

**Regular Meeting of the Board of Trustees  
January 24, 2012**

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Regular Meeting of the Board of Trustees

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# UNIVERSITY OF CINCINNATI

## Official Proceedings of the

### Three Hundred and Eleventh Meeting of the Board of Trustees

#### (A Regular Meeting)

January 24, 2012

The Three Hundred and Eleventh Session of the Board of Trustees of the University of Cincinnati was opened at 10:09 a.m. on Tuesday, January 24, 2012, in the Russell C. Myers Alumni Center 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*.

Sandra W. Heimann, Chairperson of the Board of Trustees, presided. Mrs. Heimann asked that roll be called.

**BOARD MEMBERS PRESENT:** C. Francis Barrett, Margaret E. Buchanan, Thomas D. Cassady, Stanley M. Chesley, Sandra W. Heimann, Gary Heiman, Thomas H. Humes, William C. Portman, III, and Robert E. Richardson, Jr.

**BOARD MEMBERS ABSENT:** None

**ALSO PRESENT:** Gregory H. Williams, President;  
Robert F. Ambach, Sr. Vice President for Administration and Finance;  
Santa J. Ono, Senior Vice President for Academic Affairs and Provost;  
Whit Babcock, Director of Athletics;  
William Ball, Interim Vice President for Research;  
Thomas Boat, Vice President for Health Affairs;  
Karen Faaborg, Executive Vice President;

Lawrence J. Johnson, Dean, College of Education, Criminal Justice, and Human Services;  
Mitchell D. McCrate, General Counsel;  
James D. Plummer, Vice President for Finance;  
Robert Probst, Chair for Council of Deans;  
Greg Hand, University of Cincinnati Spokesperson;  
Nick Hertlein, Undergraduate Student Trustee;  
Russell C. Myers, Alumni Representative;  
Otto M. Budig, Foundation Representative;  
Richard Harknett, Faculty Representative;  
Marla Hall, Faculty Representative;  
Dale Schaefer, Faculty Representative;  
Alan Hagerty, Student Representative;  
Susan Stringer, Executive Assistant to the Board of Trustees and Sr. Vice President for Administration and Finance;  
and the public

(Prior to the Board Committee Meetings and the Regular Board Meeting, Chairman Heimann began the proceedings at approximately 8:32 a.m.)

Mrs. Heimann:

I would like to call the meeting to order. Good morning and welcome everyone to our first meeting in 2012.

If you were at our November board meeting, you will recall that Stan Chesley very appropriately suggested, and all of the trustees agreed, that we should honor Carl H. Lindner, Jr. and Stanley M. Kaplan, M.D. for their service to the university with formal board resolutions. Dr. Kaplan's son, Steve, is with us here today. Steve, could you please stand. *(Applause)* Thank you.

*(Chairman Heimann read the below resolution into the record of the board)*

***RESOLUTION IN MEMORY OF STANLEY M. KAPLAN, MD***

*WHEREAS, the Board of Trustees of the University of Cincinnati was saddened to learn of the untimely passing of Stanley M. Kaplan, MD, Emeritus Professor of Psychiatry, and*

*WHEREAS, Dr. Kaplan was a 1944 graduate of the University of Cincinnati McMicken College of Liberal Arts (today known as the McMicken College of Arts and Sciences), a 1946 graduate of the UC College of Medicine and completed a residency in psychiatry at the University of Cincinnati, and*

*WHEREAS, Dr. Kaplan joined the faculty of the College of Medicine in 1954 following additional residency training in psychoanalysis at the Chicago Institute of Psychoanalysis, and*

*WHEREAS, Dr. Kaplan was affiliated with the University of Cincinnati for more than 60 years as a student, resident physician, professor, scientific investigator, clinician, patient advocate, mentor, interim chair of the Department of Psychiatry and significant benefactor of the university, and*

*WHEREAS, Dr. Kaplan and his wife, Mickey, have generously supported the College of Medicine for many years with honor being paid to both by the naming of the Dr. Stanley M. and Mickey Kaplan Endowed Chair in Psychiatry, the Stanley M. Kaplan, MD, Medical Student Essay Contest and the Stanley M. and Mickey Kaplan Reception Hall in the CARE/Crawley Building, and*

*WHEREAS, Dr. Kaplan was a visionary supporter of numerous arts and cultural institutions throughout our community and was honored in 2007*

*as a “Great Living Cincinnatian” by the Cincinnati USA Regional Chamber of Commerce.*

*NOW, THEREFORE, let it be it resolved that the Board of Trustees of the University of Cincinnati, a State University organized under Chapter 3361 of the Ohio Revised Code, commends and expresses its deep appreciation to the family of Stanley M. Kaplan, M.D., for his six decades of dedication to improving the lives and health of generations of Cincinnatians and offers its sincere condolences following his death November 10, 2011.*

*BE IT FURTHER RESOLVED, that this Resolution be spread upon the minutes of said Board and that a certified copy be presented to the family of Stanley M. Kaplan, M.D.*

Mrs. Heimann:

Steve, if you could come forward, it is my pleasure to present you and your family with this resolution. *(Applause)*

It is now my great honor to read the Lindner Resolution into the board record:

***RESOLUTION IN MEMORY OF CARL H. LINDNER, JR.***

*WHEREAS, the University of Cincinnati lost a great friend and steadfast ally with the passing of Carl H. Lindner, Jr. on October 17, 2011, and*

*WHEREAS, Mr. Lindner was a long-standing supporter of this university who had invested through transformative gifts in business, medicine, athletics and other areas, and*

*WHEREAS, the Board of Trustees had only recently renamed our College of Business in his honor to celebrate an extraordinary man and a truly outstanding business leader, and*

*WHEREAS, Mr. Lindner's values, integrity, family focus and incredible history of success are all attributes to which our College of Business, and our university, aspires, and*

*WHEREAS, in the realm of business and finance, Mr. Lindner's accomplishments were a substantial tribute to the potential of the American free enterprise system, and*

*WHEREAS, Mr. Lindner was designated a Great Living Cincinnatian and his civic activities were recognized by honors from many distinguished organizations including the American Academy of Achievement, the Development Corporation for Israel, the Greater Cincinnati Business Hall of Fame, the National Conference of Christians and Jews, the National Council of Boy Scouts of America, the Urban League of Greater Cincinnati and Lighthouse Youth Services as well as numerous honorary degrees.*

*NOW, THEREFORE, let it be it resolved that the Board of Trustees of the University of Cincinnati, a State University organized under Chapter 3361 of the Ohio Revised Code, commends and expresses its appreciation to the family of Carl H. Lindner, Jr. for all of his dedicated efforts on behalf of the American spirit of free enterprise, the University of Cincinnati and the people of this city.*

*BE IT FURTHER RESOLVED, that this Resolution be spread upon the minutes of said Board and that a certified copy be presented to the family of Carl H. Lindner, Jr.*

Thank you. Mr. Lindner's family are all out of town, so unfortunately they couldn't be here this morning.

Now, at this time it is my pleasure to call on President Williams.

President Williams:

Thank you, Chairman Heimann. I, of course, join in the resolutions in recognizing two great individuals who've had such a tremendous impact on this university and this city and, in fact, on this country.

Switching gears here a little bit, I want to welcome everyone. This is our first meeting after the beginning of the year and I want to thank so many of you who traveled to Memphis for the Liberty Bowl. It was a great start to the new year. We had more than 15,000 Bearcat fans in Memphis. We had marked the team's 3rd 10-win season. It was a great turnout. We beat Vanderbilt. It was a great achievement not only athletically, and what was also important and you'll notice in the notes that we have, we won not only our conference, but also the academic award of our conference. We are the only BCS school that won both. It was a rare exception and something that I think we really need to be proud of.

Our football team's success, of course, comes by a very highly efficient way according to Forbes Magazine, where we were ranked #2 on the list of the nation's best football teams for the money. Actually, it turns out that it costs us about \$1.2 million per victory which puts us at #1 among those teams that were listed.

Also related to the Liberty Bowl, and a very special time in many respects, it certainly was a thrill to watch Ralph David Abernathy, IV, run a 90-yard touchdown on a kickoff return. Many of you know that Abernathy is the grandson of the late civil rights leader, Ralph David Abernathy, who was a very close associate with Dr. King. In fact, they were together in Memphis in 1968 when Dr. King was assassinated. There is a great irony that this achievement did take place in Memphis. I had a chance to see young

Abernathy after the game, and I've met him before and I know his father. Most importantly, I was able to meet his grandmother, the wife of Ralph Abernathy, who was at the game. It was interesting for me and for those who are steeped in American history to see the intersection of the time and place of a painful past with a joyful present. It was truly a great moment and a great historic moment. I was pleased the University of Cincinnati was able to play such a significant part in that event.

I also want to thank Trustee Rob Richardson who served as a keynote speaker for UC's West Campus Martin Luther King Day celebration held on January 11<sup>th</sup> at the African-American Cultural and Resource Center. I understand his talk was very inspiring – Rob, thank you for that. Unfortunately, I could not attend myself. I was at the NCAA where I was speaking on inclusion to the NCAA to an audience of about 650 people. Later, I was able to speak to Zion Baptist Church at a Martin Luther King Day Celebration as well. And, of course, many of you know we sponsored a table at the National Underground Railroad Freedom Center at the King Legacy Award Breakfast. So, we've been very busy celebrating these historic times and moments.

This fall during primetime television across the nation, the entire nation watched as a UC graduate and a Presidential Leadership medalist, Cindy Chiang, won "The Amazing Race" along with her fiancé. Cindy is a 2004 graduate and works in brand management at Kraft Foods in Chicago. What is interesting about this is she told reporters that she would use the \$1 million prize to start a charity to help people in need around the world. So, this just wasn't about her, but about how she can reach out.

Of course, we have so many UC students who when they have the time do, in fact, reach out and try to make a difference. Nearly 70 students in what we call Serve Beyond Cincinnati over the break went to work in places like Guatemala, Haiti, Nicaragua, and El Salvador. The University Honors Scholars Program also took students to China and India. In the same vein and the idea of serving, we also had one of our deans who was recognized by the Cincinnati Association receiving their Citizen Award of Excellence. Dean Larry Johnson of the College of Education, Criminal Justice and

Human Services was recognized as “a driving force between a partnership forged between Cincinnatus, the University of Cincinnati, Xavier University and Northern Kentucky to expand Cincinnatus education awards to teachers and schools across the region.” It was also noted that he is a nationwide leader and represents Cincinnatus in a very positive way. Larry, congratulations and thank you very much. *(Applause)*

On the financial front, UC received great news from our bond rating agencies. Both Moody’s and Standard and Poors have improved our ratings to Aa3 and AA- respectively. Bob understands that better than I do, but it’s moving in the right direction and we are always delighted about that because we know that we really try to be very efficient with the resources we have. So, it is really terrific when agencies like Moody’s and Standard and Poors are recognizing the hard work and the fiscal prudence that we are undertaking. We’re pleased about that.

Before I introduce the next report I want to remind everyone that immediately following this meeting we will bid farewell and have a farewell reception for Sandra Heimann. Sandy, of course, has been out board chair for the past two years and has done an absolutely fantastic job. I know that I speak for everyone [when I say] that we’re going to miss her on the board. She has served nine years. It almost sounds kind of like a sentence, Sandy. *(Laughter)* She has served her nine years and she is going on probation. She has, of course, been an absolutely tremendous leader so I hope all of you will be able to stay and join us at the reception.

Now what I’d like to do is turn to a person who always brings exciting news to us and had been a great leader and one of Cincinnati’s great philanthropist himself, Otto Budig, who is going to talk about the update on our Proudly Cincinnati Campaign.

*(Otto Budig, University of Cincinnati Foundation Board Representative, gave the following Foundation Update.)*

Mr. Budig:

Thank you, Mr. President, and thank you for those comments. Good morning everyone and thank you very much for your continued support and collaboration in raising private funds for the University of Cincinnati.

Since our Foundation Chair and Interim President Steve Wilson last briefed the board in November, more than \$27.5 million in private support has been raised, pushing our Proudly Cincinnati campaign total to an astonishing \$867 million through Dec 31<sup>st</sup>.

With 18 months remaining until the conclusion of Proudly Cincinnati campaign, we stand less than \$133 million away from our goal of one billion dollars. This remarkable total reflects the generosity and foresight of alumni, friends, corporations and foundations, faculty, staff and more, and all of us involved in the campaign sincerely appreciate this support. It is our full intention to attain – if not exceed – our campaign goal by the time we reach June 2013.

Turning our attention for a moment to annual support totals, more than \$65.5 million has been raised in the first six months of the current fiscal year that began on July 1<sup>st</sup>. This total puts us approximately \$20 million ahead of the progress we made through the first six months of last fiscal year, which is obviously a significant improvement.

This total includes two major gifts to the Carl H. Lindner College of Business. The first was a \$1 million commitment from John and Gloria Goering that will establish a Family and Private Business certificate in the Linder College of Business through the Goering Center. This new certificate should be available to students beginning later in the year, most likely in the fall.

In addition, the College received a \$5 million gift from Carl Lindner III and his wife Martha through the family's Psalms Foundation, as well as the Great American Insurance Company that will establish of the Carl H. Lindner III Center for Insurance and Risk Management. This is the first program of its kind in Ohio to combine academic

programs, research, and executive-level industry education and outreach, and will yet be another significant asset of differentiation for the University.

These gifts, these major opportunities for us, underscore our belief that there are still several prospects out there capable of making major commitments before the campaign ends. Our primary focus will be to work with President Williams, faculty and development staff to solicit these folks in the next six to twelve months.

While major gifts and the successful conclusion of the Proudly Cincinnati Campaign are the primary short term focus, I'm also pleased to report that planning for the future of UC fundraising beyond Proudly Cincinnati is quickly moving forward.

In previous meetings, I mentioned the Strategic Planning Committee, a group co-chaired by Foundation Trustee Jerry Leamon and Provost Ono to ensure that the University is positioned after the Proudly Cincinnati Campaign to raise at least \$125 million a year while continuing to deepen engagement with alumni and the broader community. Last week, members of the Strategic Planning Committee presented a draft of their work to the UC Foundation Board of Trustees and UC Foundation staff and the Foundation will be reviewing what was presented to them, the feedback and ideas for improvement will be added to the plan in time for another presentation to the Foundation Board in April. Our goal is to have this Strategic Plan approved and in place at the April meeting so at the conclusion of the Proudly Cincinnati campaign there will be a seamless move into this new venture which is strategically as important, if not more important, than Proudly Cincinnati.

I think that's all I have Madame Chairman and Mr. President. Thank you for the opportunity to address the UC Board of Trustees. I'm Otto Budig and I am Proudly Cincinnati.

President Williams:

Thank you, Otto. We appreciate that and we appreciate your leadership and your personal focus here on bringing us over that \$1 billion campaign.

Mr. Budig:

Thank you, sir.

President Williams:

And, we know that you're going to continue a great job and we know also that it takes a lot of time and effort. I was particularly pleased with regards to the discussion about the strategic planning initiative in terms of ongoing. Obviously, in a campaign you don't just stop – there continues to be needs. It was very forward thinking of you and the Foundation Board to develop a strategic plan as to how we were going to be able to raise \$125 million a year ongoing. So, that's important. I attended one of those sessions on Friday where there was that discussion and the enthusiasm and energy in the room to really make sure that we're able to maintain the high level of participation that we've been able to achieve during this campaign is going to be critically important to us. So, again, I thank you and all your colleagues at the Foundation and I know personally that you've played a huge role in this – so thank you very much.

Mr. Budig:

Thank you, sir, thank you.

President Williams:

A new dean in the College-Conservatory of Music, Peter Landgren, is going to make our next presentation. The provost conducted an international search for a new dean for CCM and we're very fortunate to welcome back to campus a CCM alumnus, Peter Landgren. He reported for duty on September 1<sup>st</sup>. Previously he had served as Director of the Conservatory at Baldwin-Wallace College and before that on the faculty of the Peabody Conservatory at John Hopkins University. Anyone who's had a chance to meet Peter knows what a delightful person he is and what a great leader he is going to be. He's certainly hit the ground running. He and his wife, Judith Schonbach, live in a lovely home in North Avondale and they've already hosted fifty people at their home to raise funds for a new resident string quartet at CCM and actually that evening brought in \$300,000. Actually, I wish all the deans could start like that. *(Laughter)* Peter, we're

going to have to patent that. He's also serving on a number of non-profit boards: the Cincinnati Symphony Orchestra, the Cincinnati Opera, and the American Classical Hall of Fame and he's agreed to serve as co-chair of UC's 2012 ArtsWave campaign. Our CCM students have actually dubbed him the silver fox. His hair may be silver, but at least he has more hair than I do. *(Laughter)* Having said that, Dean Peter Landgren, Peter? *(Applause)*

*(Peter Landgren, Dean of the College-Conservatory of Music and Thomas James Kelly Professor of Music, gave the following presentation titled College-Conservatory of Music, Current State and Plans for a Bright Future, utilizing PowerPoint slides. A copy of the presentation is on file in the Office of the Board of Trustees.)*

Dean Landgren:

Thank you, President Williams. It's good to be here speaking with you, Madame Chairman, the Trustees, and those assembled in the back. I'd like to tell you just what I've learned in the past five months as dean. I'll give you a little bit of history of CCM so you can understand the branding of the hyphen – where does the hyphen in the College-Conservatory of Music come from?

I do want to tell you that I consider each day that I come to work at UC a privilege. It's an honor to be working at a school that gave me a career and continues to give me a career. I approach each day meeting with students, faculty, staff and you with a great deal of honor.

Some of you I've had a chance to meet through my short time on campus and also when I interviewed here. I know I met Otto [Budig] through the interview process since he served on the Search Committee and learned very early on that Otto is a very good questioner especially when it comes to business practice and fundraising. It has been a pleasure since then to continue working with Otto. Also, Sandy Heimann, Wym Portman and Tom Humes were part of that interview process and I've gotten a chance to know them since. As recently as Friday I saw Stan Chesley at the CCM Moveable Feast and

Stan implored me not to give a boring PowerPoint presentation. (*Laughter*) So, I told him I would not do that and although I'd turned in my slides already I promised not to give a boring presentation – there are lots of pictures and you will hear from me where CCM is and where we're going.

Just briefly some of the history: 1867 was the start of what we knew as the Cincinnati Conservatory of Music. It was a school that offered voice and piano classes to well bred young women. Besides courses in music they taught social graces, languages, and, of course, posture. (*Laughter*) And, all I can say is “We've come a long way baby.” (*Laughter*) I know when my mother-in-law was a student and then graduate of the Cincinnati Conservatory of Music in the 1930s it was an international school. So it came a long way in those decades. Twenty-one years after the Cincinnati Conservatory started there was much controversy when downtown, right next to Music Hall, another school started – the College of Music. It recruited a well-known faculty and if we think back to the 1930s we know that radio broadcasting and the radio was very much of interest then. Frankly, the College of Music was one of the first schools to offer a program in radio broadcasting and is now CCM's Electronic Media program.

As the Conservatory of Music and the College of Music were organizing, it was in the 1950s that the Conservatory started losing some enrollment. So, in 1955, the two merged and that's how the hyphen was born – the College-Conservatory of Music. Then later on in 1962, CCM became the fourteenth college of the University of Cincinnati. Just to give people a little perspective on dates, in 1962 Peabody's artist faculty member Awadogin Pratt was four years away from being born. He was not born at that point and these students who were in a musical theatre production of *Evita* last year on our campus were not born until the 1990s. So, this is just to give us that perspective and it's something that I remind myself of every day.

The present state of CCM is an incredible complex really similar to the magnitude of the rest of the university. It has changed so much since I was a student brought here because of the excitement of this school back in 1975 from 525 miles away in upstate

New York. The school has transformed itself thanks to a \$93 million expansion and renovation project that created the CCM Village. And the success of the facilities and because of the faculty, the staff, and students is truly envious in the nation and beyond. We have nationally ranked graduate programs in conducting, opera and voice and while there isn't an official ranking for musical theatre our musical theatre undergraduate program is known as the nation's leading program in musical theatre if not one of the leading. We have a faculty and staff of 225. I am getting to know them one person at a time. We have over 1250 students and roughly 1900 in the CCM preparatory. The preparatory just started offering some courses and lessons up at UC Blue Ash and I'm very excited about that partnership in that region. We operate with an all funds budget of \$31 million.

I think that one of the things that makes CCM a very proud place to work is in its diversity. We have four distinct divisions starting on the upper right, the Music Division which is some 1000 students which has instrumental, vocal, opera, conducting, music education – really a variety of programs within that one division.

Electronic Media, which again is the outgrowth of the broadcasting major, has some 200 students and offers many courses to students across the university campus and focuses on digital media and video.

Our Dance Program is a small, very boutique program of classical dance, some 50 students right now there are 53 students in the program. We are very proud that 100% of the 2011 graduates got jobs in this profession and thinking of ballet companies around the country it is remarkable that we are able to place 100% of our graduates out into the field. One of the challenges this dance program has is actually keeping them enrolled in school because professional organizations often love to snap them up after their junior internship and they are just so highly sought after.

And, OMDA is the one division that I chose to give two pictures to because OMDA, which is the Division of Opera, Musical Theatre, Drama and Arts Management,

when you put operas and musical theatre productions together and theatre programs you have to have a technical theatre background. I know that Provost Ono and his wife, Wendy, and many of us at Moveable Feast last Friday went through the backstage areas in the costume shops and the wigs and makeup and it is incredible what those people do back there to put on those productions. And, those are student driven work back there. OMDA has some 271 students.

Wanted to give you a little bit of how we select a class. President Williams, I hope you appreciate the branding efforts that I took in putting these slides together with the red and black. (*Laughter*) Looking at how we select a class, right through here is our undergraduate population so in the class that we just brought in this year in 2011 and 2012 we had over 1900 undergraduates apply and we accepted 439 and enrolled 215. So, approximately 11% of the students who apply to CCM end up coming as students. These are highly selective audition and interview processes. Of the graduates, we enroll approximately 19% of our students, and again the musical theatre program, It needs to be reemphasized because of the strength of this program that we end up enrolling 2.5% of the students who apply. Last year 715 students came on this campus or auditioned in other areas of the country for this program and we accepted 30 to get 18 students. It's just remarkable how many people are interested in this program. And, the CCM population (again to show a demographic diversity) is that our students come from 47 states and 39 foreign countries.

I think CCM's path forward and certainly with myself as a new leader, I really approach each day with a great deal of passion and how I can best be an advocate for CCM and CCM's connection of the university and beyond. I think that passion comes from, again, my life as a musician, teacher, and administrator, the fact that I'm an alum of this great school and I'm really passionate about CCM's ability to transform the lives of the students within the school. I reached that passion through a process of listening and learning. CCM taught me a great deal when I was a student here and one of the things they taught me very well was how to listen. I was listening in a musical sense at that time and right now I'm still doing it in the same way, but meeting with faculty one-on-one to

get to know them. Thus far I've met with 52 faculty one-on-one just to talk to them about their history with the school and where they would like to see the school go. I'm learning a great deal from these conversations.

I've met with a good number of our donor community. In my first two months on campus I had three meals, three lunches, by myself. I called it the Caesar salad tour. I really got a chance to go out and meet many, many people. One thing that I heard, especially through the Friends of CCM, which is a great volunteer organization for the school, is that we need to get CCM off the hill. We need to give our students experiences beyond what they are getting already. It's something that we have many, many great partnerships already with Opera Fusion which is between our college and Cincinnati Opera, we have great connections with the symphony, other theatre programs in town, yet we still need to do more. We need to build on the excellence that we have and the way we're looking at it – and I heard this phrase from a new colleague just yesterday – that we're too good not to be better. So, I think it's something that is really driving us forward.

We are starting some classes at UC Blue Ash to offer courses for non music majors this spring and hope to do the same at UC Clermont in either the summer of beginning next fall. Mitchel Livingston and I have found great partnerships together bringing the American Spiritual Ensemble here next month for a performance in Tangeman. We will be giving you some information on that. These are just some of the ways that we have in the short time that I've been here already reached across campus and out into the community. I've worked with many of the deans already to find natural synergies that we have between the colleges of how we can build summer programs and new linkages between our curricula through the year to gain efficiencies and to create new excitement.

I think sustainable excellence is something that I learned pretty early on here because CCM is without a doubt excellent. UC is without a doubt excellent. My challenge as dean, I have found, is how do I sustain that excellence and what is worth

sustaining and what is worth really promoting. CCM has been known as the jewel in the crown but we need to make sure that the infrastructure of the school is strong enough to support the excellence that is going on. I take that job, that part of the job, very seriously. We have a tremendous summer program in Spoleto, Italy. I gave the challenge to the people who run that organization within our school that it needs to be a self-sustaining model because to offer what we need to our students we have a great deal of interest in the school and that's one of them so let's see if that can be self-sustaining.

In communications I think that I'm known among my colleagues as a serial communicator. I'm always talking to students and communicating with faculty to let them know what's going on. I've joined our provost on Twitter. I don't have nearly as many followers as he does, but I've found it's a way to connect with our students, with our alumni, with professional organizations and I think I'm being followed by people on three continents right now. So, it's a great way to get that word out there about the University of Cincinnati and the College-Conservatory of Music. Collaboration is something I've done every day of my life and as a new dean I'm certainly not going to stop doing that.

I think that some of our challenges and opportunities really stem from the wisdom of UC2019. President Williams in his first year here articulated some very clear goals for the university and I'm finding in my first year that some of the benchmarks that UC2019 articulates are exactly the same directions that CCM needs to move. Certainly with our alumni engagement, with myself as an alum of the school, it's a natural connection to bring them back in the fold. And, one thing that I'm sensing is that CCM alumni tend to think of themselves as CCM alumni and not necessarily alumni of the University of Cincinnati and so that is a message that we're trying to get out there to the community. UC2019 also has some very clear diversity goals and one of the ways that I'm seeking to partner with our faculty is that I think we all know the school SCPA in downtown Cincinnati, the School for Creative and Performing Arts, they have reached out to us at CCM because they sense something new in the wind and they are looking at building a stronger curriculum. When you talk to, and I went and talked to some of the students

down there, they said we want to become CCM students and how can we do that. So, I think that we are going to work with some of their funding partners and it's going to help us create more funding opportunities for our school and to see how we can build connections between our two schools. I've always found from creative and performing schools that not everyone wants to major in music or theatre or art. They might want to go off to an Arts & Sciences or an Engineering career with the talents that they've brought. So I think our connection with SCPA might help us in all of our colleges with our diversity goals which are again, very clear and challenging over the next seven years. We also have other partnerships that we're building with Sphinx which is a wonderful arts and music organization out of Detroit which is all made up of African-American and Latino musicians.

Our population and finances has really taken us to a very clear path forward to start a strategic plan. Again, UC2019 has been a great model that we are using as I talk with potential consultants who may be helping us through this plan. All of the consultants that we talk to are really looking at UC2019 as the template that we will use in CCM to model our own path forward.

Population at CCM is a sensitive topic because sensitive just in the fact that we can't all of a sudden decide to enroll another fifty students if we want to bring in more income to the school. I liken the parallels of a school like CCM to a football team in that if we all of a sudden decide to bring eight quarterbacks in in a given year you know that five, if not six of them, are going to be sitting on their hands. We have the same challenges in CCM similar if we are looking to gain efficiencies we can't all of a sudden say that we're not going to have a defensive line because we need that in our CCM parallel as well.

The CCM is one, again, of excellence but it's also a solitary type of work and that solitary type of work naturally builds silos. I showed this slide to a recent faculty meeting at CCM. I got a few titters around the room, but I think people understood what

we were saying that silos are a part of our business, but I think it's a part of our future forward to break those silos down and see how we can do better without them.

I think the Ariel Spring Quartet is a great example of excellence as we move forward and also just as a model of how we are going to work. I hope you all read and I think it was a couple of Sunday's ago that CCM has announced a new resident string quartet. We have a new 3½ year residency for the ensemble and they will be working with our students coaching and also giving performances. Also, I think, the important thing for me besides the artistic qualities that they bring and the excitement along with that is that this showed bringing them on was a different business model for our school because before they set foot on campus we had raised 82% of the money needed to fund their 3½ year residency. A large part of that was done at my wife's and my house a month after our furniture had arrived, but we were able to put on a very clear and passionate message to our donor community. Also a new thing about the path forward is that donor community that's giving to this organization are new donors to CCM; they are donors that used to give to CCM that have fallen out of the fold and we've brought them back in this short amount of time; and it also comes from people who previously given at very low levels and have really stepped up their level of giving exponentially. So, I think, again, we're using this effort in our first five months as a model for other things that we may be adding to the school as time goes on.

I do again want to say to you what a pleasure it is every morning I wake up and start work on my computer, come to work, and interface with you and others. Every day is a listening and certainly a learning opportunity for me. I continually learn every day and am challenged by you and by others. I look forward to working with you, getting to know you better, and certainly will entertain any questions at this point.

Mr. Chesley:

Thank you. I miss your coat and tails that you had on the other night, but to the members of the board and everyone here, that was an amazing evening. The professionalism, the kindness and consideration and the camaraderie – I was embarrassed

to say that I had not been over to the Conservatory for a long time and I can't wait to go back, Susan and I, and we really enjoyed it. My best to you and we welcome you to our community.

Dean Landgren:

Thank you, Stan. It was great to have you and Susan there and anytime you want to come back please let us know – we will treat you well. Anything else? Great. Thank you very much. *(Applause)*

President Williams:

Thank you, Dean Landgren. We know you are going to continue to do a great job at CCM. Madame Chairman, that concludes my report.

Mrs. Heimann.

Thank you, President Williams. Before we start with the committee meetings, I noticed that Dr. Strakowski was back there, but I do see Dr. Boat and I wanted to mention that it was reported on the news today that Cincinnati is among the top five cities in the United States if you want to receive quality and good medical care. And, I think that speaks so well and we should be so proud of the University because we are training those doctors at our College of Medicine and we will continue to do that. Thank you. It's important that if you're going to live and work in Cincinnati to have terrific medical care.

We will now proceed with the committee meetings. The first meeting this morning will be the Governance and Audit Committee followed by the Academic and Student Affairs Committee and finally the Finance and Administration Committee meeting. We will have a brief Executive Session prior to other important business so please stay around after we have our Executive Session. Fran?

### **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 9:15 a.m.; the meetings concluded at 11:10 a.m.

### **THE REGULAR MEETING OF THE BOARD OF TRUSTEES**

The Regular Meeting of the Board of Trustees was convened at 11:10 a.m. and, as noted on the first page (page 139) of these minutes, roll call was taken.

### **Approval of the Minutes from the Regular Meeting of the Board of Trustees**

Mrs. Heimann called for additions, corrections, or deletions to the minutes of the Special Meeting of the Board of Trustees of October 26, 2011 and the Regular Meeting of the Board of Trustees of November 15, 2011. Upon proper motion by Mr. Cassady and seconded by Mr. Chesley, the minutes from the October 26, 2011 meeting were approved with a correction on page 74 to replace:

*“NAY: Mr. Barrett, Mr. Chesley and Mr. Chesley”*

with the below corrected text:

*“NAY: Mr. Barrett, Mr. Chesley and Mr. Heiman”*

and the minutes from the November 15, 2011 meeting 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 and the Finance and Administration

Committee at their respective meetings held on January 24, 2012, prior to the Regular Meeting of the Board of Trustees.

**Academic and Student Affairs Committee Recommendations**

**12.01.24.01      ACADEMIC APPOINTMENTS**

**Synopsis:**            Appointments of Faculty and Academic Administrators

It is recommended that the Board of Trustees approve the academic appointments of faculty identified in the attached document. These recommendations have been approved by the appropriate departments, colleges, and offices of the Vice President for Health Affairs and the Senior Vice President for Academic Affairs and Provost.

**Emeritus/Emerita Appointments**

- |                        |  |
|------------------------|--|
| Sanford Ames, Ph.D.    | Associate Professor Emeritus of Romance Languages<br>McMicken College of Arts & Sciences<br>Effective: September 1, 2011                 |
| Wayne Enstice, Ph.D.   | Professor Emeritus of Art<br>College of Design, Architecture, Art, and Planning<br>Effective: September 1, 2011                          |
| Sanford Kahn, Ph.D.    | Professor Emeritus of Sport Administration<br>College of Education, Criminal Justice, and Human Services<br>Effective: September 1, 2012 |
| Ronald Levin, M.D.     | Associate Professor Emeritus in the of Pediatrics<br>College of Medicine<br>Effective: December 1, 2011                                  |
| Mohammed Matlib, Ph.D. | Professor Emeritus of Pharmacology & Cell Biophysics<br>College of Medicine<br>Effective: September 1, 2012                              |
| John McDonough, M.D.   | Associate Professor Emeritus of Surgery<br>College of Medicine<br>Effective: February 1, 2012  |
| Robert Wilson, Ph.D.   | Professor Emeritus of Counseling<br>College of Education, Criminal Justice, and Human Services<br>Effective: January 1, 2012             |

**Endowed Chair / Professorship Appointments**

- |                      |  |
|----------------------|--|
| Sidney Barton, Ph.D. | John and Gloria Goering Professor in Family and Private<br>Business<br>Carl H. Lindner College of Business<br>Effective: March 1, 2012 through August 14, 2016 |
|----------------------|--|

Shaun Bond, Ph.D.	West Shell Professor of Real Estate Carl H. Lindner College of Business Effective: September 1, 2011 through August 14, 2016
Olivier Rixe, M.D., Ph.D.	John and Gladys Strauss Chair in Cancer Research College of Medicine Effective: January 1, 2012
Gregory Rouan, M.D.	Gordon and Helen Hughes Taylor Chair of Internal Medicine College of Medicine Effective: January 1, 2012 through August 31, 2017
Barbara Tobias, M.D.	Robert and Myfanwy Smith Chair in Family Medicine College of Medicine Effective: October 1, 2011 through August 31, 2018

**12.01.24.02      ADMINISTRATIVE LEAVE**

**Synopsis:**      Request for Administrative Leave in 2012

It is recommended that the Board of Trustees approve an administrative leave for Daniel J. Acosta Jr., PhD, former Dean of the James L. Winkle College of Pharmacy, from January 1, 2012 to December 31, 2012. This leave would follow fifteen years of decanal service and help to facilitate Dr. Acosta's effective return to the faculty.

**12.01.24.03      DEGREE NAME CHANGE**

**Synopsis:**      Degree Name Change in the College of Allied Health Sciences

It is recommended that the Board of Trustees approve the following degree name change in the College of Allied Health Sciences: from Bachelor of Science in Clinical Laboratory Science to Bachelor of Science in Medical Laboratory Science. The proposal has been reviewed and approved by the appropriate authorities.

**12.01.24.04      NEW DEGREE PROGRAM**

**Synopsis:**      New degree program in Clermont College

It is recommended that the Board of Trustees approve the new degree program in Clermont College for an Associate of Applied Science in Health Information Technology. The proposal has been reviewed and approved by the appropriate authorities.

**12.01.24.05      NEW DEPARTMENT**

**Synopsis:**      New department in the College of Arts & Sciences

It is recommended that the Board of Trustees approve a new Department of Journalism in the College of Arts & Sciences. The proposal has been reviewed and approved by the appropriate authorities.

**12.01.24.06 RESOLUTION OF CONGRATULATIONS AND APPRECIATION**

*The Board of Trustees of the University of Cincinnati congratulates the UNIVERSITY OF CINCINNATI FOOTBALL TEAM, COACH BUTCH JONES, his Coaches, Staff, and the entire UC football support family on their outstanding performance and representation of our university.*

*WHEREAS, the UNIVERSITY OF CINCINNATI FOOTBALL TEAM has had a remarkable and noteworthy 2011-2012 football season by winning both the 2011 BIG EAST Conference Championship and the 2011 AUTOZONE LIBERTY BOWL under the leadership of 2011 BIG EAST Conference Coach of the Year BUTCH JONES; and*

*WHEREAS, the UNIVERSITY OF CINCINNATI FOOTBALL TEAM not only performed and achieved on the field but also in the classroom with UC Football being the only NCAA Football Bowl Subdivision program to have won its conference title and its league's academic award in the same year; and*

*WHEREAS, under the leadership of COACH BUTCH JONES and his dedicated staff, the UNIVERSITY OF CINCINNATI FOOTBALL TEAM supported by ATHLETIC DIRECTOR WHIT BABCOCK and the entire Department of Athletics' Coaches and Staff has embodied the spirit of Proudly Cincinnati by being bold, strong, and ambitious as they continue to build a college football tradition and program of national prominence; and*

*WHEREAS, UC football players Isaiah Pead and Derek Wolfe have been named Big East offensive and defensive Players of the Year, and represented our University at the Senior Bowl where Isaiah Pead was named the 2012 Senior Bowl MVP. J. K. Schaffer led the team on the field and in the classroom and earned a 4.0 average for the fall quarter. The leadership shown by these three great leaders together with quarterback Zach Collaros, whose leadership, work ethic, and commitment to the team drove his comeback from injury to lead his team to victory in the Liberty Bowl, was extraordinary; and*

*WHEREAS, the genuine commitment of the UNIVERSITY OF CINCINNATI FOOTBALL TEAM to compete as Cincinnati Bearcats has engaged not only the University of Cincinnati family and Cincinnati community but also Bearcats throughout the world.*

*NOW, THEREFORE, let it be it resolved that the Board of Trustees of the University of Cincinnati, a State University organized under Chapter 3361 of the Ohio Revised Code, commends and expresses its appreciation to the UNIVERSITY OF CINCINNATI FOOTBALL TEAM, COACH BUTCH JONES, his Coaches, Staff and Players, ATHLETIC DIRECTOR WHIT BABCOCK, and the entire Department of Athletics' Coaches and Staff for their outstanding performance and dedicated efforts on behalf of the University of Cincinnati.*

*BE IT FURTHER RESOLVED, that this Resolution be spread upon the minutes of said Board and that a certified copy be presented to the 2011-2012 UNIVERSITY OF CINCINNATI FOOTBALL TEAM, COACH BUTCH JONES, his Coaches and Staff, ATHLETIC DIRECTOR WHIT BABCOCK, and the entire Department of Athletics' Coaches and Staff.*

**Finance and Administration Committee Recommendations**

**12.01.24.07      CARL H. LINDNER III CENTER FOR INSURANCE AND RISK  
MANAGEMENT**

**Synopsis:**      It is recommended that the Board of Trustees approve the name *Carl H. Lindner III Center for Insurance and Risk Management*.

The mission of the Center will be to provide academic programs (major/minor, grad programs and certificates), industry partnerships (speaking events, roundtables, executive education) and research in top tier journals around issues relevant to the insurance and risk management industry.

Carl H. Lindner III will facilitate a \$4M gift from the Psalms Foundation (founded by Carl III and Martha Lindner) and a \$1M gift from American Financial Group to establish this Center. This is a request made in the context of the Lindner College's efforts as part of the Proudly Cincinnati Campaign.

We recommend the Board of Trustees approve the name *Carl H. Lindner III Center for Insurance and Risk Management*.

**212.01.24.08      GENERAL RECEIPTS OBLIGATIONS AUTHORIZATION, CAMPUS  
WIRELESS AND BANDWIDTH EXPANSION**

**Synopsis:**      This recommendation seeks authorization of the Board of Trustees to issue General Receipts Obligations to finance Campus Wireless and Bandwidth Expansion project.

It is recommended that the Board of Trustees approve the attached resolution\* known as General Receipts Obligations, Campus Wireless and Bandwidth Expansion, authorizing the issuance of General Receipts Obligations in an amount not to exceed \$7,250,000. The Campus Wireless and Bandwidth Expansion project will expand wireless coverage to 100% for the Uptown campus, meeting one of the specific goals identified under the core principal of learning, within the UC2019 strategic plan. In addition, the campus connection to the Internet will expand to enable projected Internet bandwidth needs for the next five years. This project was approved at the June 21, 2011 Board meeting within the 2011/2012 Capital Budget. Implementation of the project is underway and is expected to be complete in the spring of 2012.

The \$7,250,000 authorization requested provides debt authority sufficient to fund \$7,000,000 of project costs along with debt issuance costs. Average annual net debt service for the debt to be issued, based on 5% annual interest rate, is estimated at \$1,510,000 beginning in FY13 and will be repaid over 5 years by Information Technologies.

**12.01.24.09      GENERAL RECEIPTS OBLIGATIONS AUTHORIZATION, ROOF  
REPLACEMENTS PHASE 4**

**Synopsis:**      This recommendation seeks authorization of the Board of Trustees to issue General Receipts Obligations to finance phase 4 of Roof Replacements.

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\*Filed in the Office of the Board of Trustees

It is recommended that the Board of Trustees approve the attached resolution\* known as General Receipts Obligations, Roof Replacements Phase 4, authorizing the issuance of General Receipts Obligations in an amount not to exceed \$3,250,000. The current roof structure and parapet at the Health Professions Building (HPB) has been prioritized to be in the greatest need for replacement/improvement, with additional roofs being added as the project budget allows or if other roofs deteriorate to a point requiring reprioritization. The roof will be replaced with roofing material that will add both energy efficiencies and sustainable design qualities to the buildings. The roof life expectancy of this new roof is 20 to 25 years. Each roof replacement project will be approved through the appropriate approval process based on individual project cost. Design for the HPB roof project will begin in the fall of 2011; construction is anticipated to commence in the summer of 2012.

The \$3,250,000 authorization requested provides debt authority sufficient to fund \$3,000,000 of project costs along with debt issuance costs. Average annual net debt service for the debt to be issued, based on 5% annual interest rate, is estimated at \$250,000 beginning in FY13 and will be repaid over 20 years by undesignated funds.

**12.01.24.10 GENERAL RECEIPTS OBLIGATIONS AUTHORIZATION, ENERGY SAVINGS PROJECTS/INITIATIVES PHASE 4**

**Synopsis:** This recommendation seeks authorization of the Board of Trustees to issue General Receipts Obligations to finance phase 4 of the Energy Savings Projects/Initiatives.

It is recommended that the Board of Trustees approve the attached resolution\* known as General Receipts Obligations Authorization, Energy Savings Projects/Initiatives Phase 4, authorizing the issuance of General Receipts Obligations in an amount not to exceed \$4,500,000. The University's Energy Master Plan identifies and prioritizes various projects that will improve efficiencies within existing building systems and/or utility systems serving the campus. These projects are specifically designed to facilitate a reduction in energy use and to facilitate the university's compliance with the requirements of Ohio House Bill 251 and the American College & University Presidents' Climate Commitment, as outlined in the University's Energy Master Plan. Projects included within Phase 4 of Energy Savings Projects/Initiatives include, but are not limited to, a portion of the Rieveschl Hall Lab Renovation Phases 5&6, Reading Campus Air Valve Modifications and Exterior Lighting Modifications. The Rieveschl Hall Lab Renovation Phases 5&6 project was approved at the June 21, 2011 Board meeting within the 2011/2012 Capital Budget. The remaining projects will be approved through the appropriate approval process based on their individual project cost.

The attached resolution provides authorization for the university to issue the general receipt obligations as Qualified Energy Conservation Bonds, or to have such bonds issued for the benefit of the university by a Conduit Issuer, should the economics warrant. The \$4,500,000 authorization requested provides debt authority sufficient to fund \$4,000,000 of project costs along with debt issuance and capitalized interest costs. Average annual net debt service for the debt to be issued, based on 5% annual interest rate, is estimated at \$415,000 beginning in FY14 and will be repaid over 15 years by the Consolidated Utilities Service Center, utilizing the savings achieved as a result of the reduction in energy use.

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\*Filed in the Office of the Board of Trustees

**12.01.24.11      GENERAL      RECEIPTS      OBLIGATIONS      AUTHORIZATION,  
RIEVESCHL LAB RENOVATIONS PHASES 5&6**

**Synopsis:** This recommendation seeks authorization of the Board of Trustees to issue General Receipts Obligations to finance the 5<sup>th</sup> and 6<sup>th</sup> phases of the Rieveschl Lab Renovations project.

It is recommended that the Board of Trustees approve the attached resolution\* known as General Receipts Obligations, Rieveschl Lab Renovation Phases 5&6, authorizing the issuance of General Receipts Obligations in an amount not to exceed \$12,900,000. The Rieveschl Lab Renovations Phases 5&6 project continues the strategic upgrade of the oldest basic science education facilities at the University in order to meet current teaching needs. The project entails the renovation of existing undergraduate teaching and research laboratories on the 600 and 700 levels of Rieveschl Hall for the Department of Biology. This project was approved at the June 21, 2011 Board meeting within the 2011/2012 Capital Budget. Project design will commence in the spring of 2012.

The \$12,900,000 authorization requested provides debt authority sufficient to fund \$12,000,000 of project costs along with debt issuance costs. Average annual net debt service for the debt to be issued, based on 5% annual interest rate, is estimated at \$1,000,000 beginning in FY14 and will be repaid over 20 years by undesignated funds.

**12.01.24.12      AUTHORIZATION TO REFUND OUTSTANDING DEBT**

**Synopsis:** This recommendation seeks authorization of the Board of Trustees to issue General Receipts Obligations to refund/refinance existing outstanding General Receipts Obligations and/or Certificates of Participation.

It is recommended that the Board of Trustees approve the attached resolution\* known as Authorization to Refund Outstanding Debt. This is not a request for new debt authority, but rather authority to issue debt in an amount up to \$175,000,000, to refund/replace existing debt. This authority would allow the university to quickly and responsibly respond to changes in the market place to achieve debt service reductions, manage the debt portfolio or improve the university's cash flow. All refunding actions will be considered after a thorough analysis of market conditions and will be done in accordance with the university debt policy.

The board previously approved refunding authority under various refunding resolutions beginning in 1992. From September 1992 through December 2011, \$851,150,000 of refunding obligations were issued, which achieved debt service reductions exceeding \$34,000,000 and realigned a portion of the university's debt portfolio. The university has \$945,640,000 of outstanding general receipts bonds and \$52,815,000 of outstanding certificates of participation as of January 1, 2012.

**12.01.24.13      AUTHORIZATION TO REFUND OUTSTANDING CERTIFICATES OF  
PARTICIPATION**

**Synopsis:** This recommendation seeks authorization of the Board of Trustees to authorize and direct the execution and delivery of lease agreements in connection with the refinancing of certificates of participation.

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\*Filed in the Office of the Board of Trustees

It is recommended that the Board of Trustees approve the attached resolution\* known as Authorization to Refund Outstanding Certificates of Participation. This is not a request for new debt authority, but rather authorizes the execution and delivery of lease agreements to refinance outstanding certificates of participation. This authority would allow the university to quickly and responsibly respond to changes in the market place to achieve debt service reductions, manage the debt portfolio or improve the university's cash flow. All refunding actions will be considered after a thorough analysis of market conditions and will be done in accordance with the university debt policy.

The board previously approved refunding authority under various refunding resolutions beginning in 1992. From September 1992 through December 2011, \$81,275,000 of refunding certificates of participation were issued, which achieved debt service reductions exceeding \$3,700,000. The university has \$52,815,000 of outstanding certificates of participation as of January 1, 2012.

#### **12.01.24.14 RENEWAL OF PREVIOUSLY AUTHORIZED GENERAL RECEIPTS OBLIGATIONS**

**Synopsis:** This recommendation seeks the authorization of the Board of Trustees to renew previously authorized General Receipts Obligations

It is recommended that the Board of Trustees approve the attached resolution\* known as Renewal of Previously Authorized General Receipts Obligations. This is not a request for new debt authority. This authorization renews the General Receipts Obligations previously authorized by the Board of Trustees, for obligations not yet issued, or were issued in the form of non-permanent short term debt (Bond Anticipation Notes [BANS]). The attached table to the resolution labeled as Exhibit A, details the original authorized amount of general receipt obligations, the authorized debt that has been retired, the obligations issued as of January 1, 2012 and the total authorization requested within this renewal. This renewal of authority is performed annually; the purpose of which is to keep all board members uniformly informed of previously board approved debt for which permanent debt may be issued in the future. The last renewal in the amount of \$279,289,979 was approved on January 25, 2011, recommendation number 11.01.25.06.

The \$253,969,979 authorization being renewed is comprised of \$60,100,000 of obligations that are currently issued and outstanding in the form of BANS which mature in fiscal year 2013, and \$193,869,979 of debt authorized but not yet issued; the majority of which is for the Medical Sciences Building Renovation project.

The university provides a sufficient amount of margin of safety within the authorized amount. The actual amount of debt issued is determined by the project needs and the market conditions at the time of issue.

#### **12.01.24.15 AUTHORIZATION TO EXECUTE NATURAL GAS SERVICE AGREEMENT**

**Synopsis:** This resolution seeks the authorization of the Board of Trustees to execute a natural gas service agreement for a term commencing immediately and extending through June 30, 2016 for a total amount not to exceed \$112,500,000 or approximately \$25,000,000 per year.

In February, 2011 the University learned that its long-time supplier of natural gas, EnergyUSA-TPC, Inc., ("EUSA") was exiting the natural gas wholesale service business. EUSA would fulfill orders for deliveries scheduled prior to June 30, 2012, the expiration of its service agreement with

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\*Filed in the Office of the Board of Trustees

the University. But, it would be unable to accept new orders. In April, 2011, the University commenced an RFP process conducted by Purchasing Services in consultation with Utilities seeking a successor for EUSA. Pursuant to the RFP, the successful vendor would assume and perform EUSA's obligations under the existing EUSA contract through its expiration. The successful vendor and the University would also negotiate terms for a gas service agreement extending beyond the expiration of the EUSA contract.

Compass Energy Gas Services, LLC, was identified as the successful vendor in the RFP process, and in July, 2011, EUSA, the University, and Compass entered into an Assignment Agreement by which Compass agreed to fulfill all of EUSA's obligations under the existing Natural Gas Service Agreement. The University and Compass have also reached a tentative agreement to enter into a new natural gas service agreement, effective immediately, for a multi-year term expiring June 30, 2016, which is the subject of this recommendation.

During most of the last three years, the high cost of natural gas and relatively low cost of electricity made it most economical for the University to purchase power from the grid, generate supplemental power with its coal fired generation equipment, and only operate its gas fired cogeneration turbines during those hours when the cost of power peaked. However, an analysis conducted by the Office of the Vice President for Finance has concluded, based upon the current historically low price for natural gas (a price which the University might hedge through June 2016 pursuant to the proposed contract with Compass), that the University can avoid approximately \$2,550,000 in annual costs by substantially increasing its use of the gas fired cogeneration turbines and reducing the purchase of coal and electricity. Implementing that strategy will require the purchase of quantities of natural gas in the approximate amount specified in the proposed contract with Compass.

The University has already locked-in its right to purchase natural gas at the hedged price through the remaining term of the EUSA contract. The authorization of the Board of Trustees is now sought for the President or the Sr. VP Administration and Finance to execute the Base Contract for Natural Gas Service Agreement with Compass, as amended and approved by the Office of General Counsel, in order that it may hedge its purchases through the end of its term. A copy of the proposed contract\* is attached as Exhibit A, providing for the purchase of \$112,500,000 of natural gas through June 30, 2016, inclusive of the purchases made through Compass under the assigned EUSA contract, and further incorporating the Standard Terms and Conditions of the North American Energy Standards Board, Inc.

**12.01.24.16 LYLE "BUTCH" JONES EMPLOYMENT CONTRACT**

**Synopsis:** It is recommended that the Board approve amendments to the employment contract for Head Football Coach Lyle "Butch" Jones

Since coming to the University in 2009, Head Football Coach Lyle "Butch" Jones has successfully exemplified UC's comprehensive commitment to excellence. This year, Coach Jones returned the Bearcats to the championship ranks, winning the BIG EAST Conference Championship and the Autozone Liberty Bowl. The team finished the year nationally ranked in multiple polls. Coach Jones earned BIG EAST Coach of the Year honors in only his second year. His student-athletes also achieved in the classroom and led the Conference on that front as well, highlighted by a 2.731 team GPA this past quarter. 41 Football Student-Athletes attained a 3.0 GPA or higher.

Coach Jones's current agreement extends until December 31, 2014. If approved by the board of trustees the proposed amended agreement (a copy\* of which is submitted with this recommendation)

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\*Filed in the Office of the Board of Trustees

would extend Coach Jones's appointment by an additional three years to December 31, 2017. In addition to an extension of the term, the agreement increases Coach Jones's guaranteed compensation to \$1,575,000 in the first year and provides for specific increases in each succeeding year. The amendment also provides for an increase to the assistant coach salary pool.

It is recommended that the board of trustees approve the amended employment agreement\* for Coach Jones.

**Comments from Chairman Heimann**

The full Board has been present at the Committee Meetings held today and has received the recommendations of the Academic and Student Affairs and the Finance and Administration Committees. The items reviewed and recommended by the Committees are named in the Action Items list at your place. May I have a motion to approve all of the recommended items?

Upon motion of Robert E. Richardson, seconded by Thomas H. Humes, the Board approved the items recommended by the Committees by the roll call vote.

**Recommendation Nos. 12.01.24.01 through 12.01.24.16**

**AYE:** C. Francis Barrett, Margaret E. Buchanan, Thomas D. Cassady, Stanley M. Chesley, Gary Heiman, Sandra W. Heimann Thomas H. Humes, William C. Portman, III, and Robert E. Richardson, Jr.

**NAY:** None

**ABSENT:** None

**Unfinished Business and New Business**

Mrs. Heimann:

Is there any unfinished business? I will now call for the Board Representative's

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\*Filed in the Office of the Board of Trustees

and Student Trustee's reports. The Alumni Association Report will be the first, Rusty Myers:

**Alumni Association Report**

Mr. Myers:

Madame Chairman, thank you very much. Given the hour and given that we have much more important things on the agenda after the meeting today, I just wanted to highlight two alumni events and items today. The first is the Liberty Bowl. I know we've had dialogue this morning about how proud we are of the football team and Coach Jones and their success this year which I would like to echo. It makes our job as the Alumni Association very easy riding their coattails on our events. But the Liberty Bowl obviously was a national stage for us. We hosted an alumni event prior to the game for about 550 people. It was called Bearcats on Beale Street and it was a sold out event. I think everyone had a wonderful time. We had an event before the game – a barbeque that again was a sold out crowd. I think for everyone who attended it was actually Cincinnati South for the day. We turned the town red and black and we're very proud of the team.

Another highlight I just wanted to note is that we are planning renovations to the UC Alumni Center. I'm proud to report today that we do have a lead donation to kick off our renovations of about \$250,000 which is 20% of what our total budget is for our renovations. I wanted to note that today. Our plans will be to basically renovate and update the Alumni Center's public areas and also our AV capabilities here so we can hold more events and better events. Also, we will do new furniture and hopefully new chairs for this meeting. *(Laughter)*

Mrs. Heimann:

And, a little heat.

Mr. Chesley:

Heat.

Mr. Myers:

Heat's important. I think that Bob is working on that with the gas deal that we just did. *(Laughter)* Again, thank you for your time and I am Rusty Myers and I am proudly Cincinnati.

Mrs. Heimann:

Thank you, Rusty. Unfortunately, our faculty chair, because of the length of the meeting, had to go teach class. So, Marla Hall – you have some remarks?

### **University Faculty Chair Report**

Dr. Hall:

Yes. Thank you, Madame Chair. I would like to read a resolution passed by the Faculty Senate:

*The Faculty Senate of the University of Cincinnati commends SANDRA W. HEIMANN for her outstanding service to the students, faculty and alumni community of the University of Cincinnati.*

*WHEREAS, SANDRA W. HEIMANN in completing her nine-year appointment as a Trustee of the University of Cincinnati showed exemplary dedication to her role as Chair of the Board over two terms, and*

*WHEREAS, MRS. HEIMANN, continuously sought the improvement of opportunities for students and faculty through additional service as a member of the UC Circle of Honor, the Advisory Board of the UC Medical Center Fund, the Board of Directors for UCATS, as well as the Business Task Force Committee of the Honors-PLUS program in the University's Carl H. Lindner College of Business, and*

*WHEREAS, she and her husband Bob Heimann increased directly the research potential of the faculty with an endowment of a chair at the University in Molecular Science for the study of diseases including Alzheimer's and Juvenile Diabetes, and*

*WHEREAS, she has consistently acknowledged the importance of shared governance and supported decision making involving all stakeholders at the university,*

*NOW, THEREFORE, LET IT BE RESOLVED that the Faculty Senate of the University of Cincinnati commends and expresses its appreciation to SANDRA W. HEIMANN for all of her dedicated efforts on behalf of the University, and while wishing her all the best on her retirement from the Board of Trustees, encourages her to continue to lend her expertise and passion in advancing the University as we move forward in our role as a public research university of the highest standing.*

Passed unanimously on January 12, 2012.

Mrs. Heimann:

Thank you, Marla. *(Applause)* That particular resolution means a great deal to me. As you know, one of the highlights of my nine years has been to get to know the faculty and the deans a lot better than I ever did before. Coming from a business that was operated by a family I learned to have so much respect for shared governance and the way that it can move an organization forward. I have appreciated working with you. Thank you.

Dr. Hall:

Thank you.

Mrs. Heimann:

And now we will have our student trustee reports. Portia Watkins?

### **Graduate Student Trustee Report**

Ms. Watkins:

Thank you, Madame Chair. Good morning all. The graduate student body would like to welcome Dr. Margaret Hanson to the position of Associate Dean of the Graduate School. Dean Hanson comes from the Department of Physics and was deeply involved as an academic advisor and program director. We are excited by Dean Hanson's dedication to student success and look forward to working with her.

The GSGA in collaboration with UC Administration have been making significant strides in the areas of graduate student housing, volunteerism and dependent coverage. GSGA and the Center for Community engagement recently joined forces to pioneer UC's first graduate-dedicated volunteerism platform: Graduates Assisting Public Scholarship.

On Nov 21, the Women's Initiative Network hosted a Brown Bag Lunch Panel entitled "Navigating Graduate School as an African American Woman." I was honored to serve on the panel as the only current graduate student along with Dr. Tayo Banjo, Dr. Leticia Bates and Dr. Brandi Elliott. The panel was well attended and was helpful to many who attended.

This concludes my report.

Mrs. Heimann:

Thank you, Portia. Nick Hertlein?

### **Undergraduate Student Report**

Mr. Hertlein:

Thank you, Madame Chairman. For my report I would briefly like to speak about the topic of student trustee voting rights. Although this topic has surfaced several times

in the last decade, renewed focus from legislators has recently put the issue front and center. As it stands, two legislators have introduced parallel legislation both to the Ohio House of Representatives and the Ohio Senate and the language would, currently as it stands, allow student trustees throughout the state to have both voting rights and executive session privileges.

In response to the recent legislative actions, I have sought out various sources to inform myself on the matter. From UC's general counsel to Mrs. Heimann, I have tried to seek out all points of view. In fact, student trustee voting rights became an hour-long discussion topic on Student Government's recent retreat to Louisville. From these discussions, I think I've effectively gathered both arguments for and against the aforementioned privileges.

Personally, I believe student trustees are well-suited to offer a unique viewpoint to their respective Boards. Although there certainly would be a learning curve for new student in the position, I know there are resources to help with the transition. I am also confident with a bit of training a student would be able to fully participate and contribute to their boards. However, my largest fear is that the student body may have misplaced expectations about the role of student trustees going forward. Unfortunately, even if the proposed legislation does go through, I would still not be a peer representative to the students. Unlike Alan, who is elected by the student body, my appointment would still hold me accountable to the governor and the taxpayers in Ohio. I foresee that in the future this could place in an uncomfortable position of voting contrary to popular student opinion especially on issues like tuition.

Either way, I view my role during this debate as an informational resource for students. I've already spoken with Alan and we're both confident that we can properly inform students of any changes to the current laws as they stand and as they move forward. Thank you and please feel free to offer your views on the issue after the meeting, but not during the reception. *(Laughter)* Thank you.

Mrs. Heimann:

Thank you, Nick. I appreciate that. Alan Hagerty?

### **Student Government Report**

Mr. Hagerty:

Thank you, Madame Heimann.

- Learning
  - The Department of Psychology has adopted a new textbook model turning the cost of books upside down. Instead of almost \$200 per book for Introduction to Psychology, students have the opportunity to pay nothing online for the text along with a suite of study materials. Nearly 6,000 students take the class each year. That's a savings of more than \$1 million dollars each year back into student's pockets. This has also attracted the attention of the University System of Ohio is looking at adopting this program in similar departments across higher education. That is a phenomenal success that we've had putting money back in our student's pockets.
  
- Community
  - Student Government is hosting the Elect Her Conference on Saturday, February 11<sup>th</sup> from 10-4pm at the Stratford Heights Pavilion. Elect Her is nationally organized program by the American Association of University Women that trains women to run for campus-based elective office and promote their leadership abilities. The AAUW recognizes the need to build a greater pipeline of women running for office in order to diminish the long-standing political leadership gender gap. This year's program at UC will be held in conjunction with Xavier University. Special guests include US Congresswoman Jean Schmidt, State Representative Denise Driehaus, and Cincinnati City Councilwoman Yvette Simpson. We look forward to that and it's appropriate with George's mention of Diversity today, too.

- Mission Based Health Care
  - Mitch's Mission along with Student Government and the University of Cincinnati football team will play host to a Second Annual "Playdate with the Bearcats" on Sunday, February 12th from 2-5 p.m. at UC's Campus Recreation and Wellness Center. The fundraiser will benefit pediatric cancer and blood disease patients at the Cincinnati Children's Hospital and send them to, basically, summer camp. It's a phenomenal program, we bring members of the community here and show what we're best at.
  
- Collaboration
  - The Student Government annual winter retreat was held at the University of Louisville as Trustee Hertlein mentioned. It is a direct partnership with their Student Government. A total of 46 students attended including many of our first-year leadership students. It was a great way to share some of common challenges and solutions from student services to academics. That concludes my report.

Mrs. Heimann:

Thank you, Alan. As our last item of business today the board will hold the very important election of officers. Today we will elect a Chairperson, the Vice Chairperson and the Secretary. The term of office is one year or until the next election. May I have a nomination for the Chairperson of the Board of Trustees.

Mr. Humes:

It's my honor to nominate Mr. C. Francis Barrett and the C is very important today to this office. He will, I believe, do a fantastic job for our university and carry on a very, very special tradition of service to the university by his family.

Mrs. Heimann:

Thank you. Is there a second?

Mr. Heiman:

Second.

Mrs. Heimann:

Thank you. All those in favor say “aye”.

Aye: Mrs. Buchanan, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mrs. Heimann,  
Mr. Humes, Mr. Portman, and Mr. Richardson

Mrs. Heimann:

All those opposed? *(There were none.)* Fran Barrett is elected Chairperson of the Board of Trustees of the University of Cincinnati.

Mr. Barrett:

Thank you, Sandy. *(Applause)*

Mrs. Heimann:

Fran, I'd like to be the first to congratulate you and say that for Fran, today is a double special day (if you can say it that way). As he becomes chairman it is also his birthday, so happy birthday. *(Applause)*

I am not going to take Kyle Quinn's lead and have everyone sing though. But Fran, I can attest and witness to the fact that Fran has spent an enormous amount of time at the university learning about its workings and knowing the people and all the issues that we have going forward so we will have a great leader. I wish you much luck and congratulations.

Mr. Barrett:

Sandy, thank you very much. The good news is that it's great news to be able to follow you and succeed you as chairman of the board. The bad news is that it's going to be very difficult to do the job that you did. You've been a tremendous chair for the past

two years and I have thoroughly enjoyed serving as your Vice Chair. All of your accomplishments are just amazing and the test of time will prove what great contributions they've been to the university so it is a real honor for me to succeed me. I hope that I can do the same job that you've done. I'm very honored and pleased that the trustees have confidence to elect me. Thank you very much.

Mrs. Heimann:

Congratulations. Our next item of business is to nominate a Vice Chair of the Board of Trustees. Do I have a nomination?

Mr. Barrett:

I so move, I would like Tom Humes to be my Vice-Chair. I think he will be excellent. His commitment to UC is unparalleled and his dedication will serve us incredibly well. I'm very pleased to nominate Tom as Vice-Chairman.

Mrs. Heimann:

Is there a second?

Mr. Richardson:

Second.

Mrs. Heimann:

Thank you. All those in favor say "aye".

Aye: Mr. Barrett, Mrs. Buchanan, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mrs. Heimann, Mr. Portman and Mr. Richardson

Mrs. Heimann:

All those opposed? (*There were none.*) Tom Humes is elected Vice Chairman of the Board of Trustees.

Mr. Humes:

Thank you.

Mrs. Heimann:

And, Tom certainly has lots of years of experience. *(Laughter)* He along with Fran are alumni, but he also filled in and fulfilled someone else's term and also has his own term. So, when people talk about a 9-year sentence I think Tom will, in total, have...

Mr. Humes:

...thirteen...

Mrs. Heimann:

...thirteen years. Finally, may I have a nomination for Secretary of the Board of Trustees? Stan Chesley?

Mr. Chesley:

It is with a great deal of pleasure that I would like to nominate Robert E. Richardson, Jr. For those of you who may not know, not only is Rob a graduate of our university, but he did some amazing things while he was there. He was a director and founder of the Coalition for Sustainable Communities. Mr. Richardson serves as a construction market executive for the Labor Employees Union. When he was at the university, he established the first college chapter of the NCAAP in the tri-state. He was elected student body president in the spring 2001. Mr. Richardson, in 2002, was awarded the UC Presidential Leadership Medal of Honor of Excellence. Madame Chairman, it is with a great deal of honor that I nominate Rob Richardson to be Secretary of the Board.

Mrs. Heimann:

Do we have a second?

Mr. Cassady:

Second.

Mrs. Heimann:

All those in favor say "aye".

Aye: Mr. Barrett, Mrs. Buchanan, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mrs. Heimann, Mr. Humes and Mr. Portman

Mrs. Heimann:

All those opposed? (*There were none.*) Fran, do you mind if I proceed with the balance of the meeting.

Mr. Barrett:

I'd be honored if you would

Mrs. Heimann:


Is there any other new business? Before we adjourn this morning I'd like to recognize Senior Vice Chancellor Gary Cates who is with us this morning. Gary, would you please stand? (*Applause*) Thank you.

**Adjournment**

Our next regular board meeting will be held here in the Russell C. Myers Alumni Center, on Tuesday, March 27, 2012. Thank you for being here with us today.

There being no further business before the Board, and upon proper motion by Mr. Chesley and seconded by Mr. Portman, the meeting adjourned at 11:30 a.m.

  
C. FRANCIS BARRETT  
CHAIRPERSON

  
ROBERT E. RICHARDSON, JR.  
SECRETARY