarter moving average of unit market value.

06.6.27.19 MODIFICATION OF UNIVERSITY RULE 3361:50-81-16 (A)
COLLEGE OF LAW – SECTION 9. ELIGIBILITY TO
CONTINUE STUDY

This rule states the academic standards for continued eligibility to study in the College of Law and sets forth limited circumstances under which a student who fails to meet the standards may be restored to eligibility. The overall intent of the proposed rule change is to achieve greater fairness in the application of the rule and greater certainty for students about their academic status.

No change is recommended to section 9.01, which requires a student to maintain a 2.0 cumulative average to continue study in the College of Law.

The faculty recommends revision of section 9.02, to the effect that a student whose two-semester average is below a 1.5 is irrevocably ineligible to continue study. This proposed revision acknowledges that a student with a very low grade point average can rarely attain the 2.0 cumulative grade point average required to graduate, and even if the student graduates, he or she is unlikely to pass the bar examination.

The faculty recommends revision of section 9.03, which sets forth the opportunity for a student with a 1.5 or higher cumulative average to request a probationary semester. This revision is recommended to achieve greater fairness for students who are academically ineligible. Under the rule as currently written, the faculty has discretion to restore a student's eligibility upon an evaluation of the total circumstances that led to the student's failure to meet the 2.0 cumulative average standard. Law faculty have recently grown concerned that, in their exercise of this discretion, they were weighing factors unevenly from one individual's case to another in the same year or from year to year. The proposed revision permits a student to remain in law school for a probationary semester upon request without need for the faculty to weigh individual factors.

The recommendation in new section 9.04 states that the student's courses for the probationary semester will be selected from a list approved by the faculty. This plan will prevent a student on probation from electing easier course work in an effort to achieve the cumulative average necessary to return to academic eligibility.

The recommendation in new section 9.05 states that if the student on probation can neither increase the cumulative average to a 2.0 nor achieve a 2.6 for the probationary semester, exclusion from the law school is final.

The final section of the rule is simply re-numbered.

06.6.27.20 OPERS VOLUNTARY RETIREMENT INCENTIVE PLAN

Synopsis: Requesting approval to implement an OPERS retirement incentive plan as permitted under the Ohio Revised Code.

It is recommended that the Board of Trustees authorize Monica Rimai, Interim Senior Vice President Finance & Operations, to approve a Ohio Public Employees Retirement System (OPERS) early retirement incentive plan in substantially the form submitted with this recommendation. The University of Cincinnati was divided into three subordinate employing units in 1997. This incentive plan would apply only to University of Cincinnati who are not University Hospital, Inc. or Hoxworth employees. The retirement incentive plan would be in effect beginning September 1, 2006 with applications taken through September 1, 2007. Under the terms of the plan, the university would purchase for each eligible applicant the lesser of 20% of the participant's total service record or one (1) year of service credit, exclusive of service credit purchased under this incentive plan. For those employees signing up for voluntary retirement by October 31, 2006 with a departure date not later than December 31, 2006, a \$10,000 cash incentive will also be provided.

Implementation of the incentive plan would help to balance the budget, permit attrition management to assist in cost reduction efforts, and lessen the necessity for employee layoffs. It would also ensure the university's compliance with Section 145.297 of the Ohio Revised Code. The law allows Ohio public employers to offer an OPERS retirement incentive on a voluntary basis. If offered, the plan must be in effect for a minimum of one year.

Physical Plant Committee Recommendation

06.6.27.21 ADOPTION OF POLICIES AND COMMITMENTS FOR LOCAL ADMINISTRATION OF CAPITAL FACILITIES PROJECTS

Synopsis: It is recommended that the Board of Trustees adopt certain policies and make commitments required by recent amendments to Revised Code Sections 123.17 and 3345.50 as a condition precedent to certification of the University for local administration of capital facilities project under the Ohio Department of Administration's Local Administration Certification Program.

Prior to 1998, supervision, control, and approval of capital facilities projects in excess of \$400,000 were under the exclusive jurisdiction of the Ohio Department of Administration (DAS). In 1998, the legislature provided statutory authority for DAS to authorize state universities locally to administer such projects on a case by case basis. The university was required to make applications for each project for which local administration authority was sought, provide requested information, and obtain authorization before proceeding. Since that time, the University of Cincinnati has sought and obtained authority to administer locally the construction of all such projects without the participation of DAS. As a result, the University has achieved control over the timing, cost, and management of its projects that could not otherwise have been achieved.

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

In September 2005, the legislature amended Revised Code Sections 123.17 and 3345.50 to authorize and require DAS to provide blanket local administration authority to state universities under the Local Administration Certification Program. A university that obtains Local Administration Certification has blanket authority to administer locally its capital facilities projects without seeking or obtaining authority from DAS on a project by project basis. Obtaining such certification will expedite and simplify the steps necessary to construct capital facilities projects. The University has applied for such certification and satisfied substantially all of the conditions necessary for the award of such certification.

Remaining as a condition precedent to the award of Local Administration Certification to the University is the adoption of a resolution by the Board of Trustees establishing certain policies and making certain commitments on behalf of the University specifically mandated by Revised Code Sections 123.17 and 3345.50 as follows:

1. The Board authorizes University officials to participate in the Local Administration Certification Program and directs University officials to take all necessary steps to accomplish that purpose; and
2. Pursuant to the requirement set forth in R.C. 3345.51(A)(3), the University states its intent to comply with section 153.13 of the Revised Code, policy and procedure guidelines for contract documents established pursuant to section 153.16 of the Revised Code, and all laws that govern the selection of consultants, preparation and approval of contract documents, receipt of bids, and award of contracts with respect to the applicable project; and
3. Pursuant to the requirements set forth in R.C. 123.17(D)(6), the University agrees to indemnify and hold harmless the State and the Ohio Department of Administrative Services for any claim of injury, loss, or damage that results from the University's administration of a capital facilities project pursuant to the Local Administration Certification Program; and
4. Pursuant to the requirement set forth in R.C. 123.17(D)(5), the University will conduct biennial audits of the University's administration of capital facilities projects in accordance R.C. 3345.51(C).

It is, therefore, requested that the Board approve this recommendation and adopt the foregoing enumerated provisions as the policy and binding commitments of the University of Cincinnati.

Finance Committee Recommendations

06.6.27.22 2006-2007 CURRENT FUNDS BUDGET

Synopsis: The 2006-2007 Current Funds Budget is being submitted for approval

WHEREAS appropriate planning and consultation within the University has been accomplished; and

WHEREAS the President is now prepared to present the 2006-2007 budget;

NOW THEREFORE BE IT RESOLVED, that the University of Cincinnati's Current Funds Budget for fiscal year 2006-2007 as described in the accompanying text

and tables, be approved, with authorization for the President to make expenditures within the projected income levels; and

BE IT FURTHER RESOLVED, that the Secretary be instructed to incorporate all support documents into the minutes of the meeting and to file these materials with the official records of this University.

06.6.27.23 2006-2007 ITIE FEE INCREASE

Synopsis: The 2006-2007 ITIE fee increase is being submitted for approval.

At the March 2006 Board of Trustees meeting, an increase to the Uptown Campus ITIE fee was delayed due to the need for further consideration. Now the appropriate planning and consultation within the University has been accomplished through the Student Government and the President's Budget Advisory Committee and an informed decision has been made to proceed; therefore

WHEREAS, this fee increase is to be effective Autumn Quarter 2006 and is in compliance with fee caps contained in State law;

NOW THEREFORE BE IT RESOLVED, that the proposed change contained in the accompanying documents to the IT&IE fee be approved; and

BE IT FURTHER RESOLVED, that the Secretary be instructed to incorporate all support documents into the minutes of the meeting and to file these materials with the official reports of this University.

**06.6.27.24 CAPITAL BUDGET FOR APPROVAL –
FISCAL YEAR 2006-2007**

Synopsis: It is recommended that the Board of Trustees approve the Fiscal Year 2006-2007 Capital Budget

The Capital Budget for Fiscal Year 2006-2007 includes Jefferson Quad for approval and the Medical Sciences Building Rehabilitation Phases 2-5, Raymond Walters College Project, and Morgens/Scioto Life Safety which will be discussed.

A copy of the Capital Budget is attached.

**06.6.27.25 GENERAL RECEIPTS OBLIGATIONS,
UNIVERSITY OF CINCINNATI,
CAPITAL REDUCTION PROJECTS**

Synopsis: It is recommended that the Board of Trustees approve the attached resolution known as Capital Reduction Projects, authorizing the issuance of General Receipts Obligations of the University of Cincinnati not to exceed \$8,500,000.

During FY 2006, it was necessary to defer several major capital projects and reallocate future state capital appropriations previously planned for the long-term deferred projects to the Center for Academic Research Excellence (CARE) and Medical Sciences Building (MSB) Rehabilitation Phases 2-5. In addition, several projects were reduced in scope or deferred on a long term basis in order to realign future project

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

priorities and funding. The purpose of this recommendation is to authorize the issuance of general receipts obligations to finance the costs of capitalizable expenditures with respect to the various projects which have encountered scope reductions, changes in funding sources or were deferred on a long term basis.

Two long-term deferred projects were the Chemical Storage/Library Expansion/Crosley Dock project and the Social and Behavioral Sciences Center project. Previously, the Board approved General Receipts Obligations for \$14,415,421 for Chemical Storage/Library Expansion/Crosley Dock and \$2,354,021 for the Social and Behavioral Sciences Center for short term debt in anticipation of future state capital appropriations. Project capital costs incurred prior to project deferral were \$800,000 and \$3,400,000 respectively and will be funded with debt.

There were projects established within the context of the Campus Master Plan, to provide renovation/landscaping of open space areas within the vicinity of the newly constructed or renovated buildings or around high traffic areas. Most of these projects have been long-term deferred or significantly reduced in scope. The project approvals for these projects were received via the Recommendation for Administrative Approval as the "start up" and/or project amounts were below the level requiring Board approval. The project amounts for these projects, as a group, accumulate to \$3,522,000.

The \$8,500,000 total debt authority is sufficient to fund the \$7,722,000 project costs, debt issuance costs and capitalized interest as appropriate. Average annual net debt service for the amount of the debt to be issued is estimated at \$660,000 beginning FY 2008 and will be repaid over 20 years by undesignated funds.

**06.6.27.26 AMENDING RESOLUTION NO. 05.11.29.12 DECREASING
 THE AUTHORIZATION FOR GENERAL RECEIPTS
 OBLIGATIONS, UNIVERSITY OF CINCINNATI,
 JEFFERSON GRID**

Synopsis: It is recommended that the Board of Trustees approve the attached resolution amending resolution No. 05.11.29.12 decreasing the authorization of the issuance of General Receipts Obligations, University of Cincinnati, Jefferson Grid from not to exceed \$6,950,000 to not to exceed \$3,850,000.

During FY 2006 the Jefferson Grid project was reconsidered and reduced in scope from a project cost of \$6,000,000 to \$3,500,000. The original scope of the Jefferson Grid project focused on streetscape for Champions Avenue and included an underground storm sewer, new curbs, gutters, miscellaneous site work and finish pavers. The project was reduced in scope to provide only the necessary infrastructure required for the area. Construction is expected to be completed by the fall of 2006. The revised scope is being concurrently submitted to the Board for information in the Fiscal Year 2006-2007 Capital Budget.

The purpose of this recommendation is to reduce the authorization of the issuance of general receipts obligations from not to exceed \$6,950,000 to not to exceed \$3,850,000. These obligations would be issued to fund capital project expenditures, such as studies, design, acquisition and construction for the Jefferson Grid project.

The \$3,850,000 total debt authority is sufficient to fund the \$3,500,000 project costs, debt issuance costs and capitalized interest until October 1, 2006. Average annual net debt service for the amount of the debt to be issued is estimated at \$63,000 in FY

2007 and \$290,000 beginning FY 2008 and will be repaid over 20 years by undesignated funds.

06.6.27.27 GENERAL RECEIPTS OBLIGATIONS, UNIVERSITY OF CINCINNATI, REMOVAL OF SAWYER HALL FOR LAND BANK USE

Synopsis: It is recommended that the Board of Trustees approve the attached resolution, known as Removal of Sawyer Hall for Land Bank Use authorizing the issuance of General Receipts Obligations, University of Cincinnati, Sawyer Hall Site Preparation not to exceed \$7,900,000.

The University Board of Trustees approved interim budget authority in the amount of \$10,000,000 for the Sawyer Hall Residence Complex Renovation project on September 27, 2005. During FY 2006 the renovation of Sawyer Hall project was reconsidered and a decision made to demolish the building. As a result the project budget authority of \$10,000,000 can be reduced to \$7,500,000. The Sawyer Hall site will be a land bank for future University use. The demolition of Sawyer Hall is currently underway with site preparation to be completed in summer of 2006. The revised scope of this project is being concurrently submitted to the Board for information in the Fiscal Year 2006-2007 Capital Budget.

Debt approval for this project had not previously been requested as the University was in the process in obtaining a Guaranteed Price Maximum (GMP) relative to the project, in order to enter into a Ground Lease and Lease Agreement for financing purposes. The scope reduction requires the University to finance the project with the issuance of General Receipts Obligations rather than through a Ground Lease/Lease Agreement.

The purpose of this recommendation is to request the authorization of the issuance of general receipts obligations in the amount of \$7,900,000. These obligations would be issued to finance the costs of the site renovation and other preliminary work with respect to the demolition of Sawyer Hall. The \$7,900,000 total debt authority is sufficient to fund the \$7,500,000 demolition costs, including prior design costs of the renovation, debt issuance costs and capitalized interest until June 1, 2006. Average annual net debt service for the amount of the debt to be issued is estimated at \$134,500 for FY 2007 and \$614,000 beginning FY 2008 and will be repaid over 20 years by the Residence Halls Auxiliary Funds.

06.6.27.28 GENERAL RECEIPTS OBLIGATIONS, UNIVERSITY OF CINCINNATI, ZIMMER AUDITORIUM RENOVATION

Synopsis: It is recommended that the Board of Trustees approve the attached resolution, known as Zimmer Auditorium Renovation authorizing the issuance of General Receipts Obligations, University of Cincinnati, Zimmer Auditorium Renovation no to exceed \$1,400,000.

During FY 2006 the Zimmer Auditorium Renovation project was reconsidered and reduced in scope from a project cost of \$9,050,000 to \$3,000,000. Zimmer Auditorium Renovation project was reduced to partial renovation of the auditorium. The project design is in process and scheduled to start construction in the spring of 2007 with completion before the fall quarter of 2007. This project is being concurrently submitted

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

to the Board for information in the Fiscal Year 2006-2007 Capital Budget. The project is funded also with \$1,769,000 existing state and local funds.

Future state appropriations were a funding component for the Zimmer Auditorium Renovation project prior to its reduction in scope. Previously the Board approved General Receipts Obligations for \$8,400,000 for Zimmer Auditorium Renovation. With the reduction in scope, the \$8,400,000 of future state appropriations has been transferred to the Center for Academic Research Excellence (CARE) and Medical Science Building (MSB) Rehabilitation Phases 2-5 projects.

The purpose of this recommendation is to request the authorization of the issuance of general receipts obligations in the amount of \$1,400,000. These obligations would be issued to fund the cost of the renovation work on the Zimmer Auditorium. The \$1,400,000 total debt authority, along with existing state funding, is sufficient to fund the \$3,000,000 project costs, debt issuance costs and capitalized interest until October 1, 2007. Average annual net debt service for the amount of the debt to be issued is estimated at \$45,500 in FY 2008 and \$110,000 beginning FY 2009 and will be repaid over 20 years by undesignated funds.

06.6.27.29 GENERAL RECEIPTS OBLIGATIONS, UNIVERSITY OF CINCINNATI, TEACHERS COLLEGE/DYER PHASE II

Synopsis: It is recommended that the Board of Trustees approve the attached resolution, known as Teachers College/Dyer Phase II, authorizing the issuance of General Receipts Obligations, University of Cincinnati, Teachers College/Dyer Phase II not to exceed \$16,251,994

The purpose of the obligation is to provide short term financing for a portion of the Teachers College/Dyer Phase II project until State Capital Appropriations are received. Under the Board of Regents system of formula capital allocations to each campus, implemented in 1995, it is possible to forecast future biennial allocations of capital from the State. Thus, it is also possible to commence project work locally, and replace interim local financing with State Capital Appropriations and Financing during their regular cycle. This can be very efficient because: 1) it can allow a phased project to be completed in one construction process saving duplicate staging expenses and extra inflation; 2) it can allow the design process to proceed and be ready for the construction phase when the State appropriation is made; and 3) it can allow a project to meet a critical deadline for student and facility use.

The obligations will provide interim short term financing for the Teachers/Dyers Phase II project. This project will continue the major rehabilitation of Teachers College, the Teachers College Addition, and Dyer Hall begun in 1997. Both research and teaching benefit from the rehabilitation of Teachers College/Dyer Hall, which adds optimally designed learning space and accommodates the College of Education's research program. The issuance of these obligations is in anticipation of future State Capital appropriations of \$12,000,000 in the 2009-10 biennium and \$4,251,994 in the 2011-12 biennium. The \$16,251,994 total debt authority, combined with additional state funds, is sufficient to fund the project cost estimated \$20,400,000 and to provide for capitalized interest and debt issuance costs.

Previously, the Board approved General Receipts for \$2,199,953 and \$4,100,000 for the Teachers/Dyers Phase II project. The Teachers College/Dyer Phase II General Receipts Obligations approval herein, will replace the prior debt approval with respect to the Teacher/Dyer Phase II project. This change is necessary as during FY 2006, it

became necessary to defer on a long term basis several major capital projects and to reallocate their future state capital appropriations.

The reallocation of planned State Capital Appropriations is being concurrently submitted to the Board for information within the Fiscal Year 2006-2007 Capital Budget. The Teachers College/Dyer Phase II reallocation process results in reduced interest costs associated with advanced borrowing of future state capital appropriations. This funding reallocation does not increase the amount of the project; the total project amount of \$20,400,000 has previously been approved by the Board.

06.6.27.30 TAFT MEMORIAL FUND

Synopsis: Taft Memorial Fund Budget for 2006-2007

I recommend Board of Trustees approval of the attached Taft Memorial Fund budgetary recommendations for the 2006-2007 fiscal year.

06.6.27.31 AMENDMENT OF THE LEASE TERM AND PAYMENT SCHEDULE FOR LEASE OF TURNER CENTER SPACE LOCATED AT VINE STREET AND DANIELS STREET IN CORRYVILLE

Synopsis: Recommendation to approve the amendment of the payment schedule and the lease term for office space in the renovated Turner Center building from 25 to 32 years.

On March 28, 2006 the Board of Trustees approved a lease of the renovated Turner Center building for multiple uses. Section 5(a) of that lease describes the initial lease term as commencing on the date of the delivery of the project bonds and terminating five years subsequent to the maturity date of the same. Because these bonds were originally projected to have a 20 year maturity, the original recommendation approved by the Board identified the lease term as 25 years. The bonds that will actually issue, however, are scheduled to mature in 27 years, which under Section 5(a) will change the lease term from 25 to 32 years.

The original recommendation also specified that the lease cost would be approximately \$715,000 annually. It would benefit the University to provide for gradually increasing annual rent costs which would average not more than \$715,000 annually, rather than equal payments of rent.

It is recommended that the Board of Trustees approve the amended lease term of 32 years and the payment of unequal rent payments which would average not more than \$715,000 annually for the Turner Center Building.

06.6.27.32 AMENDMENT OF THE LEASE TERM AND PAYMENT SCHEDULE FOR THE STETSON SQUARE OFFICE SPACE LOCATED AT MARTIN LUTHER KING DRIVE AND HIGHLAND STREET

Synopsis: Recommendation to approve the amendment of the payment schedule and the lease term for Stetson Square office space for the College of Medicine from 25 to 32 years.

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

On January 24, 2006 the Board of Trustees approved a lease of Stetson Square office space to reallocate numerous functions from the Medical Sciences Building. Under the terms of the lease, the university will lease approximately 60,000 NSF of office space in this five-story building, along with 200 parking spaces located within a 350 space underground garage. Section 5(a) of that lease describes the initial lease term as commencing on the date of the initial delivery of the project tax exempt bonds and terminating five years subsequent to the maturity date of same. Because these bonds were originally projected to have a 20 year maturity, the original recommendation approved by the Board identified the lease term as 25 years. The bonds that will actually issue, however, are scheduled to mature in 27 years, which under Section 5(a) will change the lease term from 25 to 32 years.

The original recommendation also specified that the lease cost would be approximately \$2.4 million dollars annually. It would benefit the University to provide for gradually increasing annual rent costs which would average not more than \$2.4 million annually, rather than equal payments of rent.

It is recommended that the Board of Trustees approve the amended lease term of 32 years and the payment of unequal rent payments which would average not more than \$2.4 million annually for the Stetson Square office space.

Action Items

Mr. Wyler:

The Board members have been present at the committee meetings held today and have received the recommendations of the Academic and Student Affairs, the Board-Administration, the Physical Plant, and the Finance Committees. The items reviewed and recommended by the Committees are named in the Action Items list at your place.

We would like to vote on all the items here today. May I have a motion to approve all of the items?

Upon motion of Mr. Humes, seconded by Mrs. Heimann, the Board approved the items recommended by the Committees by the following roll call vote:

Recommendation Nos. 06.6.27.01 through 06.6.27.24 and 06.6.27.30

AYE: Mr. Humes, Dr. Bhati, Mr. Wyler, Mr. Niehoff,
Mrs. Heimann, Mr. Barrett, and Ms. Buchanan

NAY: None

ABSENT: Mr. Cox and Mr. Heiman

ABSTAIN: None

Recommendation Nos. 06.6.27.31 and 06.6.27.32

AYE: Dr. Bhati, Mr. Wyler, Mr. Niehoff,
Mrs.Heimann, Mr. Barrett, and Ms. Buchanan

NAY: None

ABSENT: Mr. Cox and Mr. Heiman

ABSTAIN: Mr. Humes

**Recommendation Nos. 06.6.27.25 through 06.6.27.29 and
Recommendation Nos. 06.6.27.31 and 06.6.27.32**

AYE: Mr. Humes, Dr. Bhati, Mr. Wyler,
Mrs.Heimann, Mr. Barrett, and Ms. Buchanan

NAY: None

ABSENT: Mr. Cox and Mr. Heiman

ABSTAIN: Mr. Niehoff

Mr. Wyler:

Thank you very much. All items are approved.

Unfinished and New Business

Mr. Wyler:

Prior to calling on John Cuppoletti and his report, we as a Board and I personally, John, would like to thank you for your service. It has been a pleasure working with you. Your faculty term, I guess, ends at the end of August and this is going to be your last board meeting. On behalf of the Board, I want to thank you for your dedication and your efforts in the last two years. Your contributions to the meetings have been great and if

you come forward here, I have a little present that I need to give to you. This used to be from Tiffany's but we have a budget problem.

Dr. Cuppoletti:

Thank you for your nice words and your cooperation for putting up with me for two years.

Mr. Wyler:

It has been an honor.

Dr. Cupploetti:

Good morning, Mr. Wyler, Members of the Board, President Zimpher and guests. The faculty support, UC|21, and understand that it is important to re-evaluate the budget to provide funds for moving the UC|21 plan and the university's missions forward. UC|21 committees, under Provost Perzigian, are making good progress over the summer in careful prioritization of the academic and research support activities that will help move the university forward in future years.

It will be essential for all members of the university community to continue to engage in productive dialogue as changes are proposed and implemented now and in the future. I believe that a culture of better communication has been developing over the past years and that this will serve as the glue to hold the university together as changes are made.

In closing with my last remarks as Faculty Representative here, I wish success for the aspirations of the university as it attempts to spark a renaissance in the region through reinvention of itself through the UC|21 plan and thank you.

Mr. Wyler:

Thank you, John.

The Alumni Association Report, Bob Dobbs.

Mr. Dobbs:

Thank you, Mr. Wyler. Last month, I mentioned our upcoming Commencement related activities and I wanted to circle back for a quick review. Hundreds of graduating seniors and family members took part in the Annual Bearcat Boathouse bash on the evening before Commencement. It was a great opportunity to do two things, celebrate our newest alumni's accomplishments with their families and show them how the UC Alumni network can help them, starting right now.

The number of our high energy young alumni greeted their newest peers and they were really connecting. The grads could see this vibrant lifelong relationship we are always talking about is for real. The next day, of course, we officially welcomed our newest members of the UC Alumni family. In fact, we sent an impressive young alumni ambassador, Owen Waske, to do the honors at each ceremony and we heard many compliments on his personal welcome message. Owen's main point was simple. Perhaps, the biggest thing separating UC from the universities that are widely considered elite is their level of alumni involvement. Then, he challenged the graduates to set a new example.

Of course, we were just as proud of Commencement speaker, Mike Ullman, who like Owen, is a UC Alumni Association life member. Afterward at the reception tent, the Myer Center, you could see the pride and joy in the faces of the graduates and their families which is the reason we are all here.

We are engaged in a mini fund raising effort to boost the impact of the Demakes Legacy Scholarship program which honors life-long Alumni Association Executive Director, Chris Demakes. We award scholarship monies to about thirty to forty incoming freshmen each year. Lineal descendants of UC Alumni who are also Alumni Association members.

This program helps bring outstanding students to UC and they are truly outstanding, while extending the UC family bond we are all so proud of. Helping thirty to forty families a year is great, doubling or even tripling that continues to be a goal worthy of UC|21. We look forward to welcoming friends of the program to a reception and the Labor Day Fireworks Party at the University House on Sunday, September 3 and on behalf of the Alumni Association, I want to personally thank Dr. Zimpher for her interest and dedication to this wonderful event and for hosting it.

As Monica previously mentioned in her budget comments, your UC Alumni Association is hard at work searching for some spare change in our couches and chairs to meet the new fiscal and academic years with new energy around our mission to serve and represent our current and future alumni in support of their university. I look forward to sharing more good news on that in the fall.

Thank you very much.

Mr. Wyler:

Thanks, Bob.

Before I call on Jim Masterson to give his report, this is Jim's last meeting also. He has been with us three years and he has been a great member of the group. If you will come forward, I can give you a present, too.

Now, we will have the Student Trustee reports. Jim, I think you have one and, maybe, Daisy, you have one too.

Mr. Masterson:

Thank you, Mr. Wyler. I wrote my final report last board meeting but I would just like to reiterate how enthusiastic we are to have Daisy serve as our next Graduate Trustee. She comes to us from Millsaps College, highly recommended by her faculty here at UC because of her service and her scholarship. She is a well published graduate

student and she has served her fellow graduate students as their Chemistry Graduate Student Association President last year and, again, this upcoming year and has served all graduate students, so welcome to Daisy.

Ms. Hamburg:

Thank you, Jim. I am very excited and eager to be serving as a Graduate Student Representative to the Board of Trustees. Jim has done an excellent job over the past few years and I hope I can continue to represent the graduate students as well as he has. He is a tough act to follow so I will do my best.

Let me take a minute to tell you about myself. I am in my third year of graduate studies pursuing my Ph.D. in Analytical Chemistry, under the guidance of Professor Pat Limbach. I received my Bachelor's of Science and Chemistry from Millsaps College in Jackson, Mississippi and, then, moved to Cincinnati to attend graduate school.

There are many things that initially attracted me to UC, including the size of the university, its research potential and the city location itself. These qualities continue to appeal to me as I learn more about the function of administration in a major research university. I guess it may be a bit unusual for a chemist to be interested in how a university operates but, hopefully, I can provide a fresh perspective as UC works towards solidifying its position as one of the top research institutions in the nation.

Some of the goals I have set for myself for this position include representing the ideals of the graduate student body, communicating with the GSGA to impart knowledge about important issues that effect the university, specifically, graduate students, making the graduate student representative to the board of trustees position more well known among the graduate community and, personally, experiencing the leadership of the board of trustees team to learn how successful institutions of higher knowledge are organized and managed.

In closing, I look forward to meeting all of you individually and learning from you over the next two years. Thank you in advance for giving me the opportunity to serve and be a part of this prestigious committee.

Mr. Wyler:

Thank you, Daisy, and welcome again and we look forward to seeing you here for some time.

We have a Student Government report and I want to say to Jerry that he has his red shirt on, his black tie and he told me that he did not let anyone else write his report this week. Is that right, Jerry?

Mr. Tsai:

That is correct.

Mr. Wyler:

Alright, Jerry.

Mr. Tsai:

It may not be as entertaining this month though. Thank you, Mr. Wyler. Good morning to all of you and a quick welcome back to Mr. Furtwengler from Europe and his trip with Honors Plus and, also, a thank you to Ms. Rimai for allowing students and Student Government to be part of the budget process as much as possible and having our insight there, as well.

This past month has been an exciting month, both of great celebration and bittersweet goodbyes with graduation. Four of those graduates were active members of Student Government this past year, one of which was Mr. Andrew Burke, who did not write my speech for me today. I guess I will not be able to boost my self esteem up as much as last month.

We have a couple initiatives that we would like to report on from Student Government, the first of which is one that will better serve the dining and shopping needs of our students, Student Government has taken was is termed as the student savings card and taking it electronic. We have put it on the internet so that you can simply show your UC ID at some of the local establishments on this card to get the discounts that they have. The top quality of this is now we can add new businesses as the year progresses as new businesses show up around Calhoun Street and around the neighborhood.

Those of you who are not students in the room you, too, will be able to apply these discounts if you are faculty and staff members and you show your UC ID's at these different locations as well. You can simply visit the Student Government link on the web site that can be visited by anybody who has inner access to give us complaints or suggestions or compliments or questions through feedback.UC.edu

At the last meeting, I think you will remember that I was mentioning an internship program that Student Government had at the Center for First Year Experience and Learning Communities has set up for first year freshmen and I am pleased to report that we have officially started accepting applications from incoming freshmen as they come through for summer orientation and when they get here in the autumn and start the job, they will happily receive an official uniform, if you will, in the style of a nice white, classy polo and then, also, a legal portfolio so they can get right to business with our Student Government initiatives.

The last initiative that I would like to report on today is something that we are calling BearCAT with a capital CAT which stands for Community Action Team and this program has been diligently worked on by Vice President Jeremy Driscoll and the Director of the Office of University Judicial Affairs, Daniel Cummins, for many months and it is a proactive approach for the students to do our part in creating a sense of place within our community and the surrounding neighborhood.

BearCAT has selected and will strategically place student ambassadors throughout the community to help create and establish a stronger relationship between the students who live in the community and the residents who are their neighbors. We look to conduct community clean-ups in conjunction with the local community groups like CHIA or host block parties to support local businesses, as well as distribute literature to student residents about how to be a friendly and considerate neighbor.

In the end, BearCAT, we hope, will create a true feel of neighborhood and community in an environment where students and residents are able to live, work, and play together. As our student summer continues, Student Government plans to continue, as well, in our efforts to work together with everyone here and the many others around the campus to do our best to serve the students and the university and, as always, move UC forward. Thank you.

Mr. Wyler:

Thank you, Jerry.

Our undergraduate student trustee, Nick Furtwengler. Do you have a report, Nick?

Mr. Furtwengler:

Thank you, Mr. Wyler. Actually, I have a very short report, getting back from a trip to Europe for about six weeks, just a couple of days ago.

Mr. Wyler:

Did you see my daughter over there? She is there someplace.

Mr. Furtwengler:

Lost in Europe, right? Well, after we met. I just have a few quick things to say. One, I really appreciate the openness and the amount of student participation that has been allowed in this budgetary process. I sincerely appreciate it and sincerely appreciate,

and I know many of the students do, how the burden is not just being placed on students and it is really a group effort. Even more so, the burden is being placed on the administration in trying to find new and creative ways and from this meeting I think that was very clear and I think that is something that needs to be acknowledged and really appreciated and used going forward and it sounds like it will be.

Also, there are a few conferences that we are getting started but I will wait until next meeting. We have plenty more to go through so thank you. That is all I have to say for now.

Mr. Wyler:

Thank you, Nick.

On that subject, I have been a member of this board for five years and I am going to go to bed, sleeping a little better tonight based on this budget process that you people have gone through. I have had conversations with other trustees over the last several years and the transparency, the effort massive that you and Monica and your whole staff have done to present this to us and to the entire university to take away the mysteries that Sandy and I have talked a couple of times about how do we read this thing and I thank you for your efforts.

It is very, very important to us and the part that the students have participated in and the entire community, I guess close to 50,000 people that belonged to this university at this point were students, faculty and staff. It is an incredible thing. Thank you very much.

Our last item of business today is that the board will hold an election of officers. Today, we will elect the Chairperson, the Vice Chair and the Secretary. The term of office is for one year or until the next election. May I have a nomination for Chairperson of the Board of Trustees, please.

Mr. Niehoff:

I would like to make a nomination and a recommendation to my fellow trustees of Jeff Wyler to be Chairman of the Board.

Mr. Humes:

The motion is seconded.

Mr. Wyler:

Is there any further discussion?

Hearing none, all of those in favor, signify by saying Aye.

I think Phil gave me the job today to test it out to see whether you guys would vote for me or not.

I need a nomination for Vice Chairperson of the Board.

Mrs. Heimann:

I am delighted to nominate Buck Niehoff as Vice Chairman of the Board of the University of Cincinnati.

Dr. Bhati:

Second.

Mr. Wyler,

That motion is seconded. All those in favor, signify by saying Aye.

Aye.

Mr. Wyler:

Those of you who do not recognize Mr. Niehoff without a bow tie –

May I have a nomination for Secretary of the Board of Trustees, please.

I nominate Dr. Bhati.

Mrs. Heimann:

Second.

Mr. Wyler:

All of those in favor signify by saying Aye.

Aye

Mr. Wyler:

All of those opposed, signify by saying Nay.

Congratulations to all of you who have been elected officers.

We will now call for an Executive Session. There will be no further business conducted at the conclusion of Executive Session.

Our next regular scheduled meeting may be in a different location and it will be on Tuesday, September 26, 2006.

Executive Session

May I have a motion to enter Executive Session for the purpose of preparing for, conducting, or reviewing collective bargaining strategy, conferring with council concerning disputes involving the university and considering the appointment, employment, dismissal discipline promotion/demotion or compensation of public employees or official.

UNIVERSITY OF CINCINNATI
TWO HUNDRED AND SIXTY-FOURTH MEETING OF THE BOARD OF TRUSTEES
JUNE THE TWENTY-SEVENTH TWO THOUSAND AND SIX

Upon motion of Mrs. Heimann, seconded by Dr. Bhati, the Board voted to enter Executive Session by the following roll call vote:

AYE: Mr. Humes, Dr. Bhati, Mr. Wyler, Mr. Niehoff,
Mrs. Heimann, Mr. Barrett and Ms. Buchanan

NAY: None

ABSENT: Mr. Cox and Mr. Heiman

The Board prepared for, conducted, or reviewed collective bargaining strategy; conferred with counsel concerning disputes involving the university; and considered the appointment, employment, dismissal, discipline, promotion/demotion, or compensation of public employees or officials.

Mr. Wyler called for a motion to adjourn the Executive Session.

Upon proper motion and second, the Executive Session adjourned at 11:50 a.m.

Adjournment

JEFFREY L. WYLER, VICE CHAIRPERSON

ANANT R. BHATI, SECRETARY