

**Regular Meeting of the Board of Trustees
May 22, 2007**

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UNIVERSITY OF CINCINNATI

Official Proceedings of the

Two Hundred and Seventieth Meeting of the Board of Trustees

(A Regular Meeting)

May 22, 2007

The Two Hundred and Seventieth Session of the Board of Trustees of the University of Cincinnati was opened at 10:26 a.m. on Tuesday, May 22, 2007, 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*.

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

BOARD MEMBERS PRESENT:

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

BOARD MEMBERS ABSENT:

None

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;
Monica Rimai, Senior Vice President for
Administration and Finance;

Michael W. Carroll, Vice President of
Development and Alumni Affairs
and President of the UC Foundation;
Sandra J. Degen, Vice President for
Research;
Mitchel D. Livingston, Vice President for
Student Affairs and Services;
James D. Plummer, Vice President for
Finance;
Frederick H. Siff, Vice President and
Chief Information Officer;
Gregory J. Vehr, Vice President for
Governmental Relations and
University Communications;
Mitchell D. McCrate, Interim General
Counsel;
Greg Hand, University of Cincinnati
Spokesperson;
Nick Furtwengler, Undergraduate Student
Trustee;
Robert Dobbs, Alumni Representative;
Stephen Thompson, Alumni Representative;
Robert Faaborg, Faculty Representative;
Ann Welsh, Faculty Representative;
James Radley, Student Representative;
Heather A. Huff, Executive Assistant to the
Board of Trustees & University President;
and the public

(Prior to the Board Committee Meetings and the Regular Board Meeting,
Chairperson Jeffrey L. Wyler began the proceedings at approximately 8:33 a.m.)

Mr. Wyler:

Welcome, everyone. I am observing that we have a new face at the board table this morning. I would like to welcome James Radley, our new Student Government President and Representative to the board. James is a third-year finance and marketing student, he does not have a 4.0, I already asked him that question, but he is doing very well. He was sworn in by President Zimpher on May 11 and he will be our new student government representative. Welcome, James. (Applause)

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And, since we are welcoming a new member to the board, we are sending one off. I would like to thank Jerry Tsai for his service to the board the last year and this is Jerry's last meeting and Jerry, if you will come forward, I would like to present you with a little gift from the Board of Trustees. (Applause) I've had more fun with Jerry than I could ever imagine to tell you. This guy is going to be a great representative for the University of Cincinnati for the next fifty-five or sixty years.

I would now like to call on the Vice Chairman of the board, Mr. H.C. Buck Niehoff, who will introduce a special guest.

Mr. Niehoff:

Thank you, Mr. Chairman. As many of you probably know, the university has a rich history of supporting Habitat for Humanity projects and this year, we had an opportunity to do a very special habitat project for a Katrina victim in the South and the Board of Trustees individually and collectively raised the money to pay for the cost of this special house that was built. The people who organized the project would like to tell us just how special that effort was. So I would like to call upon Paul Knue and Dan Dallmer to give us a few comments about the impact that the University of Cincinnati project had on a community in the rural south. And, we have some students, too.

Mr. Knue:

Good morning. Dan and I and Ebony Bonner and Micha Whitt back here just wanted to come and say thank you personally for what you did. You built a house for Juanita and Lamont a single mother and her blind son in Lanett, Alabama but you did a lot more than that. When we first started, we were going to go to Shreveport, Louisiana to help people who had been displaced by Katrina. Shreveport could not get ready in time for the students and, so, Millard Fuller who founded Habitat for Humanity and then later the Fuller Center for Housing asked us if we could switch to Lanett, Alabama, to the Chattahoochee Valley area. That is Millard's hometown but it also was the home of the textile industry, Westpoint Stevens, Pimpernel, you know those names, and you also know that over the last couple of decades, those jobs have gone overseas. They were

good jobs for a lot of people for a lot of years but then they vanished. With them, went a lot of people's hopes and left a deteriorated community, as you can imagine.

When we got there, when we started this, the Chattahoochee Valley was trying to put together the wherewithal to build four homes in a week. I do not think many people there believed that they could do it. They had talked about it a lot but nothing was coming forward until the University of Cincinnati said we will be there and we will build a house. That was the first one and after that, the pieces started coming together and this community began to believe in itself. Now, there are seven houses up just because you guys said yes.

The street we were on is probably less than a mile long and on it, nine homes were torn down because they were so badly deteriorated and, I think, probably about that many more probably need to go down and two new homes went up. House number one was the University of Cincinnati house and there was a big sign out in front saying that during the week we were there. All week people would drive by and look at the difference in this street and then they would see the sign and they would see us working there and they would just say, thank you, Cincinnati, and they would wave. That felt pretty darn good for us and I hope for you, too. So, we just wanted to say, on behalf of myself, the students that went, and Dan, thank you, Cincinnati. (Applause)

Mr. Dallman:

I am a graduate of the College of Business and I was very proud of my university to stand up and take the lead in building the first of 500 houses in the Chattahoochee Valley. Ebony and Micha were the student leaders for the trip and we did receive a lot of press. They had information packets that I will give to you Mr. Wyler and you can distribute those to the board members and I also believe that the Fuller Center sent you DVD's, but here is an example of what Paul just said. Here is a front page picture of the banner and students standing behind it. This was in a Wednesday paper and we received front page coverage almost daily, so people down there are very appreciative.

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It was not just a one-time shot; there are students that are talking about going back in December. We are going to do a house for the holidays, build a house and they are also talking about going back next spring and, also, the people are talking about going to El Salvador and so I know there is going to be a group of students from UC that will be going to El Salvador. So, this just was not one house, this is going to be several houses over the next several years but the university got the ball rolling and I just want to personally thank the trustees for doing that.

Mr. Whitt:

Hello I am Micha Whitt, I am the president of Serve Beyond Cincinnati, which is a student group here, and we kind of were in charge of facilitating the students to go down and do this work. I really just want to thank you for all of your support, personal and on the university level, and I just want you to know that this has made an extreme impact in the lives of a lot of students. A lot of people really want to get involved in community service and like Dan said, in Alabama again this December and next spring, as well as El Salvador and in Mexico; Serve Beyond Cincinnati is taking three winter trips this year and, at least, three spring break trips next year. So as you can imagine, we would continue to appreciate your support with those trips personally and as a university. And just know that the efforts you put in and your financial contributions are really making a difference in the lives of students in this university and have a really big chance of transforming the students here. I just want you to know that your support is really important and is really making a difference. Thank you.

Ms. Bonner:

I am not actually a student here, but I am the AmeriCorps volunteer person through the Center for Community Engagement and I just wanted to say thank you because it was the first trip that I ever got to go on to building a house or anything like that and it was just a wonderful experience for me. So I just want to thank you all again.

(Applause)

Mr. Niehoff:

Thank you all for doing a great project and we were very honored to be part of it and to help support it. Thank you.

Mr. Wyler:

I am particularly impressed by one of the statements that the young man made about the impact it has made on the lives of students who went down there. And, frankly, that is all we do around here is make an impact on the lives of students and if we were able to help in some way in that area, we are very pleased to do it.

Now, I would like to call on President Nancy Zimpher for her remarks.

Report of the President

President Zimpher:

Thank you, Chairman Wyler. I, too, want to add my congratulations to Mr. Knue and the team for Habitat for Humanity. It was a great privilege this spring while on the speaking tour to be able to say that our students were in Lanett, Alabama doing this kind of work and we have many students who use their spring break to go out and do good and it is just a wonderful, wonderful event. Some of you may know as well that we opened and dedicated our fourth annual Habitat for Humanity House here in uptown Cincinnati. So we continue to do work both here and the south and further south next year; that is just terrific.

I, too, want to welcome James, but you can call me Jay, Radley and it is great to have you Jay. I do think that Jerry Tsai and your Vice President Jeremy were just terrific. One of the things that has been happening over the past several years is that the robust and ambitious agenda of one President and Vice President for Student Government intentionally carries over to the next leadership team and, in this case, Jay and Jared. We tried to keep it in the J's; next year, we are going to the K's or the L's. A year is a very short time to lead. The fact that, already, the President and Vice President have been

briefed by the outgoing President and Vice President is simply to say that the student led agendas which have been many, will be carried forward. So, congratulations to you on your swan song, Jerry, on your way to the President of the United States and welcome to Jay and to Jared. Thank you very much.

This past weekend, as many of you know because you were a participant, was Alumni Weekend. The festivities opened with what we call the MainStreet Stride. This is the second year in which we have inaugurated this ritual. The parade gets longer, but we do need some more by-standers, you know people who watch the parade. As it is, those who participate in the parade become the by-standers but it grows each year and it is a wonderful way to launch Alumni Weekend. We had corporate participants with us as well and our grand marshal which was head football coach, Brian Kelly.

In other good news, we are working swiftly to unwire the UC campus by building an interactive cell phone system and it continues to attract national attention. You can read about us in the May 11 issue of *The Chronical of Higher Education* and since you are not all subscribers, we have provided that article for you.

UC's engineering researchers have grown carbon nanotubes that are the longest in the world, using techniques that could revolutionize manufacturing for certain materials. This project has been supported by the National Science Foundation and the Office of Naval Research. UC professors collaborated with a post-doc researcher and students to develop this technique for creating record-setting molecules. The research has been featured in hundreds of Web sites from Israel to Australia.

UC has been working with its co-partner, the Cincinnati USA Regional Chamber of Commerce and other key partners here in Cincinnati to persuade the Commission on Presidential Debates to hold one of the Presidential Debates here. The Commission did a site visit on May 1 and was very impressed with our facilities but even more impressed with the number of partners that we brought to the table, not only the Chamber, but also Cincinnati Bell, and Duke Energy. You cannot imagine what is required for what

hopefully will be one of the four debates, three presidential and one vice-presidential, November of 2008. We will learn of our competition by October 1 of this year and truly believe this will shine a very bright light on Cincinnati, the University of Cincinnati and our many partners.

Recently the College of Allied Health Sciences marked the grand opening of the Motion Gait Analyses Lab. We all may end up there. This is about studying motion in arms, legs and trunk of us as we walk, stand and perform daily tasks. It is a wonderful renovated space in French Hall and we invite you to come and see what is going on there.

CCM alum Ashley Brown has revived the role of the world's most famous nanny, Mary Poppins, on Broadway and has been nominated for a Drama Desk Award for Outstanding Actress in Musicals, an Outer Critics Circle nomination for best actress and a Drama League nomination for distinguished performance. As *The Enquirer* critic noted, "she's practically perfect in every way." And, so was our recent UC celebration in New York City where we watched the spectacular performance of seniors showcasing their Broadway musical talents and UC even got 5 seconds or so on the *Today Show* during the weather report and the sun was shining.

Evelyn Hess, a professor emeritus in internal medicine, has been honored by the Governor's Advisory Council of the Ohio Chapter of the American College of Physicians by renaming their chapter's Master Teacher Award in her honor.

Thanks to a \$200,000 donation from Jean and Ed Wedbush, the College of Nursing renovated an area to display nursing memorabilia, as well as a place for students to study. We opened the Wedbush Nursing Legacy Center on April 27.

UC also announced two other major gifts recently: a \$10 million gift from UC alums Cathy and Mike Ullman to the School of Design in DAAP and a \$4 million gift from Max and Judi Redlich to support athletics and CCM.

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The lengthy certification process came to a successful conclusion in April for the UC athletics program which received renewed certification from the NCAA. The NCAA has changed the frequency of certification from once every five years to once every ten years. I want to thank Vice President Mitch Livingston for chairing this effort and the wonderful team he collected to do this self-study and review.

We expect to launch a new executive MBA program in Shandong University in China in September of 2008, with our College of Business developing the curriculum and providing the majority of the instruction. If it is approved by the Chinese authorities, which we expect it to be, this will be the first degree program to be offered by UC in China.

And last, but certainly not least, we are encouraged by the recent proposals by state leaders to increase the state's investment in higher education in Ohio. The House Republicans' Budget Proposal for Higher Education, added to the Governor's efforts, initially provides clear evidence that the government leaders in Ohio are recognizing the importance of colleges and universities to the future of the state. So we want to acknowledge both Governor Ted Strickland and Speaker Jon Husted for their leadership in this regard.

Now, and forever after, we are going to feature an enrollment update at our regular Board of Trustees meetings. This is our central business strategy. We have to pay attention and we have to acknowledge immerging trends which are quite remarkable and so, at each meeting, you will have a cameo appearance from the anchor of this initiative, our Associate Vice President for Enrollment Management, Caroline Miller.

(Caroline Miller, Associate Vice President for Enrollment Management, gave the following enrollment update information.)

Dr. Miller:

Thank you, President Zimpher. Board, I am very pleased to tell you that we will present to you a freshman class in the fall that is approximately 13% larger and more academically talented than our most academically talented class that entered last year. The growth is led predominantly by Arts & Sciences and the College of Engineering. Key in this was a strategy that we deployed out of the College of Engineering to try to grow out-of-state engineering students. Last year, we admitted seven out-of-state engineering students. We have increased that to 35 in this in-coming class so I think our pilot is successful.

We have also, in this baccalaureate class, increased the representation of African American students by 12%, Hispanic students by 37%. Notable, as well, is an increase in students choosing to live with us, up 24% over last fall and if the trend continues, 72% of our freshmen will be living with us or with our affiliated housing partners and we all know what that pretends for retention.

Speaking of retention, if the trend that we have developed over this year holds, our freshmen retention rate will be between 82% and 83% so my friends in institutional research tell me and they are the numbers gurus. Registrations for fall quarter are running about 600 ahead of the same time last year. So, the news from enrollment is good. And, we are excited about the group that will be joining us and also, you should know that *The Princeton Review* has picked up the University of Cincinnati in their top 365, a fairly eclectic group of interesting institutions; so that will be announced in August nationally.

One other thing I would like to do. I would like to acknowledge my colleague, Tom Canepa for his efforts in leading undergraduate admissions, his leadership, as well as his representation of the team centrally and in our colleges has made the difference in bringing the class we are about to bring in. So, Tom, thank you.

(Applause)

Mr. Wyler:

Caroline, I have a question from Dr. Bhati.

Dr. Bhati:

What is the graduation rate?

Dr. Miller:

The most recent graduation rate is 52%. That is on a class that had a fairly low first year retention rate so as the strengthened retention rates roll through, we should see the graduation rate respond likewise.

Dr. Bhati:

So, it is getting better than what it was. Thank you.

Mr. Wyler:

Yes, with the retention rates that we are currently getting, the graduation rate will go up significantly, I would guess. Well, a little disappointing news there. That is the second year in a row that the incoming class exceeded mine intellectually. That is a wonderful, wonderful report.

We have four presentations today and I would like to introduce the first of these which is an Assessment of the Performance and Progress of the Health Alliance of Cincinnati. The Joint Operating Agreement of the Health Alliance calls for a periodic assessment of the performance of the Health Alliance. There are four strategic goals outlined in the Joint Operating Agreement to serve as the foundation for such an assessment and the Health Alliance Board has also asked that the assessment look at seven long range goals from the Health Alliance strategic plan.

A special subcommittee of the Health Alliance Governance Committee was appointed to oversee the assessment work and I was asked to represent the University of Cincinnati on that committee. The committee selected the outstanding consulting firm of

the ImPART Group to complete the work. Jim Callanan, the co-founder and principle of that firm, is here today to give us a very concise summary and report of the findings of the performance assessment. Jim –

(Jim Callanan, co-founder and principal of the ImPART Group gave the following presentation on the Assessment of the Performance and Progress of the Health Alliance, 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. Callanan:

Good morning. Thank you all for the opportunity to present the results of our review. As the Chair said, the Joint Operating Agreement that created the Health Alliance calls for periodic reviews and assessments of how they are doing against their stated goals. We found that, in fact, the Health Alliance has performed exceedingly well over the period. We reviewed a period from 1999 through 2006. While the results are different for each of the individual parties, the assessment is to look at how the system has done. And, so, we looked at the system and we would like to present to you the findings.

It was our objective to set up both a subjective and objective review of the assessment of the programs. We looked at four goals, as the Chair stated, in the Joint Operating Agreement but also the Board of the Health Alliance asked us to look at and incorporate in their views seven of the strategic goals that are set out in the 2005 strategic plan. We organized these eleven goals, if you will, into seven major themes. It just made sense to do that. We wanted to do both benchmarking, look at some statistical analysis, comparing both the local markets and nationally how the Health Alliance has done, but also to receive some subjective reviews from people in the community and to understand how they did.

So, we organized seventy-two different structured interviews; we actually sent out requests for over one hundred interviews and seventy-two different individuals agreed to participate in the program. You can see here how it is distributed. We performed this assessment over a 12-week period so there was a significant amount of analysis and data gathered. We used both internal sources as well as external sources. The external sources were to look at how in the market place other hospitals have performed in this market in Cincinnati and how systems around the country have performed and how the Health Alliance performed relative to them.

We prepared a draft report. We went through a series of meetings. As the Chair said, we were directed and provided guidance by a subcommittee of the Governance Committee of the Board of the Health Alliance. That sub-committee was chaired by Phyllis Sewall and there were five members of the Health Alliance Board on that subcommittee. We went through three or four different review processes with them, updated, listened to their suggestions, made adjustments, and then, we prepared a final report which was presented to the Health Alliance Board in March of 2007.

The first goals will look at Community Health Status. In the Joint Operating Agreement it is defined under Community Health Status that we were to have a positive impact on Community Health. That goal was stated in 1999, even earlier in 1996 when the Alliance was put together. Today it is more currently termed Community Benefits because it is easier to measure Community Benefits than it is to look at the Community Health Status where you would have to look at health factors, individual health factors. There are so many variables that would influence that.

The Health Alliance has participated in a number of programs. They are also following the Institute of Medicine recommendations which are not to try to do it by your self but, in fact, to incorporate the entire community and to bring others in and to partner. As the president spoke about partnering, to bring things to the University of Cincinnati, you need to do that in health care, as well. So, it worked well. We participated in emergency room, the Health Alliance has participated in improving patient throughput

through emergency room and ICU expansions. In most Health Alliance hospitals, over twenty-five community programs that provide care, either through clinics or medical health calls, medication assistance and other kinds of clinical programs have been supported by the Health Alliance.

There are over 40+ community groups that work at supporting educational groups and educational programs. The Health Alliance Primary Care system which is an important way to provide access to care throughout the community has now 168 physicians and growing. There have been major facility commitments made – the Drake Center, the Lindner Center for Hope and the West Chester Medical Center to be built will be important.

Management of these efforts: what we have suggested, the recommendation we made was that management of these efforts could be better if they were coordinated through a central office rather than everybody – I have a program, I would like to do this and I would like to do that. So we suggested that they could organize a little bit better and since most of those programs have something to do with clinical care, we suggested that organization might be best handled under the chief medical officer of the Health Alliance.

Additionally, the way it was organized, the Community Health status also included capital investments. We think that it made sense that you had to put capital in the ground for a long time that was really to improve the care and quality and access of care to the community; so those are the capital investments. There have been significant capital investments made. You can see, fairly consistently, that it is over \$100 million except for fiscal year 2005. On the right hand side of the chart, it shows the distribution among the member hospitals. We think it is important to remember that the ability to make both routine and strategic investments has improved over time due to the financial performance of the Health Alliance.

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On this page, we try to look at the cost performance. The goal was stated to be able to manage cost. As you know, in health care, health care is a very capital intensive business and it is also a very labor intensive business. So, costs rise. It is not really practical to think that you will hold costs down. What you want to do is to increase the difference between revenues and costs and as these charts show, the Health Alliance has done well, had a very steady climb and outperformed the other members of the Greater Cincinnati Health Council and it has outperformed them over time. It is important that we are able to do this because we must be able to finance investments in the future. Historically, the Health Alliance had to focus very much on making these results come about and the first five years seem to have worked very well.

The annual compound growth rate for net patient revenues was about 6.4% while other revenues grew by 8% over this same period of time, 8% a year compounded. The expenses they were able to manage and hold at about 5% a year growth over the same period of time. Investments made by the system had the opportunity to impact a greater geographic area of potential patients as well as to impact the different points of care. I think it is important to remember that while the Health Alliance is basically a system of hospitals, it also has a major set of partners called physicians and those physicians provide care in settings other than hospitals. So, the system has to be able to support the physicians in that as well, in order to be effective on a go-forward basis.

Of particular interest to this group would be the monies paid towards education and support of education. Over \$38 million will be provided in education support in fiscal year 2007. This is a 15% growth rate in the period between 2003 and 2007 so this is an area that has grown much faster than even revenues have, but it is important for the Alliance and the system to support the educational activities.

The kinds of monies that these have gone for: unrestricted grants in support of the education mission, payments to reimbursement for time spent in administering residency programs, payments made under cost or deficit agreements that have been set up. For example, to recruit chairs, payments to support the faculty in the Liver

Transplant program and other kinds of areas that these monies have gone for, payments to support indigent care. The University Hospital has continued to increase and provide more indigent care and need support and Health Alliance has provided that. And there, of course, are also payments to the university for services such as security and utilities.

I think a particularly important achievement that has been made and in concert by the university, by the Medical School and the University Hospital has been the establishment of very clear and transparent funds flow relationships between the faculty physicians and the hospital. Your group has done a very good job of understanding and clearly laying out what it is we are paying for and what the expectations are for those services. This has been in our work around the country in academic medical centers. One of the fundamental problems that have inhibited the ability of joint organizations to move forward because one side really does not understand what the other is doing with the money and why it is there and what are we doing with it.

So, there has been a new operating and affiliation agreement signed recently among the parties and this was clearly laid out. Our interviews with faculty and physicians have said it has made them more comfortable. We know it has made the Health Alliance personnel more comfortable and, again, we think that this is the key to being able to grow, recruit and continue to bring the kinds of physician leaders that you want to the community and have them feel comfortable. A particular aspect of the agreement is that there are predictable set of funds laid out so both sides can know what the requirements are for each other. Into the future, I think the agreement goes through, I think it is 2012, but it goes forward in the future but it also lays out that these fundamentals will go forward. Again, this is very important for keeping stability in the organization.

One of the aspects of the Health Alliance that they have worked very hard on is the development of a quality management system. The right hand side says Core Measure Composite Scores. These are the core measures that are put out by the government, saying that these are the kinds of activities that must occur in order to have

quality health care for we, the government, to feel that your institution is providing quality health care. As you can see, everybody has moved up over the 90th percentile, all the members of the organization. So, there has been a lot of attentions spent on that and it has worked out well for people.

They have worked to expand efforts to integrate clinical programs across the system. It is most unreasonable to expect that physicians would want to practice in a large mega group, both faculty physicians and community physicians. The Health Alliance, recognizing that, is not trying to do it. Instead what it would like to do is promote a clinical quality of care that becomes a standard that brings the best practices from each organization and spreads it throughout the organization. And, we are working to do that and I think that will go forward and make sense.

There have been broad-based developments to improve patient satisfaction. They have developed an improved ambulatory care strategy. Again, we just cannot be in a hospital-based organization, we need to reach out and be in the community. They are going to continue to work to improve access to care and they are taking greater responsibility for assurance of a culture of safety across the system. We want those patients and employees to feel safe in our institution.

A key for any health care provider system is to understand how the physicians fit. The Health Alliance has made a number of efforts on these areas, basically in every possible area. The managed care was something that came back consistently, both faculty and community physicians were very pleased to be involved in programs they had not been involved in before and they felt that the reimbursement rates were improving as a result of the organized community strategy.

A number of joint ventures have occurred. The Alliance Primary Care has grown to 168 physicians and, very important and to their benefit, we think, is the fact that it is basically a break-even organization as it shows in the middle now. Typically, around the country, these kinds of primary care organizations are lost leaders. They lose between \$1

million and \$5 million dollars a year, depending on the size of the organization. It has now basically, for the last two years, lost about a half million dollars – while growing the number of physicians coming in. So that is really quite a good achievement and that should continue, of course. We would want that to continue.

They have created stronger, explicit linkages between the residency training programs in APC so that the goal is that graduates in identified specialties will already know community physicians and be able to work with them and build a referral link which, again, is what a university hospital wants, to get the tertiary care that comes to them. We suggested that they should continue or redouble, efforts underway in order to make that referral mechanism even more seamless. It is important that the university physicians are tied into the community and the Health Alliance should help to make that happen.

They have developed an infrastructure and improved process for measuring and managing referrals and they need to leverage the promise of evidence-based care. Those that do the most do it best and we need to be able to communicate that. The specialists at the University Hospital are the specialists in the area. We ought to be able to focus more and bring from the community and also bring the specialists to the community would be helpful and that helps systems benefit in the future.

In terms of market share – basically, over the period of time, the market share has held flat but that really is a very positive statement as it turns out because to have done the financial turn around that we talked about earlier, typically people lose market share because as you know when you are doing a financial turn around, you have to cut services, you have to make decisions about where to invest much more closely than others and in order to be able to maintain the share while fixing the finances is a very positive thing.

In order to improve into the future, we suggested that they probably need more system-wide communication regarding decisions that are made because it is a system and

I am aware of what has happened with the system but because it is a system, you have to make choices. Then when you make a choice, there will be a group of people who are unhappy with that choice. So it is important to communicate why they were made and to hear and to get feedback into building the future so that all parties feel as if they are involved and they will continue to participate.

There have been a number of service breadth and new products service developing kinds of activities that have gone on. The Health Alliance takes an approach that has proven successful around the country and on the basis of that – we are going to work with the individual hospitals and promote those hospitals and their services and try and promote those in the community so that they maintain their own identity.

At the same time, we need to develop best practices for clinical programs and a cancer program is often used as an example and which could be used in this community, a cancer program which could have the involvement of both the specialists, the primary care and the hospitals involved and that it has the name of the Health Alliance so that it feels seamless to people. I come from Boston, possibly if I said any words with “R’s” in them, you would have understood that and the Harvard system works in something called the Partners Health Care. The Partners Health Care does, in fact, do this. It combines; it brands the local hospital members but it also has a system-wide brand so that its geographic pull is better both for the manage care contract but it helps in the clinical quality of care, as well, and the perception of quality care in the community. So, that kind of system branding is important and should continue.

In terms of human capital – The Health Alliance has really done a fine job in terms of reducing the number of vacancies in the system. It has done this two ways, both in terms of educating and recruiting people to come into the system and also working with them and helping them to feel comfortable. For example, an employee in The Health Alliance can easily transfer among and between hospitals if they should want to. So, if someone’s lifestyle changed and they had first been working in a very busy emergency room in a major tertiary hospital and then for whatever reason, their family

situation changes and they would like to go to a community hospital where they can bring their expertise but maybe it is a little less frenetic that has been set up to do and that has worked out to the benefit of The Health Alliance.

Between 2003 and 2006, there were a cumulative total of over 55,000 attendees at educational and development sessions across The Health Alliance. So, they spend a lot of time trying to improve and develop their skills and capabilities of their employees.

Finally, we asked every person that we interviewed, those 72 individuals, do they feel the community or their institution was better off, worse off, or about equal with The Health Alliance. As you can see, most felt they were much better off with the system. Just to say it, when you ask someone directly in these kinds of conversations you tend to get a more positive response unless they are really upset. And, there were some system hospitals that would not speak with us so we do not have them represented.

But I think a key to all of this that was mentioned a number of times and the last thought I would like to leave you with is that the Senior Management Team that has been developed here is really quite experienced. When you combine The Health Alliance Senior Management with the local Hospital Management, you have a team that is very strong, very focused, has demonstrated that they can make a change in the way it operates through the financial package and now is turned and focused toward the marketing side and you have the resources to make that happen. So, we recommended to the board that The Health Alliance had, in fact, met its goals as a system across the way. Thank you.

Mr. Wyler:

Any questions?

Mr. Humes:

A great report but I am a little confused. How can we have such a glowing report, particularly, when you talked about cooperation of expectations and resources and needs,

yet have two of the member institutions taking the steps that they have been taking dealing with the Alliance?

Mr. Callanan:

I believe that is a matter of perspective. From where you stand, things look differently. As a system, the system has improved and has met the goals that were set out for them but some of the individual hospitals felt, for example, that too much of their resources were allocated to the other members. We should have gotten more of those resources back. That was not the agreement under which we came together. Please, I am not a lawyer so I am not trying to take a position here but this is a pressure and a pull that happens in many of these kinds of systems because as I did mention not all the results are equal across the system but this system as a whole has improved. My understanding is that certain of the hospitals felt that they were not getting back as much as they had put in. Too much was being spent in other areas and others at the hospital felt that maybe they were not getting the full attention they were because of where they were located and there might be a better marketing path for them to follow.

Mr. Humes:

What you just said did not show up in any of these charts.

Mr. Callanan:

It did in the detail, sir, we did 172 page report. Our charge was to look at the system not at the individual hospitals. Though, of course, you have to understand the individual hospitals build-up to get to the system.

Mr. Wyler:

Anything else? There was nothing else. Jim, thank you.

President Zimpher:

We have three reports that I think you will find quite interesting and they are quite different. One will be on a newly emerging consortium which, for now, we are calling

“Living Well”. A second report will be on our forthcoming Ten Year Re-accreditation by the Higher Learning Commission of the North Central Association to understand that we have plus or minus 60 different accrediting bodies that at one time or another come to this university on intervals of five to ten years but the umbrella which accesses the continuing work of the university as a whole is that done by the North Central Association and then, thirdly, we will hear an update on the progress made in our FY 2007 budget. So the first discussion will be led by Dr. Craig Vogel from our Department of Design, Art, Architecture, and Planning on behalf of the Living Well Consortium. Craig –

(Craig M. Vogel Professor, Department of Design, Art, Architecture, and Planning gave the following presentation on the “Living Well” Consortium, 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. Vogel:

Good morning. It is a pleasure for me to be here to talk to you today about this exciting new program that we have developed over the last half year. It would be remiss of me not to mention that today I am an individual representing a small army of people who have come together over the last six months that represent a cross section of the university from the highest level to students currently working on the proto-type of the first studio of the consortium and for the many people at P&G from Gil Cloyd down to many representatives at different levels who have worked with us on the P&G side to make this consortium a reality. It represents, as this first slide shows you, in large enough type that all of you can read, which is a baby boomer concession, that we are forming a relationship on a number of levels. One is, we are starting a C6 consortium, which is a new model of interaction between a university and corporations; second, we are looking at a way of creating replicable studios that can go on in a predictable way from IP in economic support; and third, we are developing a consistent mechanism for interdisciplinary teaching and learning. So this falls very comfortable under the

guidelines of UC|21; it puts students first by creating an alternative in complement to co-ops which are individually focused in disciplines. This will be an interdisciplinary complement supported by corporate research in individuals from companies who will work with us. It will support the ability for faculty to work consistently in teams and to get the economic and structural support to enable and to teach in a disciplinary education. It will create a new curriculum structure that will help education at the graduate level, the undergraduate level and we are looking at mechanisms to develop the feeder system that will help us to prepare students to work this way so they do not walk into interdisciplinary for the first time in a studio like this.

And, third, we believe that this will be a whole basis for research on a number of areas but, particularly, my passion since I have come here is this concept of broadening the notion of translational research from the biomedical terms of the broadest constructs of what we do at the university and this recognition of working with companies in a dynamic new way will help to co-brand us as a university leading the area of innovation.

We are unique in that we can bring together the resources of the university as broad and diverse as what we have and currently we enjoy the support of the deans from the four major colleges, represented here, and we are working with the rest of the university as we need to find the complement in all the aspects of the university that may contribute to this. We believe that our research experience, our technical proficiency, our studio capability, along with testing and research facilities that we have here in conjunction with our corporate partners can create a wonderful kind of basis for innovation and change.

So, the University of Cincinnati is unique in this structure and I know because I have had the ability to look at other universities. We are unique in having design and medical school and engineering and business and for Tony anthropology is there and it is amazing to think that ethnic graphic research is perhaps one of the most strongest new tools that is affecting the way new products and services are developed. Centered around

the School of Design with their ability to put together studio constructs, we believe that this mechanism for change is dynamic and unique.

If we put the School of Design in context, we are one of the broadest schools of our type in the United States and in the world and we are also fortunate enough in complement to our diversity within our school of design to have a full college and of other levels of design from planning to fine art and also we have the ability to tap the local design community which per capita is one of the largest in the United States.

The issue that we are looking at, the 50+ population, the statement here is interesting but realize that by 2010, 50% of the women in the United States will be over 50. Congratulations. We also have huge economic resources that this part of the population possesses. Many of that is spent on any number of things in different markets across the economy. It is a \$3 trillion dollar amount so it is significant and it also is driven around lifestyle interest and value, not the latest technology, which differentiates older consumers from younger consumers and for some reason, companies are struggling to deal with this market. One of the reasons is that they are still primarily focused on the 15 to 35.

Since World War II, we have built an economy around serving the needs of young consumers, building their allegiance and hoping that it lasts for a lifetime which most marketers thought dropped off a cliff at 50. We are now seeing that 50 to 100 is the dynamic new market with differentiated needs from younger markets with its buying power and its political power, it forms the most powerful market out there and business schools are just starting to reorient their education and design has been dealing with universal design for quite a while. We believe that this is a market worth focusing on and demands our attention.

So, the range of markets that needs to be served with this new population are enormous and they touch every market sector in the economy and we are looking for companies in the consortium that represent that. Currently, we have in addition to P&G,

General Mills who have agreed to become a member, we have Citigroup and we have Hill-Rom Hillenbrand and those are the three core companies in addition to P&G and we are looking at several others.

So, what we have done is created a non-profit consortium that will sit between the universities and the corporation to serve as a filter mechanism that will take some of the pressure off the processing and become a resource to the university and to the corporations to create the mechanism that we will use to deal with the economic structure and the structuring of the studios and we will, in sense, be a dynamic new open source or connect and develop strategy that works with companies, connected to that non-profit as a university and we will be able to work with leading companies as they understand how to deal with this. We found out recently, P&G in Singapore is as interested in working with us as P&G in Cincinnati. So that shows you this is a multi-national problem and it is a global issue. And, so we will also have, in addition, access to industry experts that complement this and, also, a large resource database of experts in 50+ population that these companies can bring together in their research base of consumers.

We are looking currently at the membership structure. There are two levels that we are looking at and the third to come on board in 2009. The first two are the strategic members which will bring the economic support and the issues and the opportunities with their joining the consortium. The second is associate members who will not be paying to be members but will bring a co-branding or some value that complements what we can do in the university. Currently, LPK has been working with us in branding and identity for the consortium and understanding their research in this area. So they are a natural partner position between the university and P&G; and also AARP has agreed to join us as an associate member. They will bring opportunity and value by joining this membership and we will add to their argument as they add to ours. The third is affiliates who will be partial members and not have the full status as strategic members. That level will come on board in 2009.

The strategic members will get access to the list of benefits that you see here on the right. The important one to think about is the unique IP benefits are meant to get opportunity translational solution into the market place and that is what it was built around.

In addition to the studios, we will be offering conferences in various communication programs to support this within the membership and larger than the membership with national and international conferences scheduled in the next two years and then executive education to help companies bring this back inside and those companies will be on the Board of Directors of the consortium.

The “fuzzy front end” studio process is something we are using. It is a model that I have worked with for over a decade and others here in the university have experimented with it as well. We have three studio formats that we are going to work with – those embedded in the curricula will be able to bring curricula classes working within the programs of business, engineering, design, support from medical school and we also have ability to work with our co-op program to use co-op students and, finally, a graduate faculty research team that can do preliminary research to set up a curricular studio.

So, these will be very intense interdisciplinary engagements, the first one as I said is going on right now for IAMS pet food. You would be surprised to know that 50% of the owners of cats in the United States are over 50 and treat their cats as if they are children and grandchildren. So we are looking at that opportunity as we speak.

The process is a four phase process where we are looking at taking a process developed and shared by many different programs. It is one that I was comfortable with and brought here. We are modifying this to fit into the structure of this consortium and the ten-week modules that our quarters represent.

Lastly, we are going to be looking at the concept of infomatics and as bio-informatics is a significant part of the research in bio-medical research, infomatics for this

area, gathering the insight and data, being able to package it, then analyze it and retrieve insight is something we want to become known for because we think we can both gather information and model it in unique ways in a combination of our research members here, in the faculty, and our visualization capability. We think we can create a unique argument here. This will come on board as it evolves in support of the studios and become its own service as it matures with the consortium.

So, the intellectual property, as I mentioned, tremendous work is being done out of the General Counsel Office and making sure that we create an intellectual property opportunity that allows for us to take our creative capability which we have talked about as naïve innovation of students and put it to work as quickly as possible to get it to companies where we can help them create competitive positions in the market place.

The pricing for this has been based on a mechanism to generate the annual budget of the consortium to support its function and the studios and so we will have start-up capital from both P&G and UC. Luckily, the capital is not coming directly out of any other budget other than existing money that existed; so you are not paying for this, you have already paid for it; thanks to some insight from our upper administration. So our donation to this is already taken care of but in addition to that we will be generating membership fees that will pick up and take over after that initial loan. Then we will have studio projects that are supported with the IP and then a commercial fee if something actually gets to the market. This is a very clean and simple model that gives us the simplest way to get our insights into the market place without a lot of bureaucracy in both development and follow-up.

Our timeline is ambitious but we believe we are on target with that. We will be able to start having several studios over the next year, moving into studios that are even more challenging in scope and as we move potentially to international relationships we have already talked to schools in Hong Kong and Helsinki who are interested in working with us as we expand internationally. So, this is an overview and we are asking for your support. In June, we are coming back and asking for your confirmation and so, we

wanted to bring this to your attention because on June 6 we will have our first meeting of the companies to start this mechanism more formally and we wanted to get your support for that to bring to that meeting. I thank you for the time this morning and, again, I represent a significant number of people, many of them who are in this room and I thank all of them for making this possible.

President Zimpher:

Thank you, Craig. We were going to limit the questioning to those over 50 but we will make exceptions for you Gary.

Mr. Heiman:

One point you brought out, and I want to understand it, you said that the design capability in this community per capita was significant or greater than most. Could you explain that?

Dr. Vogel:

If you look at the density of the design in the city, we have six major design firms that are based on their work with P&G and other large corporations, GE, Kroger, and Federated. That group is about 1200 designers, just in those six firms, 500 people roughly that support design in P&G. Then if you look at the architecture community, the interior design community that just expands from that and so if you look at the size of our city and you compare it per capita to New York, to Chicago, to LA, San Francisco or Boston, in total we are very competitive but per capita it is amazing the number of people given the size of our city. It is one of our best kept secrets. We are a creative city and yet we do not do enough to make that visible. We can give you more statistics to support that. That is why we are considered the sixth biggest branding city in the nation, for instance, and that became clear about two years ago when we had a design management institute conference.

Mr. Heiman:

Thank you.

President Zimpher:

Thank you very, very much.

(Applause)

President Zimpher:

It is very exciting and so by the time we come together in June, we will have launched and we will get further affirmation at that time from the board. Thank you, Jeff. We are on to our second report. I call to the podium Tony Perzigian, Senior Vice President and Provost for Baccalaureate and Graduate Education. As I said before this is the umbrella accreditation process, this is the legalization or vote of confidence that is done in every region of the country by every university that wishes to practice and receive federal funding and on down the line. Tony –

(Anthony J. Perzigian, Senior Vice President and Provost for Baccalaureate and Graduate Education, gave the following presentation on the Ten-Year Re-accreditation by Higher Learning Commission of the North Central Association, 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. Perzigian:

Thank you and my task is to make accreditation exciting for the group and I appreciate this opportunity to brief the board on our upcoming preparations for our next ten-year re-accreditation. Every ten years, the university undergoes a comprehensive review by its accrediting body, the Higher Learning Commission of the North Central Association. HLC/NCA is one of six regional associations that accredits institutions as a whole.

This morning's presentation will also provide us an opportunity to look at specialized accreditation. It applies to a vast array of professional degree programs at UC and, finally, today's presentation will also touch on serious national issues that are swirling around at the accountability movement and they are potentially altering the accreditor institution relationship. These issues are raising considerable concern in the higher education community and I think it would be productive for us to become exposed to those today.

But, first, regarding the essentials of accreditation, I am not sure I can make this exciting, but institutional and specialized professional accreditation are based on a voluntary system, and I want to underscore a voluntary system, of peer review that is conducted by recognized agencies. Its purpose, if you really boil it down, is to ensure accountability to our various publics. The value is simple, it provides a very public certification of acceptable institutional quality and it does provide incentives for institutional improvement. The processes, whether institutional or specialized disciplinary accreditation, are all based on a very critical self-analysis. At the end of the day, we hope there will be institutional improvement, we hope we have input from peer institutions, from colleagues at other institutions to examine us and to give us some guidance to enhance the university in our individual degree programs.

Regarding preparations for the upcoming ten-year re-accreditation, the next two slides show the steps in the process. At the end of this presentation, you will see the membership of a self-study steering committee that is almost complete. It is important to secure the President's support for this and the purpose of today's presentation to secure the board's support, as well. The self-study steering committee will just do that literally, prepare a self-study and it will examine the university's mission, relative to the commission's five criteria. You will see that in one of the bullets, the five criteria and twenty-one core components.

Let me just touch on the five criteria around which the self-study will be designed. One, the organization operates with integrity to insure the fulfillment of its

mission; two, the organization's allocation of resources and its processes for evaluation and planning demonstrate its capacity to fulfill its mission; three, the organization provides evidence of student learning and teaching effectiveness; four, the organization promotes a life of learning for its faculty, administration staff and students; and five, as called for by its mission, the organization identifies its constituencies and serves them in ways both value. So, as I recited those five criteria, I did not drill down to the twenty-one core components but as I recited those five criteria, you heard several times the word mission, you also heard the word evidence, especially of student learning.

Now, they may strike you as the criteria is very general and indeed the accreditations do focus on the particulars of each organization relatively to its publicly stated mission but they are clear enough to insure acceptable quality. The accreditation rests with evidence that the institution is fulfilling its mission again as measured by those various criteria.

So, here we are in spring of 2007. By early February of 2009, we will have submitted our self-study, based again on those criteria and then in late April of 2009, a team of twelve to fifteen individuals will descend on the campus, will meet members of the board and validate what is contained in the self-study and determine whether UC is satisfying the criteria and taking steps for self-improvement. And, here, I would like again to make a pitch for this process. If we do approach this rigorously and critically, we will learn a lot from the accreditation, both from our own self-evaluation and also from the feedback that we get from our peers who will be visiting the campus. And, given the complexity and comprehensiveness of this process, I think it only makes sense that we do take this process very seriously and determine those areas where improvement is needed.

As an example of an outcome in the category of improvement, from the last review in 1999 and there would be very little memory on our board from 1999, most of you were not hear on the board, we were found wanting in terms of a university-wide general education program. We proceeded to design a new gen ed program and reported

back to the commission in 2003. In addition, in that review of 1999, we received many comments regarding redundancies and overlapping programs across numerous colleges. This led to the collegiate structures' initiative and major collegiate restructuring course that occurred earlier this decade.

Regarding the branch campuses, I want to underscore here that Raymond Walters College is separately accredited and is essentially on the same schedule as the uptown campus and I think most of you remember that Clermont College went through this process last spring.

The quality of American higher education is also assured through an extensive system of specialized accreditation based on peer review. I hope you appreciate this glitzy slide. It provides a representative sample of the large number of agencies that accredit UC programs, ranging from business to law to construction management, to nursing, to medicine, to dance, to teacher education. The accreditation steps are similar, preparation of a self-study, based on specific professional criteria and then a visit by peer evaluators.

And, I want to underscore, this is just a sampling of the professional accreditation that occurs at UC. This consumes a lot of time, effort and money but, again, it is critical for ensuring accountability, professional standards, quality assurance, and, of course, earning and maintaining our public's trust. And, for our perspective students, this accreditation that we go through for myriad disciplines ensures that there is value added to a UC degree and that these programs meet the highest professional standards. So, for a moment, just reflect on how much time and effort go into the institutional accreditation and specialized accreditation. It is an enormous investment of time and energy. It is very comprehensive. It is voluntary and I believe it does ensure quality.

However, a long standing system of peer evaluation and voluntary accountability through accreditation is now being seriously challenged, challenged by the Department of Education. Last September, a report commissioned by Secretary Margaret Spellings

expressed grave concern about the quality of American higher education. The report cited statistics that implied that American higher education was slipping behind its counterparts in many industrialized nations. It is also noted that the cost of education to students in the United States exceeds by a substantial amount that and almost every other country and the Department of Education believes that the current voluntary system of accreditation, based on peer review, lacks teeth, and basically, revolves around a group of self-protecting, self-anointing, self-serving institutions.

The Department of Education's remedy? To give accrediting agencies responsibilities to set and enforce minimum standards for student achievement. What seems to be rising out of the mists are various proposals for a higher education version of "no child left behind", with the federal government taking a more active role in reviewing what institutions teach and what students learn. The Department of Education is now developing regulations that would give the government unprecedented control over accrediting agencies, such as ours, and unprecedented control over institutions of higher education. In short and in sum, the Department of Education is taking real steps to federalize higher education and the great fear is that the proposed regulations would drive higher education towards a "one size fits all" model of academic quality that emphasizes rigid indicators of academic performance.

Under the evolving regulations UC's accreditation would depend upon goals for student learning outcomes, goals determined and overseen through a process controlled by the Department of Education. The Higher Learning Commission would be required to collect data to ensure that campuses meet fixed goals or standards for all programs, including the Liberal Arts. For many, this is scary stuff and threatens to erode the diversity, the autonomy and the quality of America's system of higher education.

In response, many higher education organizations are taking steps to forestall these actions by the federal government. A good example is a new alliance of the American Association of State College and Universities (AASCU) and, as I have on the slide, the National Association of State Universities and Land-Grant Colleges

(NASULGC) and, as you know, President Zimpher chairs the NASULGC board. AASCU and NASULGC are developing a project now to create a voluntary system of accountability, a system that would complement the existing system of institutional accreditation. Higher Ed, I think, does need to get out ahead of a movement that would basically result in the federal government usurping academic judgments which now are the province of presidents and chancellors, faculty and boards of trustees.

Another organization note, the Council for Higher Education Accreditation (CHEA) is a national organization of 3000 institutions. They recognize sixty institutional and specialized accrediting organizations. They are one of our main advocates for self-regulation through accreditation and essentially they have drawn a line in the sand, as well, and their position, you see, at the bottom of that slide.

So, we do need to take this seriously and we do need to ask ourselves whether the quality of higher education in our nation has fallen so far that our government now needs to intervene? And have institutions so shirked their responsibilities that we now need a host of non-faculty advisors to evaluate what students are learning? This may sound drastic and alarmist but maybe not so. So for many and especially our premier organizations like NASULGC, the risk of going down the road of the Department of Education intervention and teaching and learning are far greater than any likely benefit. So I just want to alert you to some of these national trends around the accountability movement and I think we just have to stay tuned and hope that our leading organizations will advocate to maintain as much institutional autonomy as possible.

With that said, we are moving forward with the following group, led by Co-Chairs, Dean Larry Johnson and Professor Ralph Katerberg from the College of Business. They are veterans of the 1998-99 self-study process and this steering committee, nearly complete now will convene on June 1. Over the summer we will design the self-study and spend all of next year immersed in critical self-evaluation around those five criteria and twenty-one core components. We will take a good hard look at ourselves around all dimensions, governance, resources, professional development, teaching and learning and

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ensure that we are fulfilling our mission and taking steps to realize improvements in the teaching and learning environment and critical will be the board's support and empowerment to insure a successful outcome. Thank you.

President Zimpher:

Thanks, Tony. Any questions?

Mrs. Heimann:

This takes legislation by the congress or the senate to enact this federal legislation?

Dr. Perzigian:

Yes.

Mrs. Heimann:

This is federal legislation that we are lobbying against. As are lower, it is not only higher education; I know a number of people from high school and grade school, elementary schools and also the home schoolers, the Christian educators are all opposed to this as far as I am aware.

Well, which group is really in favor of it? The government?

President Zimpher:

I think that one of the things that eventually has to be remedied is that K-12 policy comes through the Elementary and Secondary Education Act which has sponsored No Child Left Behind which effects preschool through high school. Higher education is regulated through the higher education act or the reauthorization of it which has been stalled in the congress for several years now and there is a sense in which what occurred in K-12 might fit, if you will, higher education but there are a lot of dissatisfied customers in both units. One remedy is to begin to think together about the pipeline and

what best serves us from birth to career and make policy thereof, but there are plenty of people on both sides of the issue.

And I do think the beltway associations have stepped up and we, by the way, have several members from our campus who are working on this voluntary system of accountability and it has multiple dimensions which include measures that might be common to other institutions but the coming of our readiness for accreditation and this political evolution is all in good timing and we are paying attention both internally and nationally.

Mr. Wyler:

Any other questions? Nick ----

Mr. Furtwengler:

Has there been a timeline set by the federal government for the federalization of higher education or is this a process that is going to take place with the House? What is the timeline?

Dr. Perzigian:

Well, the Department of Education is developing regulations and authoring legislation and it is just playing out now.

President Zimpher:

Well, however, we do have a presidential election coming so they might want to get in a hurry. I think that is the unstated timeline so it is all evolving even as we speak. Tony, thank you very much for your leadership. I know you are glad to live to see another day for accreditation. It is a massive process.

Our third report brings to you a presentation by Monica Rimai, Senior Vice President for Administration and Finance, this month on the 2007 budget and next month and beyond on the 2008 budget. So thank you, Monica.

(Monica Rimai, Senior Vice President for Administration and Finance gave the following presentation on the Budget Forecast FY07, 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.)

Ms. Rimai:

Good morning, everyone. I actually am incredibly pleased and proud to talk to you about where we will close our books for fiscal year 2007. In order to put some context around that, I would just like to remind everyone where we were about a year ago at this time. We were looking at a significant budget cut in order to close our fiscal year 2006 books at even which we are required to do. That cut was about \$7 million in one time and we were also looking at a \$27 million base budget cut going forward to fiscal year 2007.

And, that was an effort to really correct, to sort of have a new philosophy, a new approach and new structures around building the budget at UC and having a budget focused on academic priorities. What I am very pleased to share with all of you today is that we have met that goal and I want to talk to you a little bit about how we got there. Just so we have some standards and benchmarks, in our industry, according to the National Association of College and University Business Officers, an actual budget that lands between 2% and 5% of projections is considered a success. And that has to do with the fact that most universities use fund accounting and so when you roll up and with the approximations and all of that, the ups and downs, it is really rare that you ever get exactly to zero.

What I am happy to report is that UC will finish its fiscal year within 0.6% of its projections that we presented in June of last year. So, how did we do it? Well, we started on the revenue side and, perhaps, the most critical effort and the most important for purposes of fiscal integrity and proper planning was to be much more responsible about

projections around tuition. And, really, we are within 0.6% of those projections and that accounts for then the difference in what we projected and where we landed.

Just so we can give you some perspective on that, in fiscal year 2004, UC was \$15 million off of its projections around tuition. In fiscal year 2005, we were \$12.9 million off and in fiscal year 2006, it was \$11.1 million and this year a mere \$1.2 million. So, we have clearly changed our practices; we have gotten a lot more data driven and, perhaps, most importantly we have gotten very integrated with the academic side of the house and enrollment services to make sure that our revenue projections around tuition were solid.

In addition, we received some increase in state support through the ROEI initiative and we were very conservative about the amount that we built into the budget. You may recall that at the time that we presented the budget to you last year, we were somewhat unsure as to how the money would actually translate. And so, we only figured into our budget about \$500,000 in additional base support and that ended up being about \$4 million. So, we were wise in taking a rather conservative approach. And then, overall, there were some ups and downs in other revenue sources which evened out and so, on the revenue side we did quite well. But the dramatic change really came on the expenditure side. This is where we really got down to business. On the utilities, we experienced cost savings of \$1.5 million. Now this compares to 2005 where we had a \$4.3 million loss and in 2006 where we had a loss in utilities of \$6.5 million.

Our scholarship expenses were actually less than planned and that produced about \$800,000 in additional cost savings. Campus Services which really carries a tremendous amount of debt associated with some of our MainStreet activities has reduced – they undertook a rather significant cost savings initiative and they reduced their deficit in this year to \$6 million. So, that was \$3 million above what they had initially predicted. So, there was a tremendous effort there and, also, we are very, very pleased to report that our general funds staff benefits are right on target.

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So, those are some of the larger areas but, in addition, across the campus part of our savings were experienced through the incentive for early retirement. We abolished either through not filling vacancies or actually through a reduction in force about 106 positions across the university primarily on the administrative side of the house. As you know, we froze salaries last year; we combined two vice presidential positions; we merged two administrative divisions; we reduced energy consumption; we generated additional income through some clever use of technology in offering our services to other universities and institutions.

We have completely restructured our employee benefits program, increased employee contributions but also got much more efficient about how we prepare those budgets. We did things like adjusting schedules for cleaning out buildings; we halted some major renovations but all of this produced some really, really tremendous results. So, the good news is that we are closing our current fiscal year within a rounding error of our original budget and this is something that the entire university participated in and deserves credit for.

It started with your engagement; it was really led by the daily leadership and input of the President. I think the faculty deserves an enormous credit through the leadership of Ann Welsh and P. K. Sen. Those of us working to prepare information and budgets were really held to a different standard. I would be remiss if I did not share with you the efforts of the deans who really had to take on a lion's share of the hard work which resulted in us reaching this tremendous goal. And, of course, the PBAC which although we meet three days a week, we work on this kind of stuff every day and my tremendous staff, too many to name today, but all of whom contributed to a tremendous effort. So, it is a great story and I would be pleased to answer any questions.

Dr. Bhati:

I think Deans and Chairs should get a lot of credit for doing all that hard work.

President Zimpher:

So noted, Dr. Bhati. It took everybody staying on the right page and on message.

Mr. Wyler:

Which was more difficult Mt. Everest or the budget?

Ms. Rimai:

I was already asked that, so I have to give a consistent answer. I would say this budget, but for different reasons.

Mr. Wyler:

You know, we have been sitting here this morning the last hour and a half and we get the report on the enrollment and it is up and the last two years we have done such a great job with that. With Monica and her group of deans and everybody who has brought the budget under control, there is good news at the University of Cincinnati and it is going to keep on coming. And, I am very, very pleased Monica and I speak for the entire board. Thank you.

Mr. Tsai:

Mr. Wyler, I have a question for Monica, if that is alright? The main concern is from the students. First off, I should probably say these efforts are tremendous. It is good to see that we are getting back into the black, or we are trying to get there, but the main concern from the students is are there steps that are being taken to guarantee the same level of service that we currently have, if not better, despite the lack of what they were able to spend before, especially with the Campus Services.

Ms. Rimai:

Well, that is driving a lot of decision-making at Campus Services. I think that for anybody who has walked down MainStreet or walked into the Rec Center, you know that it is a unit within Administration and Finance that does an outstanding job but I have to be realistic and say that some of these cuts could affect some services. The only thing I

can promise you is that those decisions will be made, relying heavily on student input. But, this is the world we live in and you cannot, sort of, take on the kinds of adjustments that we have had to make, the magnitude that we have had to do and not impact service in some way. Just by way of example though, and this is to suggest the need for some flexibility and open-mindedness, one of the things that we did in this last fiscal year to reduce costs was to reduce the number of times that custodians clean out trash out of buildings and it had been every day and we have reduced that to three days a week. And people were very upset and felt that it would affect the campus, it would affect people's experience in offices. Now, some people would say that it did not make a difference because it was bad to begin with but the truth is most people's experience was it was seamless. So, those are the kinds of things that we are looking to do on the campus services side.

President Zimpher:

If I might, Jeff, we have totally revamped the way we make decisions at the University of Cincinnati; we have cleared out the clutter. A lot of committees that were in name only or met but did not have the proper constituencies at the table or did not meet but were assigned the ownership of decisions that were made outside of committee and now we have a clear set of standing university committees which have representation from faculty, staff and students. Those committees feed into an Academic Coordinating Council and a Fiscal Coordinating Council, both of which feed into the Academic Operations Committee which is led by the Senior Vice Presidents and Provosts and membered by the deans. So I think we are on to a system that ensures, Jerry, that you will be at the table and a partner in these decisions and that is the way it should work and I think it is proving to work pretty efficiently, as well. So, thank you.

Mr. Wyler:

All right, we will now begin the Committee meetings. The first meeting will be the Academic and Student Affairs Committee. Mr. Niehoff is the Chairman, Mr. Humes is the Vice Chairman, Mrs. Buchanan, Mr. Cox and Mr. Furtwengler.

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 9:58 a.m.; the meetings concluded at 10:26 a.m.

THE REGULAR MEETING OF THE BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was convened at 10:26 a.m. and, as noted on the first page (page 88) of these minutes, roll call was taken.

Mr. Wyler:

I would like to call the regular meeting to order of the Two Hundred and Seventieth Session of the Board of Trustees of the University of Cincinnati.

Approval of the Minutes of the March 27, 2007 Regular Meeting

Mr. Wyler called for additions, corrections, or deletions to the minutes of the March 27, 2007, Regular Meeting of the Board of Trustees. Upon motion of Dr. Bhati, seconded by Mr. Humes, 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 and the Finance and Administration Committee at their respective meetings held on May 22, 2007, prior to the Regular Meeting of the Board of Trustees.

Academic and Student Affairs Committee Recommendations

07.05.22.01 DEPARTMENT HEAD APPOINTMENT

It is recommended that the Board of Trustees approve the appointment of Russell K. Durst as Department Head of the Department of English in the McMicken College of Arts and Sciences effective September 1, 2007, through August 31, 2012.

Dr. Durst has served as President of the National Conference on Research in Language and Literacy; Chair of the NCTE Standing Committee on Research; and Editorial Board member for the journals *College Composition and Communication*, *Language and Learning Across the Disciplines*, and *Writing Program Administration*. He has published more than 30 essays on composition in journals and edited collections. His books include *You Are Here: Readings on Higher Education for College Writers* (Prentice Hall, 2003); *Collision Course: Conflict, Negotiation, and Learning in College Composition*, (NCATE, 1999); and co-edited with George Newell, *Exploring Texts: The Role of Discussion and Writing in the Teaching and Learning of Literature* (Christopher-Gordon, 1993). He teaches courses in writing, composition pedagogy and research, English linguistics, and the literature of the Old Testament.

07.05.22.02 PROMOTIONS TO FULL PROFESSOR OR TENURE GRANTED

It is recommended that the Board of Trustees approve the attached* promotion and/or tenure recommendations for the faculty of the Colleges of Medicine, Allied Health Sciences, Nursing, Pharmacy, and Academic Information Technology and Libraries to become effective September 1, 2007 unless otherwise indicated.

07.05.22.03 PROMOTIONS TO ASSISTANT AND ASSOCIATE PROFESSOR

Attached* is the report for promotion, effective September 1, 2007, to the rank of Assistant and Associate Professor for the Colleges of Medicine, Allied Health Sciences, Nursing, and Pharmacy which have been reviewed and approved through the appropriate Committees and Academic Administrators.

07.05.22.04 RECOMMENDATIONS FOR TENURE AND PROMOTION

It is recommended that the Board of Trustees approve granting of tenure and promotion for faculty and librarians effective September 1, 2007, 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 for Baccalaureate and Graduate Education.

07.05.22.05 APPOINTMENT OF EMERITI, COLLEGE OF MEDICINE

It is recommended that the Board of Trustees appoint David Warshawsky, Ph.D. as Professor Emeritus in the Department of Environmental Health effective April 2, 2007; Bonnie Patterson, M.D. as Professor of Clinical Emerita in the Department of Pediatrics effective April 1, 2007; and Mary Drue Lehmann, MA as Field Service Associate Professor Emerita in the Department of Physical Medicine & Rehabilitation effective March 10, 2007. Documentation to support the recommendations are attached*.

*Filed in the Office of the Board of Trustees

07.05.22.06 EMERITUS STATUS FOR FACULTY MEMBERS

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

Michael Atkinson, Professor Emeritus of English and Comparative Literature, McMicken College of Arts and Sciences

Harriet Bebout, Associate Professor Emerita of Teacher Education, College of Education, Criminal Justice, and Human Services

Ann Benoit, Professor Emerita of Accounting, Clermont College

William Garnett, Professor Emeritus of Biological Sciences, Raymond Walters College

Nancy Hamant, Associate Professor Emerita of Teacher Education, College of Education, Criminal Justice, and Human Services

Carl Huether, Professor Emeritus of Biological Sciences, McMicken College of Arts and Sciences

Ralph Meyer, Professor Emeritus of Biological Sciences, McMicken College of Arts and Sciences

Florence Newell, Associate Professor Emerita of Teacher Education, College of Education, Criminal Justice, and Human Services

Ronald Sterling, Associate Professor Emeritus of Teacher Education, College of Education, Criminal Justice, and Human Services

Donald Wright, Professor Emeritus of Mathematical Sciences, McMicken College of Arts and Sciences

07.05.22.07 GRADUATE FELLOWS MEMBERSHIP

It is recommended that the Board of Trustees approve the attached* appointments for membership in the Fellows of the Graduate School. Each person has been reviewed and elected by the membership of the Fellows of the Graduate School.

Finance and Administration Committee Recommendations

07.05.22.08 BOARD COMPENSATION SUBCOMMITTEE

Synopsis: Creation of a board compensation subcommittee as a standing subcommittee of the finance and administration committee.

It is recommended that the board of trustees approve the creation of a board compensation subcommittee as a standing subcommittee of the finance and administration committee. The duties and responsibilities of the subcommittee shall be to set annual performance goals for the president, to review and prepare an annual evaluation of the president's performance and to review and recommend changes to the president's compensation. In addition, this subcommittee will receive, review and approve the annual performance evaluations and the president's recommendations

*Filed in the Office of the Board of Trustees

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regarding the setting of annual performance goals and the compensation for those senior vice presidents who report directly to the president and any other officers or employees designated by the president.

Creation of this subcommittee will enhance the annual review process for senior officers of the university. The subcommittee will strengthen board oversight, ensure compensation levels that are appropriate to the market, and create a process for compensation at the University of Cincinnati that is transparent, comprehensive, appropriate and accountable.

Attached* is a proposed amendment to rule 10-1-05 creating the subcommittee and proposed new rule 30-17-01 which describes the organization and functions of the subcommittee. It is recommended that the board adopt these amendments to create the standing subcommittee on compensation.

07.05.22.09 FOOD SERVICES CONTRACT

In fiscal year 2001 the University of Cincinnati entered into a contract with Aramark Corporation, following university rules for competitive bidding. The contract is for a maximum period of ten years. The university is approaching the end of the first seven year period. Three one-year renewal options remain.

It is recommended the Board approve this request to award the final three years all together. The contract was initially estimated at a total value of \$40 million. The first six years have a cost \$30.2 million. FY07 and the following three year expenses are estimated at \$31 million, changing the total estimated value to \$61 million.

07.05.22.10 McMICKEN PERIMETER HEATING

Synopsis: It is recommended that the Board of Trustees approve \$2.2 million for the McMicken Perimeter Heating project. The project will be funded with \$2.2 million of State Basic Renovations funds.

The McMicken Perimeter Heating project will replace the existing steam heating system with a new hot water heating system. This system has not been upgraded since the building was constructed in 1948. Construction will be completed during the summer quarters of 2007 and 2008. The system in the south half of the building will be replaced during the summer of 2007 and the north phase during the summer of 2008. This will ensure the building has a perimeter heating system operational each year late fall through early spring. The schedule will displace building occupants during the lightest academic quarter.

Included in the scope is removal of all the existing steam radiators from the perimeter classrooms and offices and all associated piping, valves and insulation in those rooms. Abatement is required to remove asbestos pipe insulation and lead paint on the radiators and walls.

New steam-to-hot water heat exchangers, circulation pumps, and controls will be installed in the lower level mechanical room to provide hot water for the new heating system. New finned tube heaters will be installed in all rooms located around the building perimeter. The scope includes new controls, piping, and insulation and all electrical work necessary to support the circulation pumps, components and controls.

It is recommended that the Board of Trustees approve \$2.2 million to be funded with State Basic Renovations funds for the McMicken Perimeter Heating project.

*Filed in the Office of the Board of Trustees

07.05.22.11 MODIFICATION OF RULE 40-15-12 INTERNATIONAL STUDENTS: ADMISSION REQUIREMENTS

We recommend Board of Trustees approval of revisions to University Rule 40-15-12 International Students: Admission Requirements. Updates to this policy are necessitated by admission documentation and English proficiency assessment changes that have occurred in recent years. TOEFL, standardized tests, and curriculum assessment remain the primary factors upon which admissions are based. In some countries, these standardized tests are not available, and there are additional reliable methods now in place for assessing English proficiency. Rather than spell out all the alternatives in the Board rule, campus leaders with responsibilities in international recruitment support publishing current tools on the appropriate web sites.

07.05.22.12 JAMES L. WINKLE COLLEGE OF PHARMACY

Synopsis: It is recommended that the Board of Trustees approve changing the name of the College of Pharmacy to the James L. Winkle College of Pharmacy.

James L. Winkle has pledged an irrevocable gift of \$10,000,000 or more to assist the College of Pharmacy in its pursuits of excellence. This gift, recognized in 2005 by the University, permits the College of Pharmacy to be named the James L. Winkle College of Pharmacy. A letter stating a formal pledge agreement was sent to Mr. Winkle on May 23, 2005. At the time the pledge was made, Mr. Winkle wanted the gift to remain anonymous. Now the gift is to be made public at a celebration on June 6, 2007. The Foundation is currently working on setting up the endowment.

07.05.22.13 NOMINATION OF C. FRANCIS BARRETT TO THE BOARD OF DIRECTORS OF THE HEALTH ALLIANCE OF GREATER CINCINNATI

It is recommended that the Board of Trustees nominate C. Francis Barrett, Esq. to serve as a member of The Health Alliance of Greater Cincinnati Board of Directors. Mr. Barrett will replace Jeffrey L. Wyler who recently resigned as a director and he will serve for the balance of Mr. Wyler's term.

Action Items

Mr. Wyler:

The Board members have been present at the committee meetings held today and have heard 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 items?

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Upon motion of Mr. Wyler, so moved by Dr. Bhati, seconded by Mrs. Heimann the Board approved the items recommended by the Committees by the following roll call vote:

Recommendation Nos. 07.05.22.01 through 07.05.22.12

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

NAY: None

ABSENT: None

ABSTAIN: None

Recommendation No. 07.05.22.13

AYE: Mr. Cox, Dr. Bhati, Mr. Wyler, Mr. Niehoff, Mrs. Heimann, Mr. Heiman, Mrs. Buchanan and Mr. Humes

NAY: None

ABSENT: None

ABSTAIN: Mr. Barrett

Unfinished and New Business

Mr. Wyler:

Any unfinished business? There was none.

Mr. Humes:

Mr. Chairman, I just noticed that we have one of our emeriti faculty with us in the room who fits the criteria that Tony Perzigian referred to in terms of great accomplishments over a phenomenal career for the university and I think we should acknowledge her. She not only has been a wonderful faculty member but has been a true leader on the campus among the faculty, leading athletics, fund-raising and doing

everything she can. Dr. Nancy Hamant, I think we should acknowledge her and thank her.

(Applause)

Mr. Wyler:

Thank you, Mr. Humes.

President Zimpher:

Mr. Chair, I just wanted to revisit the issue of policies for naming and the naming committee. I could not agree more that we have discovered a soft spot in the technicalities and in the overall set of principles that ought to inform all naming. We know, relative to any future campaign, that we need those kinds of policies and are working as quickly as we can to develop them so I certainly understand the questions raised and even the confusion and I want to tell you that in keeping with all the business practices that we are realigning that this is one of them and I appreciate your patience.

Mr. Wyler:

I seem to recall at some point we had put in place something regarding the renaming of facilities, but it was a long memory; so I do not know what it was.

I will now call for the Faculty Senate Report, Ms. Ann Welsh.

Ms. Welsh:

Good morning, Mr. Wyler, members of the board, President Zimpher, and guests. First on behalf of the Faculty Senate, I would like to express our belated yet sincere appreciation to the board for extending President Zimpher's contract. Under her leadership, the relationship between faculty and administration has prospered – a partnership that portends well for the future. Above all, we appreciate President Zimpher's openness and candor in discussing the challenges we face and her vision for moving us forward.

At the last meeting of the board, I raised concern expressed by many faculty members that academic priorities were not informing our discussions regarding the budget. President Zimpher and Provosts Henney and Perzigian have been responsive to our concerns, taking the time to meet with the Faculty Senate Cabinet to better understand the faculty perspective. Additionally, the President's Budget Advisory Committee has met with the combined membership of the Faculty Senate Cabinet, Budget and Priorities Committee and Planning Committees for a forthright discussion of our financial situation and its implications for academic priority setting and the development of a sustainable business model for the university. And, at our spring All-University Faculty Meeting, Provosts Henney and Perzigian devoted their remarks to the issue of academic planning and budgeting. Their presentations updating faculty on the academic planning process were much appreciated.

Vice President Sandra Degen has worked extensively with our research committee to identify and begin to ameliorate the critical obstacles faculty face in pursuing external funding. Finally, Provost Kristi Nelson and Dean Andrea Lindell (the co-chairs of the Academic Coordinating Council) are clearly moving forward on the process of reviewing the budget for its implications for our academic programs as well as crafting a process to review the 574 product lines. The Faculty Senate believes all these steps will move us forward in a positive manner.

The Senate will be publishing a report on its activities of this academic year; it will appear on our website in mid-June. We have accomplished most of our objectives for the year, our remaining outstanding initiatives on faculty development and post-tenure review should be completed within the coming weeks.

As you might imagine, at this point in the academic year, faculty and students alike are focused on the June 9 commencement. The good news is that our grades will be turned in; the bad news, at least in my case, is losing our best excuse for not mowing the lawn!

Mr. Chairman, that concludes our Faculty Senate report.

Mr. Wyler:

Thank you, Ann. 574 product lines? That is more than I sell. Thank you so much.

The Alumni Association Report, Mr. Bob Dobbs.

Mr. Dobbs:

Thank you, Mr. Chairman.

As we move through our centennial year and celebrate our first century of service to the university and its alumni, we are also strategically planning for our second century.

Previously you heard me mentioned the special task force of volunteers from the Alumni Association Board of Governors and the UC Foundation Board of Trustees and its study of the Alumni Association's resources and strategic direction. In the last week of April, the group presented a conceptual plan to the boards of the Alumni Association and the UC Foundation. Each group gave the concept a strong endorsement as has President Zimpher.

In so doing, they have reaffirmed the vital role played by the UC Alumni Association in UC's overall institutional advancement and our collective pursuit goals as outlined in the UC|21 plan. The concept revolves around a strengthened Alumni Association, working from a more centralized and institutionalized base of resources. We will be collaborating more closely with all alumni-facing groups to bring greater coordination and effectiveness to the university's alumni-related activities.

The plan will see on-going refinements and I look forward to revisiting this with you to secure this board's endorsement. As President Zimpher mentioned previously, this past weekend was Alumni Weekend here at UC and we hosted hundreds of alumni from the class of 2006 all the way back to the class of 1937.

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The goal of this reconstituted Alumni Weekend was to create a critical mass of university and alumni-related events across campus, which would provide alumni with a great opportunity to return and rediscover their university. In this way, we have positioned alumni weekend as the spring counter part to Homecoming and we see tremendous potential for the years ahead. It was also reunion weekend for the members of the class of 1957 and they were inducted into the golden bearcat club here on Sunday. Now, Tom Humes stole a little bit of my thunder but one of the members of the class of 1957 is with us and a dedicated servant of the University of Cincinnati for many years, Dr. Nancy Hamant.

Certainly, a centerpiece of the weekend was last Friday's UC Day Celebration, at which we honored several outstanding alumni, including John and Gloria Goering, who received the William Howard Taft Medal for Notable Achievement. The Goerings not only designated the UC Alumni Association's Demakes Legacy Scholarship Fund for gifts to the university in their honor, but they offered to match dollar-for-dollar all gifts above the Alumni Association's own \$5,000 match.

And speaking of the Demakes Legacy Scholarship program, we are currently awaiting final acceptances from the 54 high school students selected to receive the Legacy Scholarships for this fall. As you know, this program helps "keep UC in the family" for children and grandchildren of UC alumni members.

The Demakes tradition of academic excellence continues: The 54 students offered scholarships had an average GPA of 3.83, average ACT scores of over 28, and they intended to pursue degrees in 9 different UC colleges. We are very, very proud of these future alumni.

And speaking of future alumni, in less than three weeks we will be welcoming a new class, the Class of 2007 into the UC alumni family. That will include a festive "Grad Bash" outside this building on commencement eve, and the leader of our Young

Alumni group will then team up with a representative from the Senior Class during Commencement ceremonies. Their “co-delivered” remarks will emphasize the seamless transition from student to alum.

And, as always, I thank all of you for your continued support of the Alumni Association.

Mrs. Heimann:

Bob, how much of a scholarship do you offer these 54 students?

Mr. Dobbs:

It will range from \$750 to \$1500 and we generally give out somewhere in the neighborhood between \$65,000 and \$70,000 per incoming freshmen class. And as we continue to building the endowment of the Demakes funds, we are being able to extend more. As a matter of fact, previously we were only able to give out 34 scholarships and this year, we are up to 54. So it is working!

Mrs. Heimann:

Congratulations.

Mr. Wyler:

We will now have the Student Trustee Report, Mr. Nick Furtwengler.

Mr. Furtwengler:

Thank you, Chairman Wyler, President Zimpher, Trustees.

With classes quickly coming to an end and the 2006-2007 school year is wrapping up, students are looking forward to summer, graduation, and new job opportunities. The past two months have brought a wave of leadership seminars, professional preparation activities, and executive panels.

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Jim Reed, a Corporate Trainer and Coach who speaks on communication, leadership development, diversity issues, and team building initiatives was brought to the University at the beginning of May. Jim led a session on team building exercises and how to get the most out of new leadership on campus.

Fifth Third Bank hosted a panel discussion with executives and professionals from the bank. Six distinguished guests from the Cincinnati based bank discussed their careers, current issues in the business world, career discipline interaction, and current opportunities at Fifth Third Bank. Jobs are always something that students are interested around this time; it was especially meaningful for upper classmen.

There have been numerous resume writing and interview skills workshops throughout the university; one was actually yesterday, so that our graduates are prepared and competitive in the marketplace, especially with surrounding campuses and competing universities.

May is a time of change for students, the University, and leadership across campus. I want to congratulate Jay on his Presidential victory and welcome him to the table. I am sure it will prove to be a fun and productive year and welcome you here.

And speaking of change, assuming Governor Strickland chooses a new undergraduate student trustee, otherwise I will be here indefinitely, my last meeting will be in June as the student trustee. I will be introducing the new person here at that time. I look forward to entertaining you with my last report and introducing my replacement. We will work together over the summer and into the fall on a rather thorough orientation and transition program to assure that the accomplishments of the past two years are carried out and used by the new undergraduate student trustee.

I wanted to make two remarks, sort of relating to our meeting today. Dr. Zimpher, you mentioned the Academic Coordinating Committee and the Fiscal Coordinating Committee and how we are really moving to a committee base that is

propelling the university in a way where all constituents are represented. I want to agree with that and I want to commend you, Monica and both Provosts for your commitment to that, for your commitment to aligning ourselves with the best practices. I have seen that evolve in my two years here and that is something that is necessary and the transparency is much appreciated.

And, on a final note, I want to thank all the trustees for their contribution to Habitat for Humanity and I know that is just one example of your generosity and not just financial generosity but your time, as well. So I know the students certainly appreciate that and that is all.

Mr. Wyler:

Thanks, Nick. We look forward to next month, not for you to leave. It has been a joy to have you around.

We will have a Student Government report by the exiting Jerry Tsai.

Mr. Tsai:

Thank you, Chairman Wyler, and good morning to all. It has been a pleasure serving with all of you throughout this past year and even though it may be my last meeting, it would be remiss of me to not report on the final items that this year's Student Government was able to complete the past couple of months and I am sure that the new incoming Student Government will continue throughout the future.

At our last meeting, we discussed a Metro Pass Program that was to be started between now and then with regards to students starting to use the bus for free and that started on April 30 and throughout the past week, students, faculty and staff have provided us with very, very positive feedback on this program.

Additionally, everyone is familiar with UC|21's first equal goals of placing students at the center and one of the more specific aspects of that goal is to create a 24/7

campus. Well, with the leadership of Dean Montavon from the University Libraries and Dr. Liberman from UCit, along with the help of Dr. Perzigian and Dr. Livingston, Student Government was able to partner up and collaborate with these different entities to finalize a project that we call UCit at Langsam. This project will open up a portion of Langsam Library, namely part of the fifth floor, twenty-four hours a day, seven days a week.

With the renovation starting this summer, we hope that by the upcoming winter quarter students will be able to experience a 24/7 campus in a new and exciting manner where the 24/7 concept is not only electronic on the web but also physical by being able to study or surf the web or whatever it may be at the Library at all hours of the day and night.

Additionally, blackboard is a feature that we have really harped on in this past year's Student Government. One item that we have done a little different this year, semi-controversial, but neat nonetheless is placing advertisements on the student welcome page of blackboard. Now, this may be a slippery slope so we made sure that we piloted this program in the month of May, starting May 1 through May 31, we have placed advertisements on the blackboard website to generate funds that will reduce the ITIE fee which is the technology fee that students pay.

We did not just do this out of a thought in the air but rather we had a referendum during our student government elections in which 80% of the students said yes, you can try this as a pilot and then we are currently conducting feedback options to see if the students would like to continue this for a reduced ITIE fee. We are pleased to announce the preliminary that the results from the feedback now has been the same as what the referendum was. It was about 80% say yes and 20% say no.

Now, before I pass on the torch to Mr. Radley, the new Student Body President, it would be only appropriate for me to formally thank everyone in this room, those who have already left and around this table for the wonderful experience that I have had this

past year. It is truly amazing how much you can learn both in and out of the classroom here at the University of Cincinnati and all of you did a fantastic job of helping me learn so much outside the classroom as I do inside the classroom. So, thank you from the very bottom of my heart for all that you have done. It really has been a once in a lifetime experience.

With that I will pass the torch on to Mr. James Radley, the new Student Body President, whom throughout these past couple of weeks, he and I have worked together and I have seen his hard work and dedication to Student Government and the University of Cincinnati and I am very, very confident that this man to my right will carry on the initiatives and take Student Government and this university to the next level as he moves UC forward.

Mr. Radley:

First of all, I want to thank Chairman Wyler for the introduction and Jerry for the comments. Some of the more recent news in Student Government: we hosted our senate elections. We have elected a new speaker and internal and external holdover. The speaker's name is Zack Bryson, internal is Qasim McCreagh and external is Jason Waller. As Jerry mentioned, we have been working hard to transition and it is kind of coming to an end and Jared Brandyberry, my vice president, and I have begun to assemble our cabinet and also create the action plans for a lot of our initiatives.

Our initiatives have a strong emphasis on enhancing the campus experience and also creating a safe campus and community environment; so we look forward to making an impact on campus just for the general student body. I am also looking forward to working with all of you and updating you on the current works of Student Government. Thank you.

Mr. Wyler:

Thank you, sir. Jerry we are going to miss you. Many of you were at the sauté for President Zimpher three or four weeks ago. Jerry was the first speaker with his top

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TWO HUNDRED AND SEVENTIETH MEETING OF THE BOARD OF TRUSTEES
MAY THE TWENTY-SECOND TWO THOUSAND AND SEVEN

ten fashion statements about his president. I am not sure you are going to get your diploma. The worst part was that I had to follow him on stage and in show biz, you never follow a child act.

I am now going to call for an Executive Session. There will be no business conducted at the conclusion of the Executive Session.

Our next regular board meeting will be held here in the Russell C. Myers Alumni Center on Tuesday, June 26, 2007.

Executive Session

Mr. Wyler:

May I have a motion to enter Executive Session for the purpose of conferences with attorneys for the university, concerning disputes, involving the university that are subject to pending or imminent court action, considering the appointment, employment, dismissal discipline promotion/demotion or compensation of a public employee or official.

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

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

NAY: None

ABSENT: None

Upon proper motion and second, the Executive Session adjourned at 11:35 a.m.

Adjournment

There being no further business before the Board, upon proper motion and second, the meeting adjourned at 11:35 a.m.

JEFFREY L. WYLER, CHAIRPERSON

ANANT R. BHATI, SECRETARY