

UNIVERSITY OF CINCINNATI

Official Proceedings of the

Three Hundred and Seventh Meeting of the Board of Trustees

(A Regular Meeting)

June 21, 2011

The Three Hundred and Seventh Session of the Board of Trustees of the University of Cincinnati was opened at 10:25 a.m. on Tuesday, June 21, 2011, in the Russell C. Myers Alumni Center of the University of Cincinnati. Notice of this meeting was given in accordance with Section 121.22 of the Ohio Revised Code. The proceedings of the Board, when not otherwise provided for by its bylaws, are governed by *Robert's Rules of Order*.

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

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

BOARD MEMBERS ABSENT: Gary Heiman

ALSO PRESENT: Gregory H. Williams, President;
Robert F. Ambach, Sr. Vice President for
Administration and Finance;
Santa J. Ono, Senior Vice President for
Academic Affairs and Provost;
Michael W. Carroll, Vice President for
Development and Alumni Affairs;
Karen Faaborg, Executive Vice President;
Anthony Filak, Interim Vice President for
Health Affairs;

Lawrence J. Johnson, Chair for Council of Deans;
Michael Lieberman, Interim Vice President for Information Technology and CIO;
Mitchel D. Livingston, Vice President for Student Affairs and Chief Diversity Officer;
Mitchell D. McCrate, General Counsel;
James D. Plummer, Vice President for Finance;
Michael J. Thomas, Director of Athletics;
Gregory J. Vehr; Vice President for Governmental Relations and University Communications;
Greg Hand, University of Cincinnati Spokesperson;
Portia Watkins, Graduate Student Trustee;
Kyle Quinn, Undergraduate Student Trustee;
Otto M. Budig, UC Foundation Representative;
Russell C. Myers, Alumni Representative;
Richard Harknett, Faculty Representative;
Dale Schaefer, Faculty Representative;
Alan Hagerty, Student Representative;
Susan Stringer, Executive Assistant to the Board of Trustees and Sr. Vice President for Administration and Finance;
and the public

(Prior to the Board Committee Meetings and the Regular Board Meeting, Chairman Heimann began the proceedings at approximately 8:40 a.m.)

Mrs. Heimann:

Good morning everybody. I would like to note that Gary Heiman and B. J. Zirger will not be with us today.

On behalf of all of our trustees, I would like to say – and I’m sure that most of you would agree – that we had a wonderful Commencement on June 11th. I think the graduates and their parents all enjoyed themselves. As we know, there was a tremendous

amount of work. I want to thank everyone that was involved in making sure our Commencement just went like clockwork. It was well-run, smooth, and energetic, so thank you.

We have a full agenda, so without further delay, I'd like to call on President Williams for his report.

President Williams:

Thank you, Madame Chairman. This is a very special day for the University of Cincinnati and thus I'm going to abbreviate my report this morning by touching on only two topics. The first is an item that you'll be considering on your agenda to rename our 105-year-old College of Business in honor of Carl H. Lindner, Jr. It is truly historic and will be an enduring legacy honoring one of our country's most cherished individuals and a man who is known literally around the world for his business success.

Carl Lindner is a great American citizen, an entrepreneur, and we're honored to be able to recognize his lifetime of achievement in this way. There will be much more to say when this item is presented to the board this morning.

In regard to Commencement, I've provided a printed list of the great things that have been happening since our last board meeting which should be in your packets. But, I do want to mention the 192nd Commencement this past weekend, held June 10th and 11th. We had more than 4,900 students who earned their degrees in the Class of 2011 and I shook everyone's hand. (*Laughter*)

Mrs. Heimann:

And I timed it. Greg shook a hand every four seconds. (*Laughter*)

President Williams:

It was really great and it was really gratifying to see the smiles and the excitement of all of our students whether they received a bachelors, masters, or a doctoral, or a professional degree – it was really an exciting time.

I want to thank all of the trustees who were able to participate as well as our honorees – John Barrett, Jeff Wyler, Eugene Ruehlmann and John Procario. Mr. Barrett gave a wonderful, personal, and enlightening speech that was well received by our graduates and their families.

I want to commend Vice President Mitchel Livingston and Commencement Planning Committee Chair Debra Merchant. I was talking to someone this morning and they said it all went like clockwork. Well, of course it doesn't go like clockwork unless there is a lot of planning involved. Mitchel and Debra, of course, were the two great leaders in making that happen. When you talk about graduation and realize that the arena was filled for both sessions of the graduation – they were absolutely filled on both sessions of the graduation – you understand the importance of that. It certainly shows not only our increase enrollment, but our increased retention and our growing graduation rates. We are very pleased about that. That is all good news and something we already discussing about how we can accommodate. In fact, we had a few more show up for the first graduation than we thought and had to quickly add a couple of rows. It worked out very well and it was truly an exciting time.

Now we're going to turn to our report from the UC Foundation. This morning we have Mr. Otto Budig, one of our great leaders and a stellar graduate of the University of Cincinnati who spends so much of his time making sure that we're going to meet that billion dollar goal that we've established for ourselves and the campaign. Mr Budig.

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

Mr. Budig:

Good morning, Mr. President, ladies and gentlemen, and thank you for your time today. I'm Otto Budig and I'm *Proudly Cincinnati*. Since we met just a month ago, my

report will be a bit shorter than usual, but I still have several positive developments to share with you and the broader UC community.

The first of those achievements is our updated *Proudly Cincinnati* campaign progress, which as of May 31 stands at \$776 million. With a strong finish to fiscal year 2011, we should be in the neighborhood of \$780 to \$785 million with two full years to reach our goal of a billion dollars. I've said many times that the final two years of a fundraising campaign are traditionally the most difficult, but we are in a good position to conclude our campaign by June 30, 2013.

You might recall that our initial goal was \$800 million, and although we thought that was quite a challenge, we will pass that threshold with two full years to go. I have any thanks to everyone here and in the community who have given and served throughout the campaign.

As far as our yearly fundraising is concerned, as of May 31st it stands at \$97.6 million, which includes over \$73 million in gifts and pledges and over \$24 million in non-governmental research funding. These numbers put us a little over \$6 million ahead of last fiscal year's progress and we're ahead on our total donor count when compared to this time last year.

Aside from our totals, we're very excited about the progress we've made in the 2011 *Proudly Cincinnati* Faculty/Staff Campaign, which runs until June 30th. We now have four colleges and units at 100% participation among the full-time employees. And, thanks to you, the Office of the President if the first of them, the Governmental Relations and University Communications is one, the UC Foundation (thanks to Mike Carroll and his staff) , and just as importantly the College of Business – which is actually the first college ever to achieve a 100% participation rate in the campaign's seven year history.

Though we are withholding our final university-wide participation total until the campaign ends, I can tell you that we will indeed set a new record for participation –

most likely by several hundred donors. In fact, we have collectively raised more than \$6.5 million for various university needs and priorities.

What is important, it seems to me, about the culture of philanthropy we've all worked so hard to establish is that it has taken root in the form of increased employee participation, because it helps us make a more compelling case for support from other donor groups outside the university and the university proper.

In other fundraising news, we celebrated a significant gift-in-kind from Sporty's Foundation and donors Hal and Sandy Shevers, who gave a new digital LED sign to the UC Clermont Campus.

We are grateful and I say this every time we are here – we are grateful for your support and involvement. While the success of the Cincinnati campaign has exceeded our expectations, what is more important for us and for all of us here is that we've made tremendous progress to install a culture of giving at UC – a culture that we will continue to grow as the years go by.

Thank you, Madame Chair and Mr. President.

President Williams:

Thank you, Mr. Budig and thank you for your leadership. Now we have two important presentations this morning. The first is going to focus on UC Physicians and UC Health integration. Our presenters are going to be Dr. Andrew Filak, the interim dean of the College of Medicine and Vice President for Health Affairs and Jim Kingsbury, President and CEO of UC Health. Our second presentation is an overview of the FY 2011 Operating and Capital Budgets and how we will end the year as well as a presentation on the FY 2012 Operating and Capital Budgets, which will be voted on by the trustees later this morning. The FY 2012 budget, of course, is pending final action by the state legislature will be presented by Bob Ambach, Senior Vice President for Administration and Finance.

At this time, I would ask Dr. Filak and Mr. Kingsbury to please come forward.

(Andrew T. Filak, MD, Interim Dean of the College of Medicine and Vice President for Health Affairs and James A. Kingsbury, President and CEO UC Health gave the following presentation titled UC Physicians/UC Health Integration Update, using PowerPoint slides. A copy of the presentation is on file in the Office of the Board of Trustees.)

Dr. Filak:

Thank you, Mr. President, Madame Chairman, and Members of the Board. It's a pleasure to represent the College of Medicine in the discussion of the integration process of University of Cincinnati Physicians – the practice plan of the College of Medicine faculty and UC Health.

As you can see on our process here, we started out with a discussion in the fall where we created principles that we will discuss in just a few minutes. They were approved by the UCP board and by the UC Health board in September and October. For the last several months we have been actively discussing this process. I'm pleased to state that on June 7th at the UCP board meeting, it voted to approve the integration principles and last week the UC Health board did so. This is just a start, however, and there is still a lot of work to do to work on the details of this process.

I'd like to just point out the vision and goals that we've established for this and the first is that this is an integrated physician and hospital health care system. The faculty practices in the hospitals need to work in sync and the bottom line is indeed the bottom line that we see on this slide here – remaining strongly integrated with the College of Medicine and the tripartite missions. The whole purpose of this is to create an Academic Health Center that will fully support the College of Medicine.

I'd like to talk just briefly about a few of the integration principles and then turn it over to Mr. Kingsbury. The first as I indicated is that we will truly be working on the tripartite missions of patient care, education and research. This is a health system that has the opportunity now to really affect education and patient care in the Greater Cincinnati area for the next several years and decades. This system will be closely associated not only with the College of Medicine, but with the other academic programs at the university. Most importantly, we have a great partnership between the dean of the College of Medicine, the CEO of UC Physicians, and the CEO of UC Health. There is a policy council that is established that they are key individuals that are participating in. We are maintaining UC Physicians the same as it has been as a separate entity closely associated with the College of Medicine. And, we've also created the roles of a Vice President for Education and a Vice President for Research to assist them that will be joint positions in the college and in the health system. With that, I will turn it over to Mr. Kingsbury to describe some of the structure and function.

Mr. Kingsbury:

Good morning, board members and colleagues. My job is to describe the graphics, I guess, and we'll start with this one. If you recall, last fall we came to you and asked you to transition the Health Alliance into UC Health. You see on the right of this chart, UC Health – that is the old Health Alliance, and you see under that the hospitals that are a part of or partnered with UC Health. What we're talking about this morning is the left side of the graph and the UC Health transition that we want to accomplish. We evaluated a number of different options and agreed that this was best option for a variety of reasons. So we will talk about the current UCP, the new UCP company and the lease that will be between the two that will accomplish all of the goals that we want.

To show you just a bit of an update on UC Health, you approved five board members of a parent board that would give UC control, I shouldn't say control I suppose, but influence over UC Health and then a board of trustees of UC Health that is the fiduciary board of the UC Health System. These are the board members. We have one position open that we are working to fill with a prominent businessman.

Dr. Filak talked about the policy group. As we designed this new system, the policy group became an important group because it will be the policy group of UC Health that will set policy, set direction, and make proposals to the UC Health Board of Trustees. There you see the members of the policy group. You will also see there that it is made up of a majority of physicians. We want to be truly a physician's organization. I was asked if I would bring some of the members of the policy group. Of course Dr. Filak is one member, now as the interim dean, once Dr. Boat takes over as dean, Dr. Filak will continue his role in education, but also as a Vice President for Education for UC Health. Dr. Boat intends to use him in the College of Medicine as he's served the university for, I think, over thirty years, but now with also the role with UC Health. We will integrate much more effectively in the past the educational mission. In the back of the room, and if you would please stand up, is Dr. Steve Strakowski. Dr. Strakowski we've appointed as the Vice President for Research. Steve is the Chairman of Psychiatry and came here over twenty years ago from Boston and McClain Hospital where he was trained. He has been the Chairman, I believe, for about six years. He is an eminent researcher in brain imaging research and he will serve us as the Vice President for Research and assist, particularly in UC Health, on the clinical research side, but Dr. Boat will also have him have a capacity in the dean's office on the College of Medicine side. And then the final member of the people that are here is Rick Hinds. Rick Hinds is the chief financial officer of UC Health. Rick has worked with me for sixteen or seventeen years, first at Ft. Hamilton and then at University Hospital and now at UC Health. Rick will also become the chief financial officer of UC Physicians. So what you see here is an intertwining of executives that will make this organization work, we think, more effectively.

Not on this chart, but one of the discussions that we've had in the last several weeks is that we will also form a group that has been a similar group to what we've had in the past – to have the relationship between the health system and the University of Cincinnati. There is a number of things that we will need to do going forward in terms of looking at renewing the affiliation agreement, the trademark agreement, looking at master site planning, use of space together, and we've agreed that we will form a leadership

group not to do all of that, but to lead that, and then task groups to do each of that. The leadership group will be Provost Ono, Bob Ambach, Dr. Boat, Rick Hinds and myself. We will lead that work that needs to go forward after this decision is made.

Now down at the bottom you see “Other Groups” – the Operations and the Quality Group we have formed. Now that we have a new dean we will work with Provost Ono to form the Academic Council of UC Health.

This looks like a confusing chart and, in fact, I guess it is but I will try to make it simple and brief. Dr. Filak talked about the vision of creating a hospital physician organization. We’re trying to do two things at the same time. On the one hand we’re trying to separate into two pillars the clinical component and the academic component. We know from experience and from other academic medical centers that they will work most effectively and let both organizations be the most effective. At the same time we are separating them – meaning moving UC Physicians into the clinical component – we are tying them together with a whole host of things that are shown down the middle. So starting with UC being the parent aligned around the three missions, which frankly the Health Alliance never was, with the principles that Andy talked about, with UCP both in the College of Medicine but also in UC Health, and with a whole host of individuals that tie back and forth between the academic mission of the College of Medicine and the other colleges and components of the university and UC Health.

Down at the bottom is the funds flow. It is an important component and we will be talking about that in just a minute. The final chart that I would show is why we have UC Physicians. Again, that is to try to do two things at the same time. There are significant benefits of having UC Physicians, and particularly the faculty, as a part of the university. Of course, they need to be a part of the College of Medicine. But there are also some practical benefits in terms of FICA exemption, benefits that we can’t offer, and greater malpractice insurance. Because of that, we will leave the physicians – the dually compensated people – in UC Physicians and they will be leased to UC Physicians Company, a second UC Physicians. Now this sounds confusing but once we are

operational this will all be behind the scenes. We will operate UC Physicians as one organization totally integrated. What we are showing here on the right where all the components of UC Physicians are in the College of Medicine and then after this action, where we split and where then most of the components of UC Physicians moves into UC Health and then we will be able to integrate them into our operation, get efficiencies and benefits that Dr. Filak will explain in just a minute.

Dr. Filak:

Thanks, Jim. Just briefly, on the dean and the UCP CEO positions and I think these are very important issues to follow up on what Jim had talked about is the intertwining of the relationships between the system and the College of Medicine. Where the dean of the College of Medicine is also the Chairman of the Board and President of UC Physicians, but also has a very, very significant role in the leadership of UC Health. In addition, UCP CEO position has morphed into a joint position and the CEO of UC Health will be jointly appointed by the dean and the UC Health CEO and will be approved by the board of UC Physicians and also have a Senior Vice President role in the system. It really shows that everything really needs to work together and the people will be working together.

Now in most of the discussion that we have the bottom line becomes the bottom line and we wonder about funds flow and support of the College of Medicine. What we're really looking at is creating a system that will support all three missions. The reality is that the health care system does indeed have to support the hospital system and needs capital for hospital improvement and systems improvement. But there also has to be support for the academic activities in the College of Medicine. There will be baseline funds flow plus incremental funds flow increases to the college. That will be based upon the success of the system so the College of Medicine faculty have a vested interest in creating a very functional system. Funds flow changes will be approved by all parties and the system has already committed to an additional funds flow to the College of Medicine both through the practice plan and through the system itself this year. That will total an increase of over \$2 million in this upcoming year.

Finally, what you can see here and this is the work of how some of the benefits will accrue to the system with a common mission, vision, values in strategic business plans that we will have, but also details such as improving, contacting, and reimbursement. I'm not going to read all of these to you because you can read them faster than I can speak them, but the key here for this integration process is the increased support of the academic missions. With that, Jim and I are more than happy to answer questions, but we greatly appreciate your support of the College of Medicine and the UC Health system.

President Williams:

Are there any questions?

Mr. Chesley:

Mine is not a question. I want to compliment the professional staff and the lay people and everybody that worked so diligently. We have community leaders serving and I don't know how much time they spend and this is an amazing, amazing task considering where we were less than a year ago. I congratulate everybody that was involved. I really do mean it – this is such a major step forward to bring this altogether. I thank the two of you and I thank everybody and I would like to say I respect the President for what you've done, President Williams, and Sandy, for what I think is an amazing, amazing achievement over a short period of time with a lot of diligent work and I thank you.

Mr. Humes:

I also want to congratulate you on a great job. I know it's been a tumultuous twelve months plus, but I think the results are outstanding and it's been a fantastic team effort. I would highly encourage you though that we as a university board stay fully aware through our representatives and also through a regular series of presentations from UC Health to this board on how things are going. The College of Medicine and the Health Center have long been a crucial part of our university. Now with the formation of

UC Health that lockage is even stronger. Now the UC brand is the cornerstone from which we'll all move ahead. I think we are all wonderfully excited about that, but I do think that it's very important for all parties that the concept of transparency and openness are working together to be continued moving forward and that this time is taken to make sure that this board is fully aware of what is going on. Sometimes it's easy to get in operating mode and things are taken for granted and you forget about things because you are so busy with the day-to-day work. You're responsibilities and work literally touch lives and life and death everyday. We respect that. You are the professionals. You know the business, but we do have a very strong and caring interest to make sure that everything that should be happening and can be happening is happening. So, if you would, please make sure that we are informed, and you can work with the chairman obviously on how often that is done and the level to which it is done. But, I think an interaction and that there are things that we need to consider – for instance, the final documents that will be coming this fall – that we see them with time to understand them and make sure all the details are satisfactorily fleshed out. Again, we know that you are running 110 mph on everything and you've assembled a great team – just don't forget us over here because we are partners with you in this and making everything work as well as it can.

Mr. Kingsbury:

We'd be happy to run your way as often as you want. *(Laughter)* We will report.

President Williams:

Thank you very much, Dean Filak and Mr. Kingsbury. At this time I'd like our Senior Vice President for Finance and Administration, Bob Ambach, to please come forward.

(Robert F. Ambach, Senior Vice President for Administration and Finance, gave the following June 2011-12 Finance and Budget Presentation, using PowerPoint slides. A copy of the presentation is on file in the Office of the Board of Trustees.)

Mr. Ambach:

Good morning. Thank you, President Williams and Board of Trustees' members. As is our custom at the June board meeting, I'd like to provide you with an update or an overview of our FY 2011 year-end projections as well as our proposed budget for FY 2012. Although these are extremely challenging times, there is still some good news as we look at the closeout of our current year and look ahead next year.

First let me say I truly believe the University of Cincinnati is in the position to manage its way through these difficult economic times. The steps we have taken in recent years to transform our budget process to pursue academic and fiscal efficiencies has put us in a better position today. We continue to build our efforts to build a financial planning process that is continuous, efficient and effective. What I'd like to cover this morning is the FY 2011 close as it relates to our operating budget and capital budget as well as a review of the FY 2012 budget also from an operating and capital perspective.

If we begin by looking at FY 2011 which we will be closing in just the next couple of weeks, I think this slide tells a simple story in a nutshell – that we expect to have very strong year-end results. We will conclude ahead of budget, our revenue forecast is holding, and our capital projects are on time and on budget.

FY 2011, as you'll remember, is our second year of using performance-based budgeting. As you will recall, performance-based budgeting is an allocation system for assigning financial performance requirements. In FY 2011 both the academic and administrative units were assigned mandatory financial targets. This is a snapshot of where we are projected to end the fiscal year. The revenue supporters, those in the administrative units as well as the libraries, met their thresholds through expense reductions. Academic units met theirs through a combination of both expense reduction and revenue growth. As you can see, the performance-based budgeting model demonstrates that we did indeed have some growth potential since approximately 71% of the thresholds for the academic units were addressed through growth. In many cases that

growth was the result of additional distance learning offerings as well as improved retention as the President mentioned earlier in his comments.

Now if we run through some of the year-end projection schedules the uptown campus general funds budget is projected to have a strong year-end bottom line. You can see that we have almost a \$17.5 million surplus for the current operating year. This is really primarily a result of the \$15 million of federal stimulus money that we've been putting away for next fiscal year. It's been good that the state came through with the 12th month payment and we did not have to dip into that reserve in this current operating year.

Both of the regional campuses also project healthy finishes. Raymond Walters or should I say the Blue Ash College is projected to realize a \$1.5 million positive balance and that's primarily due to a four to five percent enrollment growth as well as them also receiving their 12th month payment from the state. As you can see, enrollment growth as well as the SSI payment has resulted in a healthy finish for Clermont College as well coming in around \$4.2 million.

Under the competent leadership of Steve Sayers and his Campus Services management team they have once again outperformed their original budget. The positive net of \$5.5 million is due to enrollment growth, which has produced added demand for services, as well as cost savings within the operating units of Campus Services.

Athletics will meet its approved deficit of \$969,000 this year. Revenue from the NCAA tournament appearance and cost containment within the departments will allow them to meet their financial target for FY 2011.

Designated funds as you know are the funds that are internally restricted for certain purposes by the board. Some of those examples include: our utilities service center, UCIT, and different functions that are primarily cost recovery. The total of \$10.3 million of positive net projected is due to increased revenue over budget, also related to

repayment of some of the deficit funds we've been carrying on our books, and an underutilized fringe benefit pool.

Restricted funds are for the purpose specified by donors and organizations providing the funds through gifts, grants, and contracts. While we're showing a projected \$200,000 deficit that's a very break-even proposition on a \$373 million budget. In most cases this would actually represent spending down some of the spendable reserves within the endowment pools.

A final look at 2011 relates to our capital projects. This summary is hard to read; however, it is in your board materials that we provide each board meeting. The key point on the capital projects and in construction is that they are all on track and within budget. We also have a number of projects that are in design and planning stages that continue across fiscal years.

If we begin looking at FY 2012 budget, building our 2012 budget was, once again, a collective effort that included budget hearings, presentations, and discussion as well as constant monitoring and advocacy at the state level of all members of the university including the President, Provost and myself. As is our process the budget was vetted through the university's governance and decision-making structure. We're asking for approval of the budget based on our best estimate of the final state budget. We do not think that the final state budget will change in a significant way as to impact our assumptions.

So what are the assumptions for FY 2012? First, we assumed as we've been discussing over the last six months a reduction in our state subsidy. Rather than the 25% reduction that we had originally estimated, we believe the state subsidy will reduce by 14%. In addition to that state subsidy reduction, there are other lines primarily within the medical and clinical areas that will be reduced by 15%. We also assumed flat enrollment and budgeted for a tuition increase of 3.5% which you approved at your last board meeting. Following that May board meeting, we went to the budget draft and further

reviewed the incremental expenditures for accuracy and appropriateness with the aim of getting the overall reduction to 12%. That said, some of our units will be taking cuts between 14-15%. In some cases, it's to build reserves in anticipation of reductions in FY 2013 or to invest in areas of excellence or provide for protection for units that we wish to protect.

As I've noted in numerous board meetings now, we really look at our incremental expense categories and three major buckets: compensation and contractual obligations, mandatory or essential increases, and strategic initiatives. We can quickly look at each of those categories:

- For FY 2012 we are only projecting increases for contractual increases called for by collective bargaining agreements. In the \$4.3 million increase, \$4 million is an investment in structural enterprise via faculty salary increases.
- Under the mandatory and essential category we are estimating approximately an \$800,000 expense associated with our UC East lease as we expand it out to the Clermont County. We also anticipate a \$3.5 million increase in our insurance healthcare plan. This is an area of our cost structure that we are currently reviewing to see what we can do to control this area of expense. We've been reviewing our current plan structure and cost sharing arrangements to determine the next steps in controlling the double digit inflation that we've been experiencing. I will bring back to the board in the future what we have found out and what our plan is. Inflation for utilities is going to run about \$1.5 million above the current year operating budget. In an area that you could call mandatory or essential or strategic is in the wireless coverage program. We plan to spend approximately \$2 million this summer beginning the process of making the campus 100% wireless. We will begin that process this summer in our dormitories.

- Under strategic initiatives of \$3.8 million, these funds will begin to fund some of the UC2019 goals and to provide initial funding for a new student information system that we are considering.

Here is another chart (that's probably difficult to read in the back) that shows a summary of our FY 2012 incremental revenue and expense projections. As you can see, the shortfall is \$28.5 million or a 12% reduction. As we've discussed previously, the deficit would have been even worse had we not reserved money to replace the loss of the federal stimulus funding. It's also important to note that given we continue to live in very uncertain times, it made sense for us to budget a reserve in fiscal year 2012 of approximately 3%. As you know, the state budget has some soft spots so it makes sense to plan for possible state slippage in state revenue projections.

We can transition now to how are some of the units actually going to address the 12% reduction:

- Within Administration and Finance we plan to take differential cuts in order to protect critical areas and functions such as public safety, internal audit and offices that have one or two personnel. The division's reduction is a total of \$5.1 million. Some of that reduction will be covered by revenue growth and the rest will be through reductions in vacant staff and operating budgets.
- Student Affairs reduction will be managed through reduction in staff lines as well operating expenditures. Some of their cut also will be covered by revenue growth.
- Government Relations and University Communications will reduce its home team marketing budget where it has been determined to be least effective. This was a decision that was made in collaboration with Enrollment

Management. A proposed student recruitment budget reduction is going to be covered essentially by revenue growth of the university.

- Within the research arena, the Research Office will manage its reductions with salary savings resulting from restructuring and reducing allocations to units of research incentive.
- Alumni Affairs, which has a very small general funds budget, will manage its cut by reducing operating expenditures.
- The largest area of the budget, which falls into the academic arena, is going to be handled by probably two different approaches. Under the heading of the provost's office that you see on here we include a number of academic administrative units all of which are revenue supporters. They are the administrative units within the academic arena. Reductions in those areas will be managed through reductions in staffing, operating expenditures, and the remaining shortfall will be covered through revenue growth.
- The colleges are using a combination of strategies to manage their reductions. The primary approach is through enrollment growth which can be new students at the undergraduate and graduate levels, growth in distance learning, improved retention, and some combination of all of these. In a few cases, colleges will eliminate some vacant faculty and staff positions. Where appropriate, a few colleges will increase program fees, offload salaries to endowments and local funds, and a few will reduce their use of adjuncts.

The next two slides are in the budget document that was passed out to you. They are now familiar pie charts as to the operating budget from two perspectives. This one shows the resources by the source of that revenue. Tuition and fees lead at 35% with grants and contracts not far behind at 24% and state subsidy trails at 17%. It's important

to note that in FY 2011, our current operating year, net tuition and fees was 31% vs. 35% and state appropriations was 19% vs. 17% of our operating budget.

This chart illustrates expenditures by function. If you add up those functions that are primarily focused on the academic mission, the largest slices are Instruction & General, Separately Budgeted Research, Academic Support and Scholarships account for about 61% of our operating budget.

This schedule which is on page 15 of your budget book summarizes the budgeted sources and resources for the entire university. As you can see for FY 2012 the budget calls for a net increase in total fund balance of approximately \$2.2 million. Campus Services, once again, is budgeted to have a strong performance in FY 2012 with next years enrollment projection on track with this years, with Campus Service continuing to reduce costs, we can expect another strong year from these auxiliaries. Combined, they expect to have a positive margin of approximately \$2.8 million.

Despite another planned deficit in FY 2012, Athletics continues to make progress on their financials. FY 2012 will mark the fifth consecutive year of the improvement of the Athletics annual operating budget – budgeted at about \$750,000.

We'll also be asking in the Finance and Administration Committee meeting approval of our Capital Budget. For the board members who have been around for a while this probably looks like a fairly anemic capital budget. There are only two line items included this year. The first, as I've mentioned previously, is a comprehensive initiative to install wireless access throughout the campus. The residence halls will be the first to receive that access this summer for opening of the Fall 2011. The second project is for the next phase of the Rieveschl laboratories renovation which is consistent with the university STEMM initiatives. The renovation consists of ten biology teaching labs, the respective space on the 600 level of Rieveschl, and open research labs and faculty offices on the 700 level. Included in this project will be HVAC system, lighting and control projects in order to reduce the power use and our energy costs. The total of \$22.2 million

will be funded through local debt authority and the budget to pay for that debt service is built into the FY 2012 operating budget.

Before I take questions, I'd like to give credit and many thanks to the individuals, units and groups that are part of the budget process. It truly is a university-wide effort. the President's Budget Advisory Committee, the Financial Coordinating Committee, Provost's Office, Deans, Faculty, Students, Faculty Senate as well as the Budget Office. With that, I'd like to open up for any questions or comments.

Mr. Cassady:

Bob, you went pretty quickly, but I think I know the answer to this, but I want to make sure. You're not suggesting that the Public Safety or the Internal Audit Staffs be reduced?

Mr. Ambach:

No, we're actually protecting them. The 12% budget reduction is what they typically would have seen if it was just an across-the-board reduction, we took a 15% reduction within Administration and Finance in order to backfill some of those operations.

Mr. Cassady:

Good.

Mr. Ambach:

Rob?

Mr. Richardson:

Dr. Ono, I would like to, before the next board meeting, just go over what the plans are for the Academic Affairs and what the approach is for the colleges as far as reducing finances and trying to make priorities. So, some time between now and the next board meeting we need to have a committee meeting on that if possible.

Dr. Ono:

I'd be happy to do that.

Mr. Richardson:

Thank you.

Mr. Ambach:

Margaret?

Mrs. Buchanan:

Bob, how would you describe in a number of cases you are projecting revenue increases, how would you describe the assumptions to those revenue. Are you comfortable? Are they conservative? And, all the various academic areas that are...

Mr. Ambach:

Actually, they are extremely conservation. I probably went over it quickly. We actually budgeted flat enrollment so the numbers that we are seeing and I don't know if Caroline is here or not, but this year we had 41,365 students and I think the estimate is to have up to 43,000 students.

Mrs. Buchanan:

That means in a number of the areas of the academic areas that you are either going to get it through revenue growth or expense reduction.

Mr. Ambach:

The revenue growth that we are using is actually the revenue growth that we experienced in this year and did not account for. So we are actually applying that to next year as part of our assumption, but we are not budgeting revenue growth that is unseen yet for next year. So, I think that it's fairly conservative in the approach. Now, it does put pressure as the performance-based budgeting model does on to continue that

enrollment growth. So I think as part of the Academic Master Plan and the UC2019 plan we need to be cognizant and aware of what are the trends in enrollment because I don't think we can anticipate that enrollment is going to continue to grow. We have to build some of that reserve I mentioned to buffer any sort of declines in enrollment and not have it be an episodic event. Mr. Chesley?

Mr. Chesley:

First, I want to thank you for the other day. I thought that was a very meaningful meeting that you and I had. As a follow up to Margaret, I saw the numbers from the state and the reduction of 14%. Is that, in your opinion, something that's going to move possibly downwards? I mean, increase as far as the less money we get from the state because it does not seem to be that that's able to be tied down.

Mr. Ambach:

So far what we're hearing and we were in Columbus last Thursday that number looks pretty solid. What's going in to the conference committee Friday and I hope to have a state budget by next Tuesday that isn't one of the line items that they're adjusting at this point. I think because of the assumption they pulled all of the federal stimulus money out of that budget. They are leaving the SSI budget alone. At least the Governor, the House, and the Senate have all left those numbers pretty good. And, since we are getting close to the end of the academic year we know what our enrollment numbers were because that formula continues to change throughout the year based on people reporting their enrollments. I think that we're pretty good. The fear that the budget people in the world would have is are the assumptions of the governor's budget strong enough – can he truly sell prisons, can he sell a turnpike, does the casino revenue come in. There would be the softness in the state budget and that's, as I mentioned, where we've budgeted a 3% reserve which equates to about \$7.8 million. So, if something did happen significantly in the state budget, we'd have that time to plan in a meaningful way of how to respond to it.

Mr. Chesley:

You'd continue to keep us advised because that seems to be a little big iffy one way or the other?

Mr. Ambach:

Absolutely.

Mr. Richardson:

Just to clarify, so you have your projections on revenue growth based on enrollment being as low as 33,000 students? Is that correct? Is that what you said?

Mr. Ambach:

As low as 33,000 – no. We have based on what it is this year.

Mr. Richardson:

What did you say about 33,000 and maybe I misheard you. Let me ask another question. Is there a tipping point we get to, say if enrollment continues to go up and gets to 47,000 is that good for us, or do we need to add faculty or something at the point so that actually we wouldn't be generating more revenue, but we might have to spend more. What is the tipping point there as far as the numbers?

Mr. Ambach:

I don't think I could give you a concrete answer today, but it is something that we need to be working through with both the provost's office, the college, the deans, and administratively. I don't think we have the infrastructure to support 47,000 folks. You're right. We think about what are the direct expenses that it takes to teach those next students, but on the administrative side we also concerned about do we have the infrastructure in enrollment managing, advising, do we have enough facilities management budget in place.

Mr. Richardson:

We're at 41,000 now. Right?

Mr. Ambach:

I think that students that this past Fall the infrastructure was fairly stressed whether it was the shuttle service or other types of services. We have to come up with a fairly comprehensive "what is the right number." There're probably different opinions by college, or dean, or by provost.

Mr. Cassady:

I got to tell you, those are good problems to have. We'd much rather have those problems than the problems going the other way.

President Williams:

Actually part of UC2019 is to focus on what is the right number for the university. So, that is part of that process that we're engaged in right now.

Mr. Ambach:

Tom?

Mr. Humes:

I think that you and you're team should feel very good and deserve a lot of congratulations on this budget. I think that the conservatism that you've taken in the past has proven beneficial to us today. The fact that you reserved \$15 million, before, to carry over, is going to play a big role in helping us absorb the challenges that we face today. And, I like very much the fact that you continue to build on the reserve going forward. I think that Mr. Chesley pointed out the state money is a huge question mark and nobody knows where that is. Your budget is the best that it can be for the next two years, but I think between the state monies and the question about whether our enrollment will continue to increase and can we afford to have it increase – all of those other issues that

get into that and the fact that we do have core expenses that are increasing, core expenses in terms of medical is important, salaries, etc., just general inflation that we are dealing with – I think that it's just very imperative that we continue to be very cautious and conservative as we move forward. I think the biggest thing that our board needs to be looking at is that strategic financial look going forward over the next, I'm going to say, five to ten year period. Are we prepared? What else do we need to do? What else can we do to prepare to make sure that we are able to deal with this? Performance-based budgeting works great in a time of increasing enrollment. What happens if that switches and what will that mean to us? So, I think we just need (after what you've done and you've done an excellent job at looking at alternatives) I think I would encourage you to expand that going forward as we look at alternatives and develop different scenarios so that we're ready to deal with them as they come up.

Mr. Ambach:

I think that's great advice and we're just in the infancy of beginning that process. A couple of people in the room, Jan Diegmüller and Steve McConnell have put together a five-year strategic document that we begin looking at scenario planning. Obviously the crystal ball is a little opaque on the major questions in terms of what will the state allow us to increase tuition, what will the state support be, what are labor contracts, what are health care costs. Those are all things that you can model and at least try to get yourself comfortable with what would a potential scenario look like and I think it would be great to have the board have a conversation once we get a little bit further along in that scenario planning.

Mr. Humes:

A lot of dynamics, but we're confident that your team can figure out how to put those numbers together and those alternative scenarios.

Mr. Ambach:

I'll try not to let you down. (*Laughter*)

President Williams:

Thank you, Bob. Thank you for your report and your strong fiscal management.

Mr. Portman:

One more question. The one slice of the pie of instructional expense I think was 28%. How does that compare historically and how do you see that moving in the future – the trend?

Mr. Ambach:

I don't think it has moved a lot, but I would have to get a trend analysis. We could pull together what the trend has been, but because of the ins and outs it has been fairly consistent. Thank you, very much.

Mr. Portman:

Thank you, Bob.

President Williams:

Madame Chairman, that concludes my report.

Mrs. Heimann:

Thank you President Williams. We will now proceed with the committee meetings. In Gary Heiman's absence, Fran Barrett will be the acting chairman of the Finance and Administration Committee meeting. Our first meeting; however, will be the Academic and Student Affairs Committee. Mr. Richardson?

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 9:45 a.m.; the meetings concluded at 10:38 a.m.

THE REGULAR MEETING OF THE BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was convened at 10:38 a.m. and, as noted on the first page (page 269) of these minutes, roll call was taken.

Approval of the Minutes from the Special and Regular Meetings of the Board of Trustees

Mrs. Heimann called for additions, corrections, or deletions to the minutes of the Special Meeting of the Board of Trustees of May 14, 2011 and the minutes of the Regular Meeting of the Board of Trustees of May 24, 2011. Upon proper motion by Mr. Richardson and seconded by Mr. Cassidy, 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 June 21, 2011, prior to the Regular Meeting of the Board of Trustees.

Academic and Student Affairs Committee Recommendations

11.06.21.01 ACADEMIC APPOINTMENTS

Synopsis: Appointments of Faculty and Academic Administrators

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

Emeritus Status

Heinz Schenker	Associate Professor Emeritus of the School of Design College of Design, Art, Architecture, and Planning Effective: September 1, 2011
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Robert Russell, PhD	Associate Professor Emeritus of the School of Art College of Design, Art, Architecture, and Planning Effective: September 1, 2011
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Marshall Anderson, Ph.D.	Professor Emeritus Department of Cancer and Cell Biology College of Medicine Effective June 15, 2011
Lynn K. Davis, MS	Professor Emerita of Physics & Computer Science Department of Mathematics Raymond Walters College Effective July 1, 2011
C. William Marsh, EdD	Professor Emeritus of Physics & Computer Science Department of Mathematics Raymond Walters College Effective July 1, 2011
Rebecca M. McDaniel, MA	Associate Professor Emerita Department of English and Communications Raymond Walters College Effective July 1, 2011

Department Chair Appointment

Jennifer Wells, DVM	Department Head, Associate Professor Department of Veterinary Technology Raymond Walters College Effective: September 1, 2011 through August 31, 2018
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11.06.21.02 RECOMMENDATION FOR TENURE OR PROMOTION**Synopsis:** Approval of tenure and promotion

It is recommended that the Board of Trustees approve granting of tenure or promotion for faculty effective September 1, 2011, according to the attached list. This recommendation has been approved through the process of progression through the department, college and the Senior Vice President for Academic Affairs and Provost.

Clermont College

Catherine (Pullin) Lane Mathematics, Computers, Geology & Physics

From Assistant Professor to Associate Professor with TenureMcMicken College of Arts and Sciences

Richard Allan Beck	Geography
Michael J. Goldberg	Mathematical Sciences
John E. Layne	Biological Sciences
Koffi N. Maglo	Philosophy
Tracy Teslow	History

College-Conservatory of Music

James Bunte	Performance Studies
Kimothy Pensyl	Ensembles & Conducting

Clermont College

Suguna Chundur	Mathematics, Computers, Geology & Physics
Wm. Bruce Davis	Business, Law and Technology

Mary Ellen DeHoff	Science and Health
E. Frank Fitch	English, Languages and Fine Arts
Wanda C. McCarthy	Social Sciences

College of Design, Architecture, Art and Planning

Karl Wallick	Architecture & Interior Design
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College of Education, Criminal Justice, and Human Services

Renee Oliver Hawkins	Human Services
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College of Engineering and Applied Science

Margaret J. Kupferle	Energy, Environmental, Biological & Medical Engineering
Sang Young Son	Dynamic Systems

College of Medicine

Bryan Mackenzie	Molecular and Cellular Physiology
Thomas Thompson	Molecular Genetics, Biochemistry and Microbiology
Michael Jordan	Pediatrics
Ruhikanta Meetei	Pediatrics

College of Nursing

Yin Xu	Research Team
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Raymond Walters College

Melinda Lee Greer	Chemistry
Louis Wm. Kutcher	Biology

From Associate Librarian to Associate Senior Librarian with TenureRaymond Walters College

Eric Anderson	Electronic Media Technology
Michelle P. McKinney	Library

University Libraries

Susan Merrill Banoun	Electronic Resources
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From Associate Professor to Professor with TenureCollege of Law

Timothy K. Armstrong	College of Law
Jacob Katz Cogan	College of Law

College of Medicine

Hermine Brunner	Pediatrics
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Tenure Only at Associate Professor LevelMcMicken College of Arts and Sciences

Adrian Parr	Women's Studies
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College of Business

Shaun Bond	Finance
Hui Guo	Finance

College of Engineering and Applied Science

Janet Jiaxiang Dong	Dynamic Systems
Xuefu (Frank) Zhou	Electronics and Computing Systems

College of Medicine

Kathryn Wikenheiser-Brokamp	Pathology and Laboratory Medicine
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Division of Professional Practice

Gayle G. Elliott	Professional Practice
Anita M. Todd	Professional Practice

Raymond Walters College

Gowribalan A. Vamadeva	Math/Physics/Computer Science
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From Associate Professor to ProfessorMcMicken College of Arts and Sciences

Martin Francis	History	(Has Tenure)
Wendy Kline	History	(Has Tenure)

College of Business

Constance M. Cooper	Hospitality Management	(Has Tenure)
Yan Yu	Operations and Business Analytics	(Has Tenure)

College-Conservatory of Music

Shellie Cash	Dance Division	(Has Tenure)
Roger Grodsky	OMDA	(Has Tenure)
Thomas Allen Haines	Electronic Media Division	(Has Tenure)
Karen Lykes	Performance Studies	(Has Tenure)
Timothy J. Northcut	Performance Studies	(Has Tenure)
Jiang Qi	Dance Division	(Has Tenure)

Clermont College

Karen Lankisch	Business, Law and Technology	(Has Tenure)
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College of Design, Architecture, Art and Planning

James Postell	Architecture & Interior Design	(Has Tenure)
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College of Engineering and Applied Science

Rupak K. Banerjee	Mechanical Engineering	(Has Tenure)
Ali A. Minai	Computer Engineering	(Has Tenure)

College of Medicine

Jagjit Yadav	Environmental Health	(Has Tenure)
Zhongyun Dong	Internal Medicine	(Has Tenure)
Min-Xin Guan	Pediatrics	(Has Tenure)
Jeanne Noll	Pediatrics	(Has Tenure)
Nancy Sawtell	Pediatrics	(Has Tenure)
Susan Thompson	Pediatrics	(Has Tenure)
Scott Belcher	Pharmacology & Cell Biophysics	(Has Tenure)
Walter Keith Jones	Pharmacology & Cell Biophysics	(Has Tenure)
Thomas Inge	Surgery	(Has Tenure)

College of Pharmacy

Jianfei (Jeff) Guo	Pharmacy Practice & Admin Sciences	(Has Tenure)
Daniel P. Healy	Pharmacy Practice & Admin Sciences	(Has Tenure)

Raymond Walters College

Karen L. King	Biology	(Has Tenure)
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From Field Service Associate Professor to Field Service ProfessorCollege-Conservatory of Music

Nicholas Muni	Opera, Musical Theatre, Drama, Arts Administration	(Tenure N/A)
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College of Medicine

Donald Lowrie	Medical Education	(Tenure N/A)
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From Research Associate Professor to Research ProfessorCollege of Medicine

Richard Ittenbach	Pediatrics	(Tenure N/A)
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Charles Doarn	Public Health Sciences	(Tenure N/A)
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From Associate Professor of Clinical to Professor of ClinicalCollege of Medicine

Barbara Tobias	Family & Community Medicine	(Tenure N/A)
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Yolanda Farhey	Internal Medicine	(Tenure N/A)
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Tarek Helmy	Internal Medicine	(Tenure N/A)
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Eric Warm	Internal Medicine	(Tenure N/A)
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Charles Kuntz	Neurosurgery	(Tenure N/A)
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Andrew Ringer	Neurosurgery	(Tenure N/A)
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Lori Shutter	Neurosurgery	(Tenure N/A)
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William Tobler	Neurosurgery	(Tenure N/A)
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John Wyrick	Orthopaedic Surgery	(Tenure N/A)
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Jacqueline Grupp-Phelan	Pediatrics	(Tenure N/A)
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Joseph Luria	Pediatrics	(Tenure N/A)
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Melinda Mahabee-Gittens	Pediatrics	(Tenure N/A)
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Mark Mitsnefes	Pediatrics	(Tenure N/A)
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Wendy Pomerantz	Pediatrics	(Tenure N/A)
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Linda Michaud	Physical Medicine & Rehabilitation	(Tenure N/A)
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Charles Collins	Psychiatry & Behavioral Neuroscience	(Tenure N/A)
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Shannon Miller	Psychiatry & Behavioral Neuroscience	(Tenure N/A)
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Bernadette Koch	Radiology	(Tenure N/A)
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Sara O'Hara	Radiology	(Tenure N/A)
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Pramod Reddy	Surgery	(Tenure N/A)
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**11.06.21.03 COLLEGE OF MEDICINE PROMOTION BOARDS -
STANDARDS AND PROCEDURES****Synopsis:** Approval of Promotion Board Document*

It is recommended that the Board of Trustees approve the Promotion Boards – Standards and Procedure Document, which specifies the procedures to make decisions on promotion, retention, dismissal, leave of absence and compliance with standards within the College of Medicine. This recommendation has been reviewed and approved by the appropriate authorities and governance bodies in the College of Medicine. The adoption of the standards and procedures is effective May 12, 2011.

*Filed in the Office of the Board of Trustees

11.06.21.04 COLLEGE OF MEDICINE GRADING SYSTEM

Synopsis: Approval of Grading Policy Document*

It is recommended that the Board of Trustees approve the Grading System Document, which specifies the grading system for medical students within the College of Medicine. This recommendation has been reviewed and approved by the appropriate authorities and governance bodies in the College of Medicine. The adoption of the grading policy is effective May 12, 2011.

**11.06.21.05 COLLEGE OF MEDICINE MEDICAL STUDENT
LEAVE OF ABSENCE POLICY**

Synopsis: Approval of Leave of Absence Document*

It is recommended that the Board of Trustees approve the College of Medicine Leave of Absence Document and Form, which details the requirements, time frames, enrollment guidelines and petition of return policy for medical students. This recommendation has been reviewed and approved by the appropriate authorities and governance bodies in the College of Medicine. The adoption of the leave of absence policy is effective May 12, 2011.

Finance and Administration Committee Recommendations

11.06.21.06 CARL H. LINDNER COLLEGE OF BUSINESS

Synopsis: It is recommended that the Board of Trustees approve the renaming of the College of Business to the *Carl H. Lindner College of Business*.

The request to rename the College of Business to the Carl H. Lindner College of Business is in honor of Carl H. Lindner, Jr. in recognition of his unparalleled support for both the College and the University of Cincinnati over a generation. The College of Business is housed in Carl H. Lindner Hall.

Mr. Lindner has had a long history of partnership with the University of Cincinnati. In 1985 the Carl H. Lindner Award for Outstanding Business Achievement was established, and in 1997 the College of Business announced the naming of its first business honor program, the Carl H. Lindner Honors-PLUS Program in his honor.

Most recently, Mr. Lindner, his wife and family, gave the largest donation by a living donor in the history of the University with a \$30 million gift to create the Craig and Frances Lindner Center of HOPE. Through a gift in 2004 from Mr. Lindner, UC Health was able to continue to develop the Center for Surgical Innovation and in 2007 the University established the Carl and Edyth Lindner Chair of Surgery with a generous gift by Mr. and Mrs. Lindner. Mr. Lindner, along with his brothers, Richard E. and Robert, made a significant gift in 2003 to create the Richard E. Lindner Varsity Village and the Richard E. Lindner Center which opened in 2006. In 2010, Mr. Lindner was inducted into the Order of the Black Blazer in recognition for his contributions and support of UC Athletics.

*Filed in the Office of the Board of Trustees

Concurrent to the renaming of the College of Business is the formation of the “Friends of Carl H. Lindner,” a new society of visionary philanthropists that will lead the transformation of the College of Business into the future.

We recommend the Board of Trustees approve the name Carl H. Lindner College of Business.

11.06.21.07 APPROVAL OF THE INTEGRATION OF UNIVERSITY OF CINCINNATI PHYSICIANS AND UC HEALTH

Synopsis: It is recommended that the board approve the integration of University of Cincinnati Physicians and UC Health.

Since the fall of 2010 a joint task force (Task Force) of representatives from University of Cincinnati Physicians (UCP), the university approved physician practice plan, and UC Health, the newly launched health system of which our College of Medicine and the university are key affiliates, has been investigating the benefits of a greater integration between these two entities to enhance their joint missions of world-class health care, research and education. The results of these investigations are set forth in a white paper report (White Paper) that has been provided to the board. In the White Paper the Task Force concludes that the most advantageous mode of integration for both UCP and UC Health is the one identified as “Model 2” therein, which, among other things, provides for the continued existence of UCP, the lease of substantially all of the current employees of UCP to a wholly-owned subsidiary of UC Health which will be known as UC Physicians Company LLC (UCPC), an Ohio limited liability company, and the transfer of substantially all of the assets of UCP and liabilities associated with those assets to UCPC (Model 2). The boards of UCP and UC Health have already approved integration in the form described as Model 2. With the approval of the Integration Model 2, it is anticipated that a new affiliated agreement between the University and UC Health will be ready for approval by the next regular board meeting in September.

It is recommended that the board of trustees approve the integration of UCP with UC Health in the form described as Model 2. A form of the recommendation is attached.

RESOLUTIONS APPROVING INTEGRATION OF UNIVERSITY OF CINCINNATI PHYSICIANS AND UC HEALTH

WHEREAS, UC Health, an Ohio nonprofit corporation formerly known as the Health Alliance of Greater Cincinnati (“UC Health”), operates University Hospital through an operating and affiliation agreement with the University of Cincinnati (“University”) as part of a network of healthcare providers, including, West Chester Medical Center d/b/a West Chester Hospital, Drake Center, and Alliance Primary Care; and

WHEREAS, University of Cincinnati Physicians, Inc., an Ohio nonprofit corporation (“UCP”), is a multispecialty physician practice corporation through which the faculty of the University of Cincinnati College of Medicine (the “COM”) engages in the provision of patient care as required by University Rule 3361:30-21-02(D), and which is the practice plan approved by the Dean of the College of Medicine for purposes of compliance with said Rule; and

WHEREAS, UC Health and UCP have a longstanding professional relationship and collaboration that has been administered through master agreements for services between the two entities, and both UC Health and UCP share with the COM and the University the missions of world class healthcare, research and education; and

WHEREAS, following the transition to UC Health, a joint task force of officials from UC Health and UCP (“Task Force”) has engaged in an extensive investigation of the advantages

of a closer integration between the two entities for the furtherance of their joint missions and for continued and increased support of the COM; and

WHEREAS, the conclusions and recommendations of the Task Force have been set forth in a white paper report dated May 23, 2011 (“White Paper”); and

WHEREAS, the Task Force recommended integration be accomplished in a manner and through the form described in the White Paper as “Model 2” which provides for the continued corporate existence of UCP, the lease of substantially all of the current employees of UCP to a wholly-owned subsidiary of UC Health to be known as UC Physicians Company LLC (“UCPC”), an Ohio limited liability company, and the transfer of substantially all of the assets of UCP and liabilities associated with those assets to UCPC (“Model 2”); and

WHEREAS, the Task Force concluded that integration as described in Model 2 offers, among other advantages, a greater alignment of mission, vision and planning of UC Health and UCP, greater alignment of the clinical components of UC Health and UCP while remaining integrated with the COM, and a structure that maximizes financial performance and funds flow support of the academic mission; and

WHEREAS, the boards of UCP and UC Health have both approved integration in the form described as Model 2.

NOW THEREFORE, BE IT

RESOLVED, that the Board of Trustees (the “Board”) of the University hereby supports the integration of UCP into UC Health in the manner set forth as Model 2 of the White Paper;

FURTHER RESOLVED, that to the extent that integration in the manner set forth as Model 2 of the White Paper requires approval of the Board pursuant to Article 4, Section 4.13(c) of the Fifth Amended and Restated Articles of Incorporation of UC Health, such approval is hereby granted;

FURTHER RESOLVED, that with the approval of the integration of UC Health and UCP, the Board desires that UC Health and the University now endeavor to conclude as expeditiously as possible a new affiliation agreement that better reflects the new relationship between our two entities.

11.06.21.08 UNIVERSITY OF CINCINNATI BLUE ASH COLLEGE

Synopsis: It is recommended that the Board of Trustees approve the renaming of Raymond Walters College to *University of Cincinnati Blue Ash College*.

Over the past five years, the college has researched, discussed and surveyed various constituencies about the desirability of a name change from Raymond Walters College to the University of Cincinnati Blue Ash College. After significant conversations and survey research of our alumni, faculty, emeritus faculty, staff, current students, and business community partners during 2009-2010, we found highly favorable reaction to the proposal. The name change is intended to strengthen the brand identity of the college within the University of Cincinnati, as well as locate it physically in the city of Blue Ash. The University has been working to strengthen its relationships across the uptown campus and regional campuses (“It’s All UC” campaign) and the college is working to build its reputation and a stronger brand awareness and equity; we believe that this name change will help to reposition ourselves and reach all of those collective goals. This name change will allow the college to reposition itself as it embarks on a new day when we offer more than associate degree education (baccalaureate pathways), record-high enrollments, increase its

regional outreach and fund-raising development potential, and build our academic reputation and brand.

We recommend the Board of Trustees approve the name University of Cincinnati Blue Ash College.

11.06.21.09 RAYMOND WALTERS HALL

Synopsis: It is recommended that the Board of Trustees approve the name *Raymond Walters Hall* located on Raymond Walters Campus.

If approved by the Board of Trustees, beginning in fall 2011, the University of Cincinnati's Raymond Walters College will be renamed and known as University of Cincinnati Blue Ash College.

To continue to honor the late Raymond Walters for his tremendous legacy, including 23 years as president of the University of Cincinnati (1932-1955), Dean Cady Short-Thompson worked with the Walters family and proposed renaming the second largest and newest academic classroom building (SAHB) on the Blue Ash campus after Dr. Walters. The building will be clearly and attractively marked both physically on the building itself and on all signage and maps. A significant brass plaque with an image of Dr. Walters and testamentary language will be designed and created, with input from the Walters family, to best honor Dr. Walters. An unveiling and celebration of the newly named building is planned for fall 2011.

We recommend the Board of Trustees approve the name Raymond Walters Hall.

11.06.21.10 FY 2011-2012 CURRENT FUNDS BUDGET

Synopsis: The FY 2011-2012 Current Funds Budget* is submitted for Board of Trustees approval subject to legislative approval.

It is recommended that the Board of Trustees approve the FY 2011-2012 Current Funds Budget of the University of Cincinnati as described in the accompanying text and tables with authorization for the President to make expenditures within the projected income and expense levels subject to legislative approval of the assumptions herein. The appropriate planning and consultation within the University related to this FY 2011-2012 Current Funds Budget has been completed through the all-University Governance Committees, making the decision-making process both transparent and participatory.

**11.06.21.11 CAPITAL BUDGET FOR APPROVAL
FISCAL YEAR 2011-2012**

Synopsis: It is recommended that the Board of Trustees approve the Fiscal Year 2011-2012 Capital Budget* for a total of \$22.2 million dollars funded through local debt authority, as described in the attached document.

*Filed in the Office of the Board of Trustees

11.06.21.12 TAFT MEMORIAL FUND

Synopsis: Taft Memorial Fund Budget for 2011-12

It is recommended that the Board of Trustees approved the attached Taft Memorial Fund budgetary recommendations* for the 2011-12 fiscal year.

11.06.21.13 MICHAEL “MICK” CRONIN EMPLOYMENT CONTRACT

Synopsis: It is recommended that the Board approve amendments to the employment contract for Head Basketball Coach Michael “Mick” Cronin.

Since coming to the University in 2006, Head Basketball Coach Michael “Mick” Cronin has made steady progress towards rebuilding the UC men’s basketball program, this year returning the Bearcats to the NCAA Tournament. In addition, the men’s basketball program has increased its NCAA Academic Progress Rate (APR) from 782 in 2004-05, to a current multi-year rate of 992. (Programs falling below the 925 multi-year rate are subject to NCAA penalties.) For most recent APR scores, UC recorded a score of 1000 and was publicly recognized by the NCAA for scoring in the top 10 percent of all Division I men’s basketball programs. To continue to build upon this success the Director of Athletics has concluded discussions with Coach Cronin for an amendment to and extension of his employment agreement. Coach Cronin’s current agreement extends until March 26, 2014. If approved by the board of trustees the proposed amended agreement (a copy of which is submitted with this recommendation) would extend Coach Cronin’s appointment by an additional three years to March 26, 2017. In addition to an extension of the term, the agreement provides for an increase to Coach Cronin’s guaranteed compensation of \$250,000 and makes various adjustments to his incentive compensation.

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

11.06.21.14 UNIVERSITY RULE FOR HIPAA ADMINISTRATION AND COMPLIANCE

Synopsis: It is recommended that the board adopt rule 10-5-20 expanding the operational components covered by HIPAA and providing for an overall HIPAA privacy officer who shall report to the Senior Vice President for Academic Affairs and Provost.

The Health Insurance Portability and Accountability Act (HIPAA) protects the privacy of individually identifiable health information held by “covered” entities as defined by the law, which include health care providers that transmit information electronically and employer sponsored health plans. Since only certain activities of the university are “covered” the university has opted for designation as a “hybrid” entity under HIPAA, which means that only those parts of the university engaged in HIPAA covered activities are subject to the HIPAA’s privacy and security requirements. Currently this includes only University Health Services, Hoxworth Blood Center and our health plans. The proposed rule would expand coverage to the College of Medicine and to other areas of the university that may come into contact with protected health information in the regular course of business. The rule also provides for the appointment of an overall HIPAA privacy officer to coordinate HIPAA compliance who shall report to the Senior Vice President for Academic Affairs and Provost where most of the covered components report

*Filed in the Office of the Board of Trustees

either directly or indirectly. Finally the rule directs areas not formally covered by HIPAA to protect the confidentiality of individually identifiable health information.

The addition to the hybrid of the components listed is desirable for reasons of operational efficiency and to facilitate the function of the academic health enterprise as it moves forward with UC Health. It is therefore recommended that the board adopt Rule 10-5-20. A copy* of the draft rule is attached.

11.06.21.15 AMENDMENT OF BOARD RULE 50-3-02

Synopsis: The recommendation seeks approval to amend Board Rule 50-3-02 so as to align with semester conversion and associated timeframes and increase flexibility for scheduling of meetings and elections to allow the chairperson of the faculty to plan considering the current calendar and other scheduled activities at the university. This requires removal of references to specific months and replacement with general timeframes, and a clarification of the title for the Nominating/Nominations Committee. There are also non-substantive editorial changes.

It is recommended that the Board of Trustees of the University of Cincinnati approve an amendment to Board Rule 50-3-02 "University faculty: bylaws" to allow for alignment with semester conversion and associated timeframes and increased flexibility for scheduling of meetings and elections to allow the chairperson of the faculty to plan considering the current calendar and other scheduled activities at the university. This requires removal of references to specific months and replacement with general timeframes, and a clarification of the title for the Nominating/Nominations Committee. There are also non-substantive editorial changes.

At the All-university Faculty meeting held May 24, 2011, the faculty of the university voted unanimously to approve all of these recommended amendments.

A copy of the Rule* that incorporates the proposed amendment is attached.

Comments from Chairman Heimann

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

Upon motion of Thomas D. Cassady seconded by Thomas H. Humes, the Board approved the items recommended by the Committees by the roll call vote.

*Filed in the Office of the Board of Trustees

Recommendation Nos. 11.06.21.01 through 11.06.21.15

AYE: C. Francis Barrett, Mrs. Buchanan, Thomas D. Cassady, Stanley M. Chesley, Thomas H. Humes, William C. Portman, and Robert E. Richardson and Sandra W. Heimann (*Mrs. Heimann recused herself from the vote on Recommendation No. 11.06.21.06*)

NAY: None

ABSENT: Gary Heiman

Approval of the President's FY 2012 Goals and Objectives

Mrs. Heimann:

I would like to now call on Fran Barrett of the Compensation Subcommittee regarding the approval of the President's FY 2012 Goals and Objectives.

Mr. Barrett:

Thank you, Madame Chair. The Compensation Subcommittee met on Tuesday, May 24, 2011 prior to our board meeting that day and actually we met again this morning at 7:00 a.m. prior to the board meeting. At the May 24th meeting, the Subcommittee approved the President's Goals and Objectives for the upcoming year. A copy of our report and the President's Goals and Objectives are at your places. We are submitting them now to the board for the board's approval.

Mrs. Heimann:

Thank you, Mr. Barrett. Is there any discussion?

Mr. Cassady:

Excuse me, but are these in the final form?

Mr. Barrett:

I would say that they are in the final form, but we did talk to Greg this morning about coming up with some specifics under each one, but we are going to review that over the summer.

Mr. Cassady:

Okay.

Mrs. Heimann:

May I have a motion and a second to approve the President's Goals and Objectives for the coming year?

Upon motion of Mr. Richardson, seconded by Mrs. Buchanan, the Board approved the President's FY 2012 Goals and Objectives by a unanimous voice vote.

Unfinished Business and New Business

Mrs. Heimann:

Is there any other unfinished business? If not, we will have reports of the Board Representatives and the Student Trustees. Rusty, we'd love to have the Alumni Association Report.

Alumni Association Report

Mr. Myers:

Thank you, Madame Chairman. As always, I'm Rusty Myers and I'm Proudly Cincinnati. More importantly this morning I'm proudly a graduate of the Carl H. Lindner College of Business. *(Laughter and Applause)* That is truly a remarkable accomplishment for our college and I'm very proud to be such a member.

Also it's a privilege for me as I travel around and meet alumni and also meet the students of the university. It's also humbling to me the quality of our students, the quality of our alumni. We had two major events over the last several weeks that really brought out the quality of our university. The first was our UC Day Celebration on June 9th. This is our annual dinner where we present the alumni awards and achievements. It was truly a memorable evening. It was a sold-out crowd again this year. I thank President Williams for being there. It was the culmination of our year and really a tribute to those who did receive our alumni awards this year. Also as part of graduation we had a reception here at the Alumni Center for both the graduates and their families. It was extremely well attended and again meeting our graduates and seeing the quality of our graduates and where they are headed it is really going to be incumbent upon us as the Alumni Association to keep in contact with them and make sure they're a continuing part of our family.

On the Friday before Commencement, we did have our second annual reception for graduating international students as well to make sure that our outreach to all of our students is there and hopefully increase our worldwide presence of our alumni.

Fiscal year 2011 culminates our first year of the 1819 Initiative. I'm proud to report that our alumni giving rate increased to 12.5% from 11.2% and we hope to again build upon the momentum that we had through 2012 and increase our donorship and alumni participation rate of our alumni with the eventual goal of reaching our 18.19% by fiscal year 2015.

Another big focus of the alumni is scholarships for our legacies. We awarded 23 scholarships as part of our Demakes Scholarship program. We awarded 40 scholarships to upperclassmen for our legacy program this year, and one Kacher-Bloom Memorial scholarship. So again the outreach to our students through our legacy scholarship program continues to build on itself.

I thank all of the members of the board for your support of the Alumni Association and I am Proudly Cincinnati.

Mrs. Heimann:

Thank you, Mr. Myers. Dr. Harknett, do you have the Senate Faculty Report please.

University Faculty Chair Report

Dr. Harknett:

Madam Chair, thank you. Over the past month, Faculty governance activities have included sponsoring our annual University Faculty Awards Ceremony and conducting elections for university-wide faculty offices. The Awards event is really an important university moment that reminds us of the intellectual depth and breadth of our faculty and it was really well constructed and well presented. As to elections, we had full slates and competitive elections across the board, again, as a political scientist I like to see that, which provides, I think, salient evidence of the seriousness in which faculty are engaged in service to the institution. We have a strong team of faculty participating in the integrated decision-making process of the university and serving in Senate leadership roles and that will continue in the upcoming academic year.

I thought that I'd just highlight three business items that we conducted that are kind of forward looking for next year. We have a full and active agenda set up for next year. One was the Senate agreed to a recommendation from our Academic Affairs committee to create a Taskforce of faculty, students, staff, and administrators to examine the issue of "Academic Integrity in the 21st Century." It has been sometime actually since we've comprehensively reviewed the student code of conduct and in light of the enormous changes being brought about by instructional and digital technologies, we need to focus on maintaining standards of integrity in this changing world. The Taskforce will be charged with a focus on establishing a default ethic to the positive aspects of integrity in contrast to the punitive aspects of code violations.

The Faculty Senate also endorsed a recommendation from our planning committee to enhance the moment of receiving tenure and seat it in the context of further faculty development which has sort of been underemphasized at that moment in the past. The award of tenure is not a milestone to achieve, but a springboard to attain, which can enable faculty to engage in greater levels of innovation and risk-taking within their professional development as scholars and teachers. We will seek to implement this emphasis moving forward.

The third sort of forward looking thing – I thanked our DAIR committee for their initial work on examining the concept of enterprise universities, but since they did good work, have asked them to remain engaged with the matter and they will be providing further advice and analysis to us when the Chancellor releases his report in August.

In summation, I anticipate that 2011-12 will be a very significant year for the University of Cincinnati as we advance our institutional goals particularly UC2019 and our Academic Master Plan. I look forward to facilitating positive outcomes as your faculty chair faculty, students and institution writ large over the next fourteen months.

Mrs. Heimann

Thank you, Dr. Harknett. Our graduate student trustee, Portia Watkins.

Graduate Student Report

Ms. Watkins:

Good morning everyone. The new GSGA officers have assumed their responsibilities as of yesterday. The new officers include GSGA President Paulette Penzvalto, Vice President Key Beck and Treasurer Sagil James.

GSGA held the 2011 Graduate Excellence Awards ceremony on June 9.

I would like to take this opportunity to give some highlights of the GSGA accomplishments for this past academic school year. GSGA recently held the 2011 Graduate Excellence Awards Ceremony on June 9th. Some of the recipients and awards include:

- Award of Excellence in Teaching: Therese Sprinkle
- Graduate Student of the Year: LaTrice Montgomery
- Graduate Student Association of the Year: English Graduate Organization
- Outstanding International Students: Daniel Cabarcas and Diva Jonatan

GSGA awarded 485 full conference travel awards for a total of \$163,939 and 104 partial conference travel awards for a total of \$10,108.

Some other highlights include:

- The creation of a mentoring program modeled after the Harvard Society of Fellows;
- Successful negotiations with Kroger which postponed their store closing here in Clifton;
- Hosting the 2011 NAGPS Regional Conference and electing two students to the regional board;
- Pre-existing conditions probation period eliminate effective Fall 2011
- The University Graduate Assistantships protected even in the midst of budget cuts with help by Dean Pinto and the Graduate School; and
- We will be doing an Emergency Preparedness Training for Teaching Assistants and faculty that will be scheduled for the Fall 2011
- The creation of the Campus Ambassador Position which will be added to the executive Board for GSGA – This position has recently been approved by SACUP and the ambassador will serve as a liaison between the GSGA constituents and GSA's by proactively arranging to attend meetings and meet with of each of the GSA's and we are able to help them and keep the lines of communication open.

We are happy to report that the Spring Quarter is over and while graduate students will be taking a small breather they are still working hard throughout the summer in order to do research.

I would also like to comment on the June Doctoral Hooding and Master's Ceremony where President Williams recognized Captain Jimmy Hernandez who completed his master's degree while serving in the U.S. Air Force and overseas in the awesome Department of Educational Leadership. He attained his degree with over 1300 graduate students. Graduate students at the University of Cincinnati are on the move. That concludes my report.

Mrs. Heimann:

Thank you, Portia. Kyle Quinn?

Undergraduate Student Report

Mr. Quinn:

Thank you and good morning. We'll start off in the realm of Community and I did not have any athletic events in my last report so I am going to make that up here.

- Community – Notable athletic achievements:
 - We had 8 pre-season All-BIGEAST team selections for the football team
 - Four professional draft picks, one from an incoming freshman, Jackson Laumann, and two undergrads, Dan Jensen, and Chris Peters in the major league baseball to the Braves, Reds, and Blue Jays respectively.
 - And, finally, Jason Kelce who was drafted by the Philadelphia Eagles in the National Football League.
 - We had Brian Berling of Track and Ksenia Slyko of Tennis both received the TopCat honors for academic achievement – both graduating with 4.0 GPAs, which is just astounding being a student athlete.

- Jimmy Nippert and Helen Norman Smith award winners Stephen Cunningham and Shelly Bellman of swimming and basketball respectively.
- Finally – three NCAA Track & Field All-Americans in Terrence Somerville, Eric Finan, and Kathy Klump.

- Global Engagement
 - Pi Kappa Alpha Fraternity traveled to El Salvador to build two homes for the Fuller Center. This is a 60 home community project built mainly by UC students. I was on the trip to El Salvador and it was actually quite neat. The neighborhood they have built there is built mainly (75%) by students from the University of Cincinnati. It's kind of neat you go to this middle-of-nowhere place in El Salvador and these homes all have Bearcat flags and T-Shirts (*Laughter*) and we have a little neighborhood in San Luis Talpa, El Salvador – so, proud Bearcats around the world.
 - Sigma Chi Fraternity traveled to Haiti to help with construction after the tragic natural disaster this past year.

- Learning, Discovery & Collaboration
 - Anna Pietrzak was the Merit Winner in the Prestigious Lyceum Competition. This is the nation's most prestigious architecture competition and she was the #1 place winner.
 - Annual UC DAAPWork exhibits and fashion show. DAAP students also exhibited their design prowess by designing a new studio space for the Scripps HGTV network in Knoxville, TN as part of their co-op assignment. That's unique and you can read about that in UC News.
 - And, as highlighted in President Williams report I'll refer you to the Six Gilman Scholarship winners.

- CATCHALL Commencement Exercises

- I heard wonderful things although I was out of town. Congratulations to all the graduates especially the four Presidential Leadership Medal of Excellence winners.

As you are looking ahead towards the fall, if you are on campus, you will now be able to enjoy Taco Bell and Papa Johns pizza in TUC instead of the Pizza Hut and Gold Star and also will be able to ride the METRO bus in a new EZ Ride partnership for less money on limited rides.

No word yet on my replacement for Student Trustee so you are stuck with me over the summer and see me in September. Other than that, that concludes my report.

Mrs. Heimann:

Thank you, Kyle. Well have our Student President's report, Alan Hagerty?

Student Government Report

Mr. Hagerty:

Good morning everyone.

The spring quarter was truly an exciting and busy time for our students. Surely, the summer will be as well as we begin to plan for another historic year.

- Community
 - Bearcat Bound Orientation, a comprehensive two-day program will be held between June and August for all our incoming freshmen. Our SOLs or Student Orientation Leader's as we call them will welcome thousands of incoming freshmen to campus. It will truly be an exciting time this summer.
- Global Engagement
 - The International Leadership Collaborative, which we mentioned before, visited Sri Lanka. It was a great success. They held a UC assembly for Sri Lankan international students and also they held a health camp for

villagers providing eyewear and basic health needs for those members of the village. This was a great success and definitely a shiny star for Student Government and UC as a whole.

- Collaboration
 - Student Government was heavily involved with the proposed coop fee for students. There was much discussion and feedback talking with Professional Practice and the Provost's Office and it led to the eventual formation a Professional Practice Student Advisory Committee which will be working to address some of the needs that were made clear and also work on some initiatives in the future. We are looking forward to that and appreciate the help of Provost Ono as we worked through that. It was definitely challenging to take the feedback from the students, but I feel like we made a great decision and look forward to the future.

- Diversity
 - The UC African Student Association held an event called "My Heritage Is All I Have" and celebrated African tradition and heritage. It was a truly successful event – they had food and even had a fashion show procession. It was a great event to celebrate the diversity in our community here at UC.

- Student Government
 - We have approved and selected our 30 plus executive cabinet. We will be having intense planning this summer and retreat for the upcoming year to get ready for the fall and the upcoming year.
 - Nicole Mayo has been selected as the new SALD Director as well as the Student Government Advisor. Please wish her your congratulations. I look forward to working with her this upcoming year.

- University News
 - The UC Day Celebration was an awesome success and a great event. Congratulations to the Alumni Association – it was a truly great event.
 - The UC Memorial Service was held on June 1st and was held in remembrance of students, faculty, and staff that have passed away. The event was definitely touching. Thank you to everyone who attended and showed up to support our community because that goes a long way.

That concludes my report.

Mrs. Heimann:

Thank you, Alan.

Our next regular scheduled board meeting will be held here in the Russell C. Myers Alumni Center, on Tuesday, September 20, 2011. Thank you all for being with us today.

Executive Session

Mrs. Heimann:

I would like to call for an Executive Session. May I have a motion to enter into Executive Session for the purpose of considering the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official?

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

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

NAY: None

ABSENT: Margaret E. Buchanan and Gary Heiman

Upon proper motion and second, the Executive Session adjourned at 11:33 a.m.

Reconvene Meeting

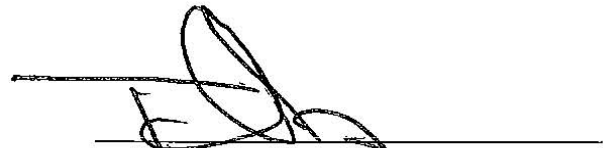
The meeting of the Board of Trustees of the University of Cincinnati will now be reconvened. (*Meeting was reconvened at 11:34 a.m.*)

Adjournment

There being no further business before the Board, and upon proper motion of Mr. Richardson, seconded by Mr. Humes, the meeting adjourned at 11:34 a.m.



SANDRA W. HEIMANN
CHAIRPERSON



THOMAS H. HUMES
SECRETARY