

University Current Funds  
Budget Plan  
**FY 2013–2014**





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CURRENT FUNDS BUDGET PLAN  
Fiscal Year 2013-2014 ▶

Prepared by the Office of the VP for Finance | June 25, 2013



## THE BUDGET BOOK

The University of Cincinnati continues the transformation of its budget process to an all-university, all-funds methodology. The university utilizes fund accounting to budget and monitor the use of funds in accordance with the principles of the Governmental Accounting Standards Board (GASB). Budgeting by fund enables the university to track the sources and uses for each fund as is often required to ensure compliance with internal and external restrictions. Fund accounting also allows for monitoring and tracking of different financial objectives and allows for budgeting based on current funds (Uptown and branch campuses), auxiliary operations, designated funds and restricted funds. Schedules categorized by functional area of these funds' total budgets are presented in subsequent sections of this publication. Following Board of Trustees approval, the budget is modified throughout the year as changes in circumstances occur. The permanent budget was frozen on February 28<sup>th</sup> and after this date no changes can be made. Therefore, the column labeled "FY 2013 Budget as of 2/28/13" represents the final permanent budget for Fiscal Year 2013 (FY 2013.)

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## INTRODUCTION

The FY 2013-14 (FY 2014) University of Cincinnati budget is presented to the Board of Trustees at an inspirational time for the university with the recent investiture of an energetic new president. This budget was built in response to numerous successes and challenges along with a strong emphasis on a vision for the future direction of the university.

### KEY PERSONNEL

**October 23, 2012—Santa Jeremy Ono, PhD** was appointed the 28<sup>th</sup> president of the University of Cincinnati. He had been appointed interim president on August 21, 2012 after serving as Senior Vice President for Academic Affairs and University Provost since September 2010. With his appointment, Dr. Ono became the first Asian-American president in UC's history. On April 19, 2013, President Ono's investiture took place in Corbett Auditorium at the College-Conservatory of Music. Ono pledged to ensure that the University of Cincinnati would remain an institution focused on transforming lives, creating knowledge, and being a global change agent. He emphasized the importance of core values such as imagination, innovation, and commitment to the continued vitality of the university promising to never lose sight of the university's responsibility to America.

**July 1, 2012—Ronald Jackson, PhD** assumed the deanship of the McMicken College of Arts & Sciences. Jackson came to UC from the University of Illinois at Urbana-Champaign where he was a professor of media and cinema studies and African American Studies. He also served there as head of the Department of African American Studies and associate dean in the College of Media. Prior to Illinois, he was on the faculty at Pennsylvania State University and Howard University. As the author of 12 books and dozens of scholarly articles, Dr. Jackson is

a nationally recognized leader in the study of communication and identity theory. He is also an alumnus of UC having earned both his baccalaureate and master's degrees from the McMicken College of Arts & Sciences.

**August 23, 2012—Ryan Hays, PhD** was named Executive Vice President. He first arrived at UC in 2011 to serve as vice provost for faculty development and deputy to the provost. Prior to UC, he served as assistant dean of the faculty at Princeton University where his administrative duties spanned all four academic divisions, humanities, social sciences, natural sciences, and engineering and included co-managing the university-wide teaching budget. Before Princeton, Hays staffed the Board of Trustees at Emory University. His work focused on strategic planning, trustee recruitment and board development. At Emory, he taught in the Graduate Institute of the Liberal Arts. Prior to Emory, Hays served as special assistant to the dean of the Tucker Foundation at Dartmouth



College. He received his baccalaureate degree from DePauw University and doctoral degree in psychoanalytic studies from Emory University.

**August 31, 2012—Xuemao Wang, MBA, MLIS** was named Dean and University Librarian. Wang comes to UC from Emory University where he was the Associate Vice Provost of University Libraries since 2009, overseeing the libraries' day-to-day operations with direct supervision of Content and Services divisions, as well as the administrative and business offices. Prior to that appointment, he was the head of library systems at Johns Hopkins University, Sheridan Libraries, with responsibilities for supporting university-wide enterprise library systems. Before his positions in academic libraries, Wang was director of information technology for the Metropolitan New York Library Council, manager of internet services for Queens Borough Public Library, and head of the Information Service Department at Sichuan Institute of Business and Administration in Chongqing, China. Wang's educational background includes a B.A. from Wuhan University in China and three master's degrees, including one in business administration from Hofstra University in Hempstead, N.Y.; one in library and information science from the University of South Carolina; and one in library science from Kutztown University of Pennsylvania.

**January 1, 2013—William S. Ball, MD** was appointed Vice President for Research. He served in this position in an interim capacity since August 2011, demonstrating the strategic and innovative leadership that the UC research portfolio needs to achieve greater diversity and remain competitive into the future. Dr. Ball is a professor of radiology, biomedical engineering and pediatrics as well as the former chair of the department of biomedical engineering. He has extensive experience in interdisciplinary collaboration both within and beyond UC. A graduate of the Tulane University School of Medicine, he holds board certification in pediatrics and radiology. He completed a fellowship in pediatric radiology/pediatric neuroradiology at Cincinnati Children's Hospital. He served one year of fellowship training in neuroradiology and as a faculty member at the University of New Mexico Medical Center before arriving at UC and Cincinnati Children's Hospital in 1984.

**January 1, 2013—Nelson Vincent, EdD** was appointed Vice President and Chief Information Officer. Since his appointment as Interim Vice President and Chief Information Officer in August 2012, Dr. Vincent has made tremendous strides in defining a vision and developing action plans for UCIT's agenda. Vincent, a UC alumnus, has served as Associate Dean for Research in the College of Education, Criminal Justice, and Human Services (CECH) since 2004. In addition to managing research activities, he was responsible for leading the college's Academic Information Technology services, resources and support. Vincent has served on numerous technology-related working groups across the university including the Academic Technology Planning Committee, the Blue Ribbon Task Force on Academic Information Technology and the Blue Ribbon Sub-Task Force on IT Governance.

**January 7, 2013—Erin Ascher, MS** assumed the position of Senior Associate Vice President and Chief Human Resource Officer. Ascher has extensive experience in HR strategic planning, succession planning, compensation and benefits, diversity, organizational development, talent management and employee relations. Most recently, she served as

Senior Vice President of Human Resources at Omnicare, Inc., in Covington, KY, where she built a scalable HR function, focusing on increasing capacity and capabilities. Prior to Omnicare, she was Vice President of Human Resources for Prime Therapeutics, LLC, in Minneapolis, Minnesota. From 1998 to 2007 she held several positions of increasing responsibility at Ecolab, a global provider of water, hygiene and energy technologies and services. She has also held HR positions in several technology and engineering firms. Ascher earned her bachelor's degree in management from Miami University, Oxford, Ohio, and her master's in employee relations from Georgia State University.

**April 1, 2013—Kenya Mann Faulkner, JD** joined UC as Special Assistant to the President. She previously served as Inspector General for the Commonwealth of Pennsylvania where she oversaw an agency of 244 employees and was tasked with preventing, investigating and eradicating fraud, waste, abuse and misconduct in all executive agencies under the Governor's jurisdiction. Prior to that appointment, she was a partner at Ballard Spahr in Philadelphia where she conducted internal investigations for governmental agencies and nonprofit companies and was also a member of the white collar litigation practice group. Faulkner also served as an Assistant US Attorney in the Eastern District of Pennsylvania where she successfully prosecuted fraud cases. Additionally, she was a Senior Deputy Attorney General in the Pennsylvania Attorney General's Drug Strike Force Section. Before joining the Attorney General's Office, she spent six years as a Philadelphia public defender. She has taught at Temple University Law School, West Chester University and the National Institute of Trial Advocacy. Faulkner received her bachelor's degree in criminal justice and English from Niagara University and her juris doctorate from the State University of New York, University of Buffalo Law School.

**June 1, 2013—Debra Merchant, JD** was appointed Vice President for Student Affairs and Services. She had been serving as Interim Vice President for Student Services since January 2013. With over 15 years of experience at UC, Merchant has been very involved in providing strategic leadership and a vision centered on students. Prior to her current role, she served as the Director of Academic Excellence and Support Services, the Director of the Disability Services Office, and Associate Vice President of Student Services. Merchant earned her B.A. in Learning and Behavior Disorders from Morehead State University, her M.S. in Learning and Behavior Disorders from the University of Kentucky, and her juris doctorate from the University of Kentucky College of Law.

**June 3, 2013—Rodney Grabowski, MBA** assumed the role of President of the UC Foundation and Vice President for Development and Alumni Relations. Grabowski served as the Senior Associate Vice President for University Advancement and Campaign Director at the University of South Florida (USF) where he was responsible for the branding and successful completion of the USF Unstoppable Campaign, the largest fundraising and outreach effort in the University's history, as well as an annual giving program in excess of \$85 million. Prior to his tenure at USF, Grabowski held key development positions at the University of North Florida, Jacksonville University and Alfred University in New York. In addition to his 23 years of fundraising, leadership and management experience, he brings a strong understanding of higher education's unique fundraising landscape.



**July 15, 2013—Beverly Davenport Sypher, PhD** was appointed Senior Vice President for Academic Affairs and Provost. Dr. Davenport Sypher is a leader's leader with an impressive record of managing complex change at multiple institutions. Her success in reinvigorating the faculty, her leadership in advancing diversity and inclusion, her passion for students, her award-winning efforts in the classroom, her stellar reputation in her scholarly field and her deep-seated commitment to strengthening the academic core has positioned her particularly well for the role of chief academic officer. Most recently serving as Vice Provost for Faculty Affairs at Purdue University, Dr. Davenport Sypher managed a broad portfolio of faculty-focused initiatives, ranging from recruitment and retention to resource allocation and faculty development. Davenport Sypher earned her PhD from The University of Michigan and bachelor's degrees in communication and journalism from Western Kentucky University. Prior to Purdue, she was a senior fellow in the Office of the Provost at Virginia Tech University, divisional dean for the social sciences at the University of Kansas and chair of the Department of Communication at the University of Kentucky.

### LISTENING TO THE FUTURE: Transforming Lives, Education & Knowledge

A foundational piece of the university's strategic planning effort has been the UC2019► Academic Master Plan. (AMP) This document outlined over 200 tactical steps to increase excellence at the University of Cincinnati. Since most of the AMP tactical steps have now become reality and are embedded in UC's processes, it is now time to move from tactics to a broader set of strategies to serve as themes for future development.

The Transforming Our Future taskforce has been established and is seeking to identify strategic areas of interest through a series of listening sessions. These sessions will help the university gather feedback from representative groups across campus including faculty, students, alumni, business leaders and other key constituents.

The strategic areas of interest should include the following 4 criteria:

- 1) Involve more than one unit at the university
- 2) Build on existing strengths
- 3) Anticipate the future and are forward-looking
- 4) Make a difference, solve real-world problems, and have an impact

After the "Listening to the Future" sessions are completed, themes identified will be compiled and shared with the university community for further discussion and action.

### OTHER HIGHLIGHTS

Some recent key successes at UC include:

- UC enrollment totals 41,970 students on all campuses in fall semester 2012.
- Fall 2012 freshman class on the Uptown campus continues the standard of academic preparedness with an average ACT score of 25.
- Number of UC students applying for graduation in June 2012 surpasses June 2011 levels with 5,636 degrees awarded, the largest number of graduates in more than 35 years.

- Commencement for the spring semester 2013 held in late April 2013 due to the conversion from quarters to semesters. A total of 6,364 degrees awarded. The numbers include what would have been winter (March) and spring (June) graduates under the university's former academic quarter system, whereas only spring quarter degrees awarded were reported for last June.
- FY 2012 total research funding including affiliates exceeds more than \$404 million with increases in invention disclosures and patent applications over FY 2011.
- The Times Higher Education magazine of London ranks UC among the top 250 "World Universities" in 2012-13.
- UC reaches record-setting \$1 billion Proudly Cincinnati Campaign goal in February, 2013, several months ahead of schedule.
- UC ranks 139<sup>th</sup> among institutions identified as "National Universities," a jump of 4 spots from the previous year, and ties for 70<sup>th</sup> among public universities by U.S. News and World Report improving 17 spots in the rankings over 2 years.
- UC ranks 134<sup>th</sup> in 2013 on the CWTS Leiden Rankings which measures the scientific performance of major universities worldwide.
- UC successfully completes the transition from quarters to semesters on August 27, 2012 in accordance with the University System of Ohio's strategic plan for higher education.
- Princeton Review's guide to 322 Green Colleges 2013 Edition recognizes UC among the nation's top "green" universities for the 4<sup>th</sup> consecutive year.
- UC is named one of the country's best institutions for undergraduate education for the 6<sup>th</sup> straight year, according to The Princeton Review's 2013 edition of "The Best 377 Colleges."
- In December 2012, University Hospital's name changes to the University of Cincinnati Medical Center. The switch is designed to better connect the hospital with the University of Cincinnati and help spotlight the medical research being conducted there.
- UC transitions completely to a 100% wireless campus.

## **POLICIES AND PRINCIPLES GUIDING THE BUDGETING PROCESS**

As part of the university's strategic plan, UC continues to update policies designed to improve financial stability and business practices across the university. The Operating Cash Policy and the Structural Deficit Policy as well as Performance Based Budgeting continue to have the most pronounced impacts on improving the university's financial strength even as state support for higher education is in a general decline. This contributes positively to the decision by Standard & Poor's and Moody's to reaffirm the institution's long-term bond rating in the AA category during FY 2013; even as Moody's assigned a negative outlook on the entire higher education sector during this same time period. In addition, the Ohio Board of Regents' Financial Health Composite Score for UC for FY 2012 was 3.2 out of 5.

## **OPERATING CASH POLICY**

The Operating Cash Policy, approved by the Board of Trustees in November 2006, continues to increase UC's liquidity. The goal is to attain an average daily cash balance of no less than

25% of annual operating budget expenditures and transfers, as well as a minimum daily cash balance of no less than 17% of annual operating budget expenditures and transfers. Operating cash has continued to grow to a balance of \$476M as of March 2013 including spring tuition payments. Cash balances regularly exceed the minimum daily target of \$188M. In accordance with policy, the cash position is monitored by the Cash Committee on a periodic basis to ensure that the required levels are achieved. In addition, the cash status is reported to the Board of Trustees quarterly and annually in the audited Financial Report.



### **STRUCTURAL DEFICIT POLICY**

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

- Utilizing a proactive budgeting process;
- Requiring any new deficit funds be approved in advance by the Vice President for Finance in consultation with the appropriate unit Vice President;
- Obtaining payback plans for funds that are currently in a deficit position;
- Reducing the scope, postponement or cancellation of capital projects;
- Focusing on receivables management.
- Compliance with this policy is monitored on a regular basis and is responsible for the continued reduction in over-drafted cash balances.

### **FINANCIAL POLICIES**

The Financial Policy Development Committee continues to develop and implement institutional financial policies in response to audits as well as strive to contain costs and institute better business practices. Draft policies are fully vetted through the university's decision-making and governance structure to gain valuable feedback and heighten awareness of fiscal stewardship and accountability. The results have included continually improved internal controls in addition to cost containment over a wide array of university activities.

Since July 1, 2011, BNY Mellon has been UC's Tier 1 master custodian. A master custodian's chief responsibilities are the safekeeping and related servicing of its client's portfolio of assets. BNY Mellon is assisting UC in a number of portfolio management areas such as improved reporting timeliness, valuation pricing, and performance reporting, in addition to compliance and risk monitoring.

## **PERFORMANCE BASED BUDGETING**

The university adopted a Performance Based Budgeting model in FY 2010, replacing the historical allocation of resources for the undesignated general fund. The model is resource and enrollment driven with incentives for both growth and efficiencies. Each college or administrative unit is assigned a mandatory budget threshold that is to be met through growth, cost-saving measures, or some combination of these two factors. The model allows for college units to share in the growth resulting from exceeding their established thresholds and building their enrollments. More detail on the Performance Based Budgeting template is included in Section 3.

## **REVENUE SUMMARY**

### **STATE SUPPORT**

After significant reductions in state of Ohio support to higher education in FY 2012, state appropriations grew by nearly \$2.8 university-wide in FY 2013. It is projected that FY 2014 State Share of Instruction (SSI) for the Uptown campus will increase by approximately \$4M over the amount budgeted for FY 2013 which can be attributed mainly to continued strong enrollment growth and retention. State appropriations are anticipated to be 17% of the university's total budget.

### **TUITION REVENUE**

In February 2013, Governor Kasich's biennial budget release proposed in-state undergraduate tuition caps limiting increases to 2%. At the April 23, 2013 UC Board of Trustees meeting, President Ono announced that now is the time for UC to send a "clear and compelling message to the broader community that we are firmly committed to keeping costs down for our students." Therefore, he recommended a tuition freeze for in-state undergraduate students in FY 2014. In addition, non-resident undergraduates will also see no increase to tuition. At the graduate level, tuition will also remain unchanged for both resident and non-resident students. For professional students, Law school fees will remain unchanged while in the Medicine MD program, the instructional fee and non-resident surcharge will increase by 1%. The PharmD instructional fee and non-resident surcharge will increase 5%. In addition, the instructional fee is being combined with the PharmD program fee of \$750 per semester as requested by the College of Pharmacy and approved by the Provost. (See fees schedules in Appendix 1.)

### **GOVERNMENT AND PRIVATE GRANTS AND CONTRACTS**

UC and its affiliates received over \$404 million in research funding in FY 2012, a decrease of about \$14 million over the total in FY 2011. Federal and state budget cuts have had a direct effect on the amount of research performed at UC. Excluding its research affiliates, UC received \$226.2 million in sponsored program awards in FY 2012.

A significant part of UC's research funding comes from the National Institutes of Health (NIH), the major supporter of biomedical research. In fact, 87% of UC's 2012 research dollars came from federal funding sources. UC is ranked in the top 30 of all public institutions by the National Science Foundation for federal research and development expenditures. UC's College of Medicine brought in \$120 million in research funding in FY 2012.

FY 2014 presents significant challenges to the university in terms of grants and contracts funding. Federal budget cuts mean major decreases in funding to the major federal science agencies including the National Institutes of Health and the National Science Foundation. Therefore, there will be fewer grants awarded to UC faculty, making it impossible to maintain the same number and level of research programs as have been undertaken previously at UC.

### **ENDOWMENT INCOME**

The university uses its endowment to support current operations in a way that generates a predictable stream of support, while maintaining the purchasing power of the endowment funds adjusted for inflation. Therefore, the university spending policy provides for annual distributions as a percentage of the 12-quarter moving average market value of assets in the investment pool. On April 23, 2013, the Board of Trustees approved a reduction in the spending policy rate from 5% in FY 2013 to 4.75% for FY 2014 and to 4.5% for FY 2015. This results in a 4.2% decrease in the net spendable payout for FY 2014.

As of June 30, 2012, the market value of the UC endowment ranked 75th out of 843 higher education institutions surveyed by the NACUBO-Commonfund Study of Endowments. The university's endowment market value was \$976.8 million as of June 30, 2012. As of March 31, 2013, the market value of the UC endowment was \$1.036 billion, up 5.3% since June 30, 2012.

### **FUNDRAISING CAMPAIGN**

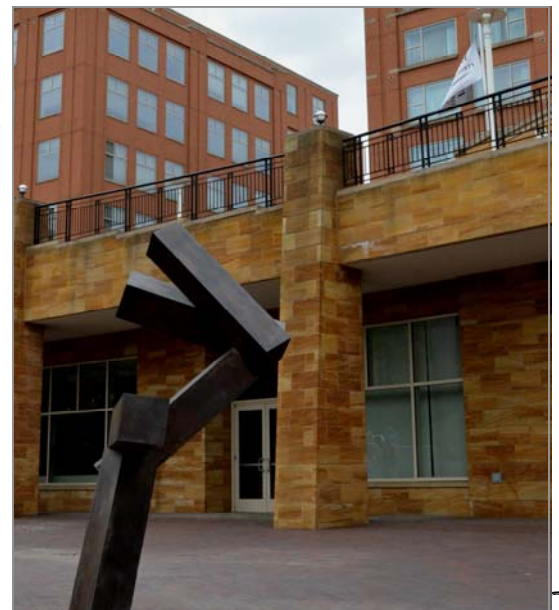
On February 20, 2013, the University of Cincinnati announced that it surpassed the \$1 billion goal of its *Proudly Cincinnati* campaign, the most ambitious fundraising effort in the university's history. In all, more than 91,000 individual and corporate donors – including alumni, staff, community partners, corporations, foundations and friends of the university – helped UC reach the \$1 billion mark four months ahead of the campaign's June 2013 deadline.

This achievement places UC among one percent of all U.S. colleges and universities to have ever raised \$1 billion. The impact will be to enhance everything from experiential learning to study abroad opportunities. Of the \$1 billion raised, 33 percent came from outside of Cincinnati, with the top three regions being New York City, Washington, D.C. and Northern California. In addition, 59 percent of campaign donors are alumni. More than \$101 million has been raised through the campaign for student financial support, including financial aid and scholarships.

Even as the university paused to celebrate the \$1 billion milestone, President Ono introduced a short-term goal to secure a total of 100,000 donors by the close of the campaign on June 30, 2013.

### **AUXILIARY ENTERPRISES**

The university's main auxiliary enterprises include Campus Services and Athletics. Campus Services manages the



university activities related to Parking, Housing & Food Services, Retail Services, MainStreet & Campus Recreation Operations, Kingsgate Conference Center, and Conference & Event Services. Campus Services continues to exhibit sound financial management while providing the services students expect for an enjoyable campus experience. Campus Services auxiliaries have been able to benefit from increased enrollments while containing expenses through continuing implementation of cost containment measures. Operations are expected to generate a net profit in FY 2013 which will be utilized for capital improvements. This strategy of revenue growth combined with cost containment is expected to continue into FY 2014 when Campus Services again expects operations to result in a net profit.

Athletics experienced another successful year in FY 2013 both on and off the playing field. UC Football, Men's Basketball, Men's Golf, and Women's Track and Field all had especially notable seasons. Academically, nearly 60% of UC athletes had a 3.0 or better GPA for the fall 2012 semester while 11 of 17 teams posted a GPA of 3.0 or higher.

UC has a new home in the newly formed American Athletic Conference. While the fiscal results of college athletics continue to be challenging, under the leadership and energy of Athletic Director Whit Babcock, UC Athletics continues to explore opportunities for revenue growth as well as cost containment while striving to be competitive in NCAA sports and graduating student-athletes.



## 2. TOTAL CURRENT FUNDS BUDGET SUMMARY

**FISCAL YEAR 2013-2014  
CURRENT FUNDS BUDGET SUMMARY  
(IN THOUSANDS)**

	Undesignated General Funds Uptown Campus	Undesignated General Funds Branches	Auxiliary Enterprises	Designated General Funds	Restricted Funds	Total Current Funds
<b>RESOURCES</b>						
Gross Tuition, Fee and Other Student Charges	404,032	43,575	14,100	28,551	-	490,258
Less Scholarships and Fellowships	(69,303)	(865)	-	-	-	(70,168)
Net Tuition, Fee and Other Student Charges	334,729	42,710	14,100	28,551	-	420,090
State Appropriations (State Share of Instruction)	159,958	18,387	-	-	8,345	186,690
Govt. and Private Grants and Contracts	17,859	29	-	17,321	189,376	224,585
Private Gifts	319	-	4,643	-	43,498	48,460
Endowment Income	1,396	-	-	952	52,884	55,232
Sales and Service	10	24	-	64,647	-	64,681
Temporary Investments	2,270	-	-	-	-	2,270
Other Sources	1,061	114	-	6,587	2,020	9,782
Auxiliary Enterprises	-	-	94,881	-	-	94,881
<b>Total Resources</b>	<b>517,603</b>	<b>61,265</b>	<b>113,625</b>	<b>118,058</b>	<b>296,123</b>	<b>1,106,673</b>
<b>EXPENDITURES</b>						
Educational and General						
Instructional and General	199,344	34,575	-	4,606	46,826	285,351
Separately Budgeted Research	12,266	-	-	14,879	150,336	177,481
Public Service	944	68	-	54,140	4,311	59,463
Academic Support	81,391	5,268	-	16,032	12,619	115,310
Student Services	21,635	4,943	-	19,011	3,036	48,625
Institutional Support	51,003	9,102	-	29,868	3,951	93,924
Operation and Maintenance of Plant	48,706	5,311	-	(4,172)	65	49,910
Scholarships and Fellowships	-	-	-	1,490	59,586	61,076
Budget Cut Reserve	(3,743)	-	-	-	-	(3,743)
Semester Conversion Reserve	1,000	-	-	-	-	1,000
Future Yrs Reallocation Reserve	6,964	-	-	-	-	6,964
<b>Total Educational and General</b>	<b>419,509</b>	<b>59,268</b>	<b>-</b>	<b>135,854</b>	<b>280,730</b>	<b>895,361</b>
Auxiliary Enterprises	-	-	78,854	-	-	78,854
Mandatory Transfers						
Loan Fund Matching	-	-	-	-	-	-
Debt Service	26,317	-	36,246	28,536	603	91,702
Nonmandatory Transfers						
Subsidies to Non-Instructional Units	16,294	259	(23,067)	6,515	-	-
Plant Funds	2,584	-	4,100	-	-	6,684
Designated	49,575	-	-	(49,575)	-	-
Other	(1,776)	1,738	16,945	181	13,995	31,083
Claims on Operations Repayment	5,100	-	-	(5,100)	-	-
<b>Total Expenditures and Transfers</b>	<b>517,603</b>	<b>61,265</b>	<b>113,077</b>	<b>116,410</b>	<b>295,328</b>	<b>1,103,683</b>
<b>Net Increase (Decrease) In Fund Balance</b>	<b>-</b>	<b>-</b>	<b>548</b>	<b>1,648</b>	<b>795</b>	<b>2,990</b>

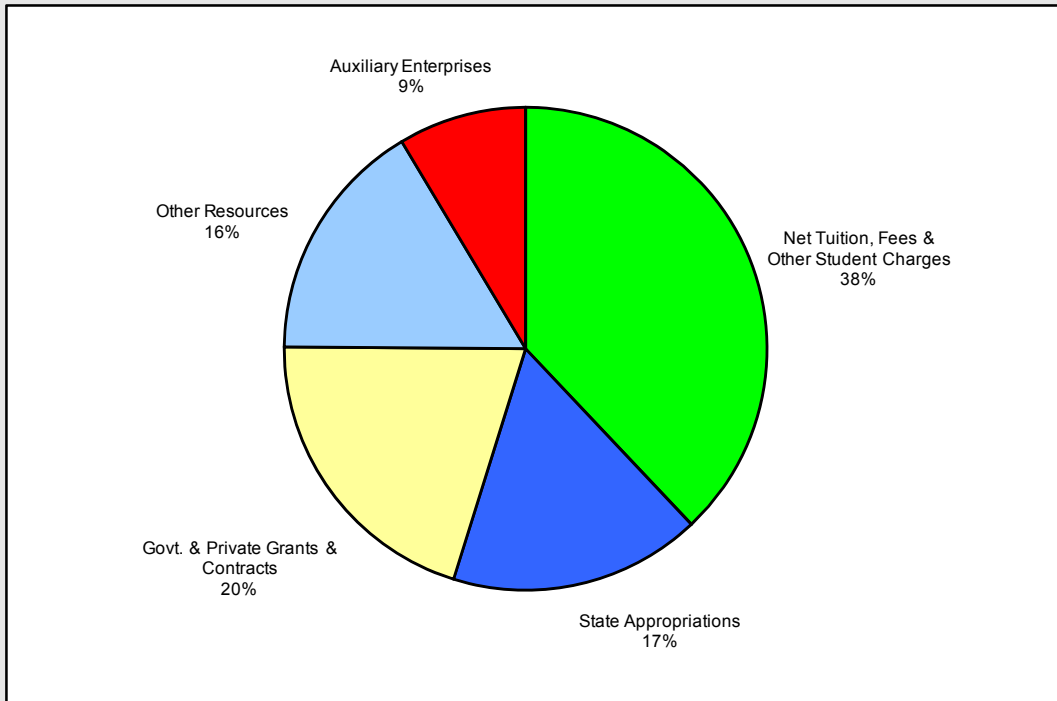


**SUMMARY OF BUDGETED RESOURCES AND EXPENDITURES**  
**TOTAL UNIVERSITY**  
**(IN THOUSANDS)**

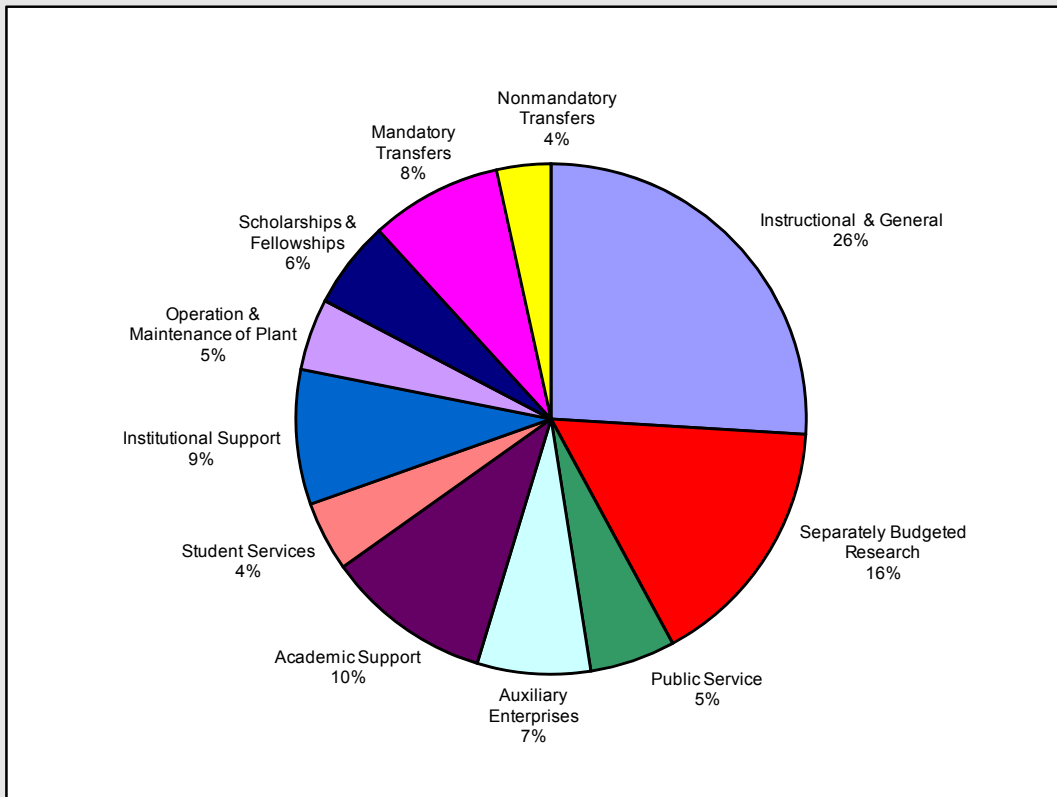
	FY 2013 Budget As Of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Gross Tuition, Fee and Other Student Charges	493,990	490,258	(3,732)	-0.76%
Less Scholarships and Fellowships	(69,026)	(70,168)	(1,142)	1.65%
Net Tuition, Fee and Other Student Charges	424,964	420,090	(4,874)	-1.15%
State Appropriations (State Share of Instruction)	181,380	186,690	5,310	2.93%
Govt. and Private Grants and Contracts	256,279	224,585	(31,694)	-12.37%
Private Gifts	46,364	48,460	2,096	4.52%
Endowment Income	58,060	55,232	(2,828)	-4.87%
Sales and Service	63,238	64,681	1,443	2.28%
Temporary Investments	2,270	2,270	-	0.00%
Other Sources	7,928	9,782	1,854	23.39%
Auxiliary Enterprises	94,967	94,881	(86)	-0.09%
<b>Total Resources</b>	<b>1,135,451</b>	<b>1,106,673</b>	<b>(28,778)</b>	<b>-2.53%</b>
<b>EXPENDITURES</b>				
Educational and General				
Instructional and General	288,233	285,351	(2,882)	-1.00%
Separately Budgeted Research	197,104	177,481	(19,623)	-9.96%
Public Service	60,047	59,463	(584)	-0.97%
Academic Support	118,219	115,310	(2,909)	-2.46%
Student Services	48,555	48,625	70	0.14%
Institutional Support	92,927	93,924	997	1.07%
Operation and Maintenance of Plant	50,538	49,910	(628)	-1.24%
Scholarships and Fellowships	64,408	61,076	(3,332)	-5.17%
Budget Cut Reserve	-	(3,743)	(3,743)	-100.00%
Semester Conversion Reserve	1,000	1,000	-	0.00%
Future Yrs Reallocation Reserve	9,964	6,964	(3,000)	-30.11%
<b>Total Educational and General</b>	<b>930,996</b>	<b>895,361</b>	<b>(35,635)</b>	<b>-3.83%</b>
Auxiliary Enterprises	77,386	78,854	1,468	1.90%
Mandatory Transfers				
Loan Fund Matching	-	-	-	
Debt Service	85,956	91,702	5,746	6.68%
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	-	-	-	
Plant Funds	5,325	6,684	1,359	25.53%
Designated	-	-	-	
Other	27,485	31,083	3,598	13.09%
Claims on Operations Repayment	-	-	-	
<b>Total Expenditures and Transfers</b>	<b>1,127,148</b>	<b>1,103,683</b>	<b>(23,465)</b>	<b>-2.08%</b>
<b>Net Increase (Decrease) In Fund Balance</b>	<b>8,303</b>	<b>2,990</b>		

**SUMMARY OF BUDGETED RESOURCES AND EXPENDITURES  
TOTAL UNIVERSITY**

**RESOURCES BY SOURCE**



**EXPENDITURES BY FUNCTION**



# 3. PERFORMANCE BASED BUDGETING

## PERFORMANCE BASED BUDGETING

Fiscal Year 2014 will begin the fifth year of Performance Based Budgeting (PBB). A broader and deeper understanding among the university community of how the university operates in total has been instrumental in modeling and matching income and expenses, both direct to the colleges as well as indirect expenses critical to all operations.

Work on PBB is ongoing through fiscal year-end. It is estimated that final FY 2013 results include approximately \$3.2M in tuition growth to fund academic thresholds (budget cuts) as well as approximately \$5.5M in tuition growth which will fund splits to colleges and the Provost yet to be analyzed, finalized and distributed.

### KEY PBB DEFINITIONS

1. **Revenue Producers:** those units that generate revenue. (typically colleges)
2. **Revenue Supporters:** those units that support the revenue producers. (Provost's Office, Registrar, Finance, etc)
3. **Revenue:** all dollars generated (tuition, fees, SSI, other) distributed by home college. (Majors)
4. **Negative Revenue:** scholarships and other adjustments against revenue.
5. **Adjustments:** adjustments for students taking classes in another college. These rows are included in the template in order to account for instruction provided between colleges.
  - **Adjustment Out:** adjustment for home college students taking courses in other colleges.
  - **Adjustment In:** adjustment for students from other colleges taking courses in a home college.
6. **Total Net Revenue:** the summation of revenue and negative revenue.
7. **Direct Expenditures:** all expenditures and net transfers directly tied to the revenue producers.
8. **Base Net Revenue:** the current amount of net revenue being generated minus direct expenditures of the revenue producers. (Total Net Revenue – Total Direct Expenditures)
9. **Base Net Revenue Target:** the amount of base net revenue that must be generated by the revenue producers in order to maintain a balanced university budget. (Base Net Revenue + the positive value of the Direct Threshold Share)
10. **Indirect Expenditures:** all expenditures and net transfers directly tied to the revenue supporters.
11. **Total Expenditures:** summation of the direct and indirect expenditures.
12. **Total University Threshold:** although this figure does not appear on the individual college versions of the Online Revenue & Cost Template, it is the difference between the anticipated total net revenue and the anticipated total expenditures for the entire general fund for the fiscal year. This is the figure that forms the basis for the direct and indirect threshold shares.

13. **Threshold Share (Direct & Indirect):** the amount of the threshold that is assigned to each unit (revenue producer and supporter) that must be added to base net revenue for the academic year.
14. **Threshold Plan:** the plan the unit submits to meet its threshold share.
15. **Incentive:** the agreed upon percentage of the amount of splittable revenue that exceeds the threshold share.
16. **Splitable Revenue:** all revenue except University Scholarships & Fellowships (Graduate & Undergraduate), General Fees, Other Revenue and Sponsored Revenue. General fees and Sponsored Revenue are not splitable because they have been earmarked.
17. **Shortfall:** the amount a unit returns for failing to meet its threshold share.

### **PBB STRUCTURE**

1. Flat growth is assumed.
2. The amount of revenue needed to run the university is determined.
3. The university threshold is established. (difference between the total net revenue and the total expenditures needed to run the university)
4. Threshold shares are assigned to colleges and other units.
5. Revenue is assigned to home college and any other unit that generates revenue.
6. Revenue is adjusted for any reductions to revenue. (total net revenue)
7. Revenue is adjusted for home college students taking courses in other colleges and vice versa.
8. Direct expenditures of the college are subtracted from the total net revenue to determine the base net revenue.
9. The assigned threshold share for the college is then added to the base net revenue to determine the new base net revenue.
10. All threshold shares are mandatory.
11. Units which exceed threshold shares receive an incentive of an agreed upon percentage of the splittable revenue over their threshold share.

The following page shows the initial total FY 2014 Uptown Campus General Funds PBB summary.

FY 2014 PBB Summary

**DRAFT**

University of Cincinnati  
 Revenue and Cost Template - General Funds Only - Permanent Budget  
 Fiscal Year 2014

		FY 2013	FY 2014 Estimate	Estimated Change
<b>REVENUE</b>				
Undergraduate	Tuition (Generated by Home College)	\$ 221,201,195	\$ 219,000,395	\$ (2,200,800)
	Adjustment for Majors Instructed by Another College	\$ (37,593,614)	\$ (40,843,333)	\$ (3,249,720)
	Adjustment for Other Majors Instructed	\$ 37,593,614	\$ 40,843,333	\$ 3,249,720
	<i>Subtotal : Tuition Attributed to College</i>	\$ 221,201,195	\$ 219,000,395	\$ (2,200,800)
	General Fees (Generated by Home College)	\$ 15,252,796	\$ 15,252,796	\$ -
	State Share of Instruction (Generated by Home College)	\$ 69,761,128	\$ 71,554,027	\$ 1,792,899
	Unit Scholarships & Fellowships	\$ (2,297,147)	\$ (2,297,147)	\$ -
	University Scholarships & Fellowships	\$ (19,708,123)	\$ (20,908,123)	\$ (1,200,000)
	<i>Net Attributable Revenue</i>	\$ 284,209,849	\$ 282,601,948	\$ (1,607,901)
	Graduate / Professional	Tuition (Generated by Home College)	\$ 156,468,221	\$ 156,468,221
Adjustment for Majors Instructed by Another College		\$ (1,445,494)	\$ (1,625,136)	\$ (179,642)
Adjustment for Other Majors Instructed		\$ 1,445,494	\$ 1,625,136	\$ 179,642
<i>Subtotal : Tuition Attributed to College</i>		\$ 156,468,221	\$ 156,468,221	\$ -
General Fees (Generated by Home College)		\$ 5,222,425	\$ 5,222,425	\$ -
State Share of Instruction (Generated by Home College)		\$ 86,188,880	\$ 88,403,981	\$ 2,215,101
Unit Scholarships & Fellowships		\$ (44,459,044)	\$ (44,459,044)	\$ -
University Scholarships & Fellowships		\$ (1,335,005)	\$ (1,335,005)	\$ -
<i>Net Attributable Revenue</i>		\$ 202,085,477	\$ 204,300,578	\$ 2,215,101
Adult & Continuing Ed. (Tuition Only)		\$ 3,496,213	\$ 3,496,213	\$ -
Adult & Continuing Ed. (Scholarships Only)	\$ (309,085)	\$ (309,085)	\$ -	
Adult & Continuing Ed. (Gen. Fees Only)	\$ 378,049	\$ 378,049	\$ -	
Sponsored Revenue	\$ 19,859,347	\$ 17,859,347	\$ (2,000,000)	
Other Revenue	\$ 12,461,251	\$ 11,191,251	\$ (1,270,000)	
<b>Total Net Revenue</b>	\$ 522,181,100	\$ 519,518,300	\$ (2,662,800)	
<b>DIRECT EXPENDITURES</b>				
Academic Support	\$ 55,355,417	\$ 55,355,417	\$ -	
Institutional Support	\$ 2,761,932	\$ 2,761,932	\$ -	
Instruction	\$ 182,014,408	\$ 182,014,408	\$ -	
Public Service	\$ 40,587	\$ 40,587	\$ -	
Research	\$ 7,665,771	\$ 7,665,771	\$ -	
Student Services	\$ 2,100,568	\$ 2,100,568	\$ -	
Unassigned	\$ -	\$ -	\$ -	
<b>Total Direct Expenditures</b>	\$ 249,938,683	\$ 249,938,683	\$ -	
<b>Base Net Revenue</b>	\$ 272,242,417	\$ 269,579,617	\$ (2,662,800)	
Direct Threshold Share		\$ (2,605,410)	\$ (2,605,410)	
Base Net Revenue Target	\$ 272,242,417	\$ 272,185,027	\$ (57,390)	
<b>INDIRECT EXPENDITURES</b>				
Academic Support	\$ 27,314,345	\$ 27,314,345	\$ -	
Institutional Support	\$ 45,374,249	\$ 48,020,079	\$ 2,645,830	
Instruction	\$ 19,824,463	\$ 19,824,463	\$ -	
Operations Maintenance	\$ 48,663,052	\$ 48,663,052	\$ -	
Public Service	\$ (1,780,295)	\$ (1,780,295)	\$ -	
Research	\$ 4,716,355	\$ 4,716,355	\$ -	
Student Services	\$ 19,866,906	\$ 19,866,906	\$ -	
Unassigned	\$ 108,263,342	\$ 106,697,742	\$ (1,565,600)	
<b>Total Indirect Expenditures</b>	\$ 272,242,417	\$ 273,322,647	\$ 1,080,230	
Indirect Threshold Share		\$ (1,137,620)	\$ (1,137,620)	
Indirect Expenditures Target	\$ 272,242,417	\$ 272,185,027	\$ (57,390)	
<b>Total Expenditures</b>	\$ 522,181,100	\$ 523,261,330	\$ 1,080,230	
Total University Threshold	\$ -	\$ (3,743,030)	\$ (3,743,030)	
<b>Net Profit/(Loss) Target</b>	\$ 0	\$ 0	\$ 0	

## 4. UNDESIGNATED GENERAL FUNDS—UPTOWN CAMPUS

# UNIVERSITY OF CINCINNATI

## UNDESIGNATED GENERAL FUNDS

### UPTOWN CAMPUS OVERVIEW

This section describes income and expense changes to UC's Uptown Campus. The main source of funding for the Uptown Campus is also referred to as the general fund and/or the undesignated fund. Nearly every unit on campus has a general fund expense budget of some amount. Income streams to the general fund are expected to total approximately \$518 million in FY 2014 with the largest revenue sources coming from student tuition and fees and support from the state of Ohio through the Ohio Board of Regents. (OBR)

#### UPTOWN CAMPUS BUDGET

The Uptown campus budget for FY 2014 is presented in the table on page 28. It includes the following assumptions about tuition, subsidies and expenses.

#### TUITION

At the April 23, 2013 UC Board of Trustees meeting, President Ono recommended a tuition freeze for in-state undergraduate students in FY 2014 even though Governor Kasich's biennial budget proposed a tuition cap of 2% for in-state undergraduates. After seeking input from students, faculty, deans, and administrators through university committee participation, the following recommendation is being submitted to the Board of Trustees for approval at their June meeting to be effective fall semester 2013:

- No increase to resident or non-resident undergraduate tuition on the Uptown campus during 2013-14.
- No increase to resident or non-resident undergraduate tuition on the branch campuses during 2013-14.
- No increase to resident or non-resident graduate tuition during 2013-14.
- No increase to Law tuition for resident or non-resident students during 2013-14.
- 1% increase to Medicine MD instructional fee and nonresident surcharge amounting to a \$276 annual increase for a resident student and a \$454 annual increase for a non-resident student.
- 5% increase to Pharmacy PharmD instructional fee and nonresident surcharge amounting to a \$704 annual increase for a resident student and a \$1,308 annual increase for a non-resident student. In addition, the instructional fee is then combined with the PharmD program fee of \$750 per semester at the request of the College of Pharmacy and approved by the Provost.

The tuition budget assumes flat enrollment. This allows enrollment growth to be tracked in Performance Based Budgeting and be split as agreed to help offset budget cuts/thresholds. In



FY 2014, the budget cut/threshold for the entire Uptown campus is \$3.743 million or 1.5% of the budget cut/threshold base.

**SUBSIDY—State Share of Instruction (SSI)**

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

FY 2014 SSI for the Uptown Campus is projected to be \$159.96M, an increase of approximately \$4M over the FY 2013 budgeted allocation. State of Ohio finances seem to have stabilized and therefore, there are no additional cuts to SSI anticipated at this time.

**EXPENSE—Salary/Benefits**

During FY 2014 budget discussions, the decision was made to fund salary increases from reserves at the individual unit/department level rather than provide new budget in the budget process. Consequently, there is no salary/benefit inflation listed below. No salary increases are planned in FY 2014 for unrepresented or student salaries. Other employee groups will receive salary increases as negotiated by their respective unions as noted below.

	In Thousands
AFSCME - 2% increase	\$ --
AAUP - currently being negotiated	--
AAUP Promotions, Tenure, & Article 15 Adjustments	--
SEIU – currently being negotiated	--
IUOE - no increase	--
Unrepresented - no increase	--
Police – 1% increase	--
Security Officers – 2% increase	--
Emergency Dispatchers – 1% increase	--
University Graduate Assistants – no increase	--
Other Students – no increase	--
Total Salaries/Benefits – no new budget/being covered by each unit	\$ --

**EXPENSE—Operating**

Increases for FY 2014 operating expenses are shown below. Additional descriptions of each new expense budget supplement are contained in Appendix 5 in the back of this publication.

	<b>In Thousands</b>
MSB Phase 2-5	\$ 1,500
Roof Replacements	250
Capital Investment Fund: Major Capital Projects	1,000
U Square Lease	500
Chemical Inventory Operations/Disposal	283
Core Systems Funding	1,000
SAP Maintenance Fee	61
Academic Teaching Lab Renovations	500
UCIT – Student Bundle Rates	124
UCIT – Mainframe Maintenance	200
UC Police	486
General Counsel	150
President’s Office	127
Chief Diversity Office	300
VP – Governmental Relations & University Communications	300
VP – Communications Reallocated	(500)
<b>Subtotal Other</b>	<b>\$6,281</b>
<b>TOTAL Salaries/Benefits and Other</b>	<b>\$6,281</b>

**SUMMARY TOTAL BUDGET/REDUCTION**

	<b>In Thousands</b>
Revenue	
Increase in State Share of Instruction	\$4,008
Additional Undergraduate Scholarships	(1,200)
Late Fee Revenue Budget Reduction	(1,270)
F & A Income Reduction	(2,000)
Expenses	(6,281)
<b>SUBTOTAL</b>	<b>(6,743)</b>
Reserve for Future Years Budget Reallocations	3,000
<b>TOTAL BUDGET</b>	<b>(3,743)</b>
1.5% Budget Cut to Balance <sup>1</sup>	\$3,743

<sup>1</sup>The 1.5% budget cut will be distributed to colleges and units.

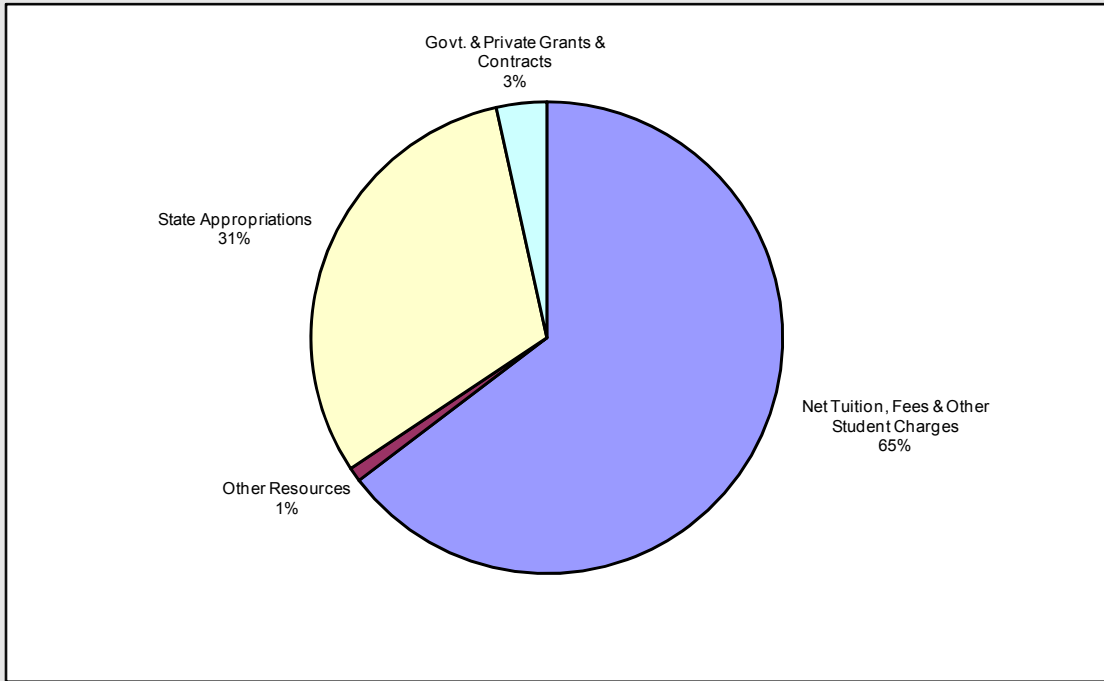
As UC enters into FY 2014, the university will continue to face funding challenges linked to economic and political pressures outside of the university's control including issues such as college readiness, pressure to keep tuition affordable, and changes in financial aid eligibility and funding. UC will meet these goals and challenges with a continued emphasis on greater efficiency while maintaining a strong campus commitment to excellence and innovation.

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

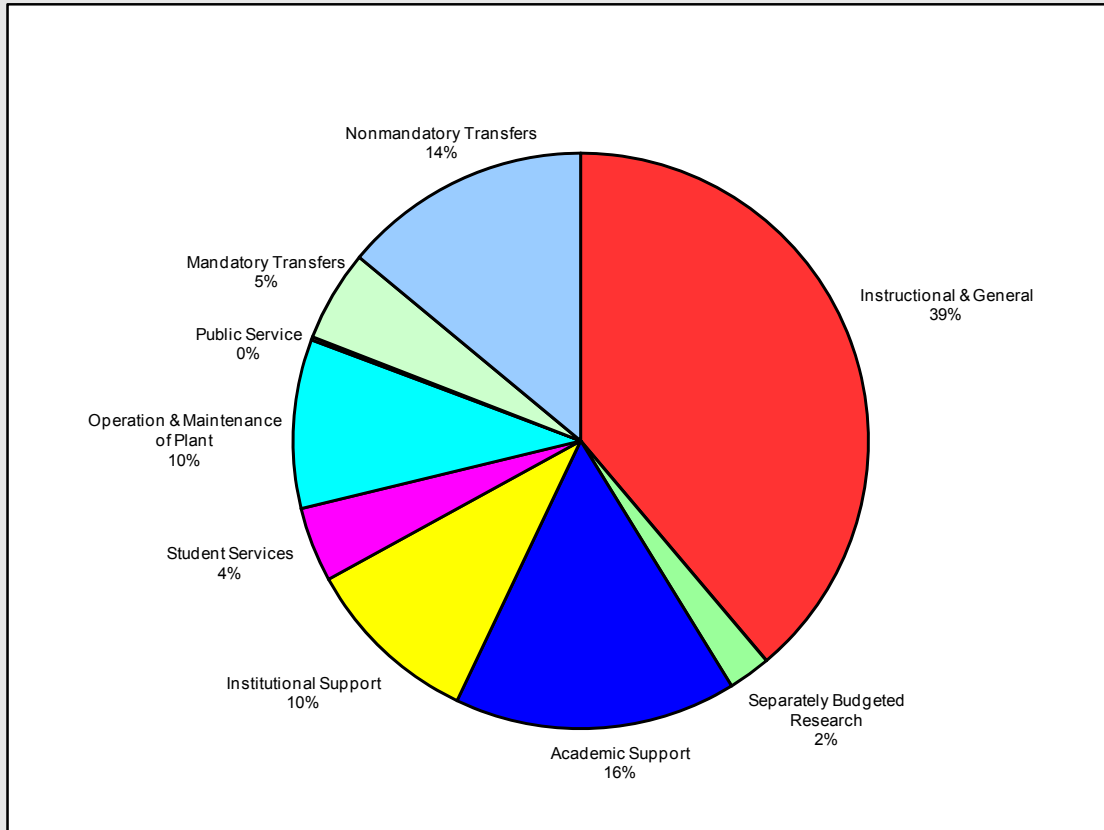
	<b>FY 2013 Budget as of 2/28/13</b>	<b>FY 2014 Budget</b>	<b>Variance</b>	<b>Percent Change</b>
<b>RESOURCES</b>				
Gross Tuition, Fee and Other Student Charges	407,503	404,032	(3,471)	-0.85%
Less Scholarships and Fellowships	(68,108)	(69,303)	(1,195)	1.75%
Net Tuition, Fee and Other Student Charges	339,395	334,729	(4,666)	-1.37%
State Appropriations (State Share)	155,950	159,958	4,008	2.57%
Govt and Private Grants and Contracts	19,859	17,859	(2,000)	-10.07%
Private Gifts	319	319	-	0.00%
Endowment Income	1,396	1,396	-	0.00%
Sales and Service	10	10	-	0.00%
Temporary Investments	2,270	2,270	-	0.00%
Other Sources	1,061	1,061	-	0.00%
<b>Total Resources</b>	<b>520,260</b>	<b>517,603</b>	<b>(2,657)</b>	<b>-0.51%</b>
<b>EXPENDITURES</b>				
Educational and General				
Instructional and General	201,769	199,344	(2,425)	-1.20%
Separately Budgeted Research	10,134	12,266	2,132	21.04%
Public Services	1,071	944	(127)	-11.87%
Academic Support	82,670	81,391	(1,279)	-1.55%
Student Services	21,370	21,635	265	1.24%
Institutional Support	48,136	51,003	2,867	5.96%
Operation and Maintenance of Plant	48,698	48,706	8	0.02%
Budget Cut Reserve	0	(3,743)	(3,743)	100.00%
Semester Conversion Reserve	1,000	1,000	-	0.00%
Future Yrs Reallocation Reserve	9,964	6,964	(3,000)	-30.11%
<b>Total Educational and General</b>	<b>424,812</b>	<b>419,509</b>	<b>(5,303)</b>	<b>-1.25%</b>
Mandatory Transfers				
Loan Fund Matching				
Debt Service	24,576	26,317	1,741	7.08%
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	18,525	16,294	(2,231)	-12.04%
Plant Funds	2,496	2,584	88	3.52%
Designated	46,596	49,575	2,979	6.39%
Other	(1,844)	(1,776)	68	3.69%
Claims On Operations Repayment	5,100	5,100	-	0.00%
<b>Total Expenditures and Transfers</b>	<b>520,260</b>	<b>517,603</b>	<b>(2,657)</b>	<b>-0.51%</b>
<b>Net Increase (Decrease) In Fund Balance</b>	<b>-</b>	<b>-</b>		

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

**RESOURCES BY SOURCE**



**EXPENDITURES BY FUNCTION**





# 5. UNDESIGNATED GENERAL FUNDS—BRANCH CAMPUSES

# UNIVERSITY OF CINCINNATI UNDESIGNATED GENERAL FUNDS— BRANCH CAMPUSES OVERVIEW

## UC BLUE ASH

UC Blue Ash (UCBA) is poised and ready for growth in both enrollment and the college itself. UCBA is planning for the future by taking calculated forward-looking steps in FY 2014, including:

- Enhancing student services and experiences
- Aggressively fundraise
- Growing enrollments to meet student demands
- Investing resources into the physical facility
- Celebrating successes while strategically planning for challenges

## INITIATIVES

### **Enhance Student Services and Experiences:**

The foundation of the college rests on the students it serves. UCBA strives to ensure that students have the resources necessary for an enriched learning experience on campus. Reorganization of a few departments will influence a natural shift to provide better services to students. This includes restructuring the student One Stop Center through hiring a new Director of One Stop and creating new University Service Associate (USA) positions that are One Stop/student-centered. The USAs will be trained to handle the vast majority of a student's operational needs through a single contact. Hiring a Director of One Stop will allow other staff to concentrate solely on devising and executing an aggressive enrollment management plan. UCBA is also enhancing student services by adding a Coordinator for Multicultural Affairs as well as a Coordinator for Veteran Student Affairs.

The college is investing in technology upgrades—including upgrades to many student computer labs—in order to enhance the student's technology experience at UCBA.

### **Aggressively Fundraise:**

UCBA has taken steps to begin fundraising at unprecedented levels. The development team is making great strides in partnering with the community, local businesses and donors—both current and potential—to increase benevolent contributions to the college. Additionally, investment is being made into the re-creation of the UCBA Alumni Association and complete re-population of Council membership. Various constituencies are being engaged in new and improved ways, building capacity to establish meaningful relationships, raise funds and effectively steward donors.



## **ENROLLMENT**

### **Grow Enrollments to Meet Student Demands:**

In FY 2013, UCBA anticipated a flat rate of growth, largely due to the changes in the pending programs and minor adjustments in the semester programs. During this time, academic programs were analyzed qualitatively and quantitatively to understand their resource needs and programmatic trends, as a part of the larger five-year enrollment management planning process at the university. Looking forward to FY 2014, the college is projecting a 2% increase in enrollment. Innovative steps have been taken to encourage increased and earlier enrollments. Programs such as the 6-for-5 summer school promotion where student receive 6 credits when they pay for 5 as well as a tuition scholarship raffle for students who register during priority registration have been effective.

## **PHYSICAL PLANT CONSTRAINTS AND REQUIREMENTS**

### **Invest Resources Into the Physical Facility:**

The physical facilities are ever-changing to meet the technology and service needs of the student population. New and upgraded electronic classrooms continue to be installed to reach a more uniform, higher standard.

The renovation of the Library, Food Services and Administration suite is underway with completion anticipated for summer and a grand opening in the fall of 2013. The fresh and upbeat Food Services area, aptly named Bleecker Street after a Manhattan borough known for its nightlife and eateries, is slated to be operational in late spring. Major capital plans include a roof replacement on Muntz Hall in the summer 2013, as well as HVAC improvements and enhancements to the UCBA Annex parking lot. All of these renovations involve costs in relocating and accommodating employees in their new spaces.

UCBA is also actively saving to invest in a new academic building which will help ease the strain on limited classroom space already burdened by increasing student enrollment.

## **SUCCESSSES/CHALLENGES**

### **Celebrate Successes While Strategically Planning for Challenges:**

The recently reorganized UCBA Communications department has been busy spreading the word throughout the college and local media of many of the positive things that are occurring at the college. The department has also taken on the task of standardizing a majority of the branding within the college to ensure both internal and external communications have a uniform look and feel within the university's branding guidelines.

As funding resources continue to be limited in higher education and with the planned tuition freeze for FY 2014, UCBA is committed to not only work harder, but also work smarter to learn from the past and utilize resources in the most efficient ways. By analyzing classroom sizes and enrollment data, the college can tailor class schedules to offer courses that fit the needs of the students, while also bringing the best return on investment of resources. UCBA is committed to being strategic and responsible stewards of college funds.

## **GOALS**

### **Follow the Plan:**

The college is actively pursuing all of the action steps in the strategic plan (2012-2017), which includes an aggressive, detailed and unanimously-approved academic plan. The academic plan calls for major improvements in the policies, resources and practices in academic advising, online learning, student success and retention rates, student rates of graduation and/or successful transition to Uptown colleges, faculty development, assessment, program review and experiential learning. This plan will improve the college's success, the students' experience and success, and the relationships and impacts on the region.

### **Stay Student-Centered**

In FY 2014, UCBA plans to focus on students to give them the resources they need to enhance their learning experience, while not losing sight of the college's largest asset, the faculty and staff who make it all possible. Faculty and staff at UCBA feel a genuine sense of pride and community; by investing in them through providing the tools and environment they need to do their best work, this positive environment will continue to flourish. UCBA will continue to invest in hiring the best possible individuals, providing research opportunities, encouraging training and development regardless of role or task and celebrating success wherever and whenever found.

There are numerous other happenings at UCBA that make the college a great place to learn, as well as work. Lastly, student satisfaction and engagement surveys indicate that students appreciate the strides being made; yet, more work remains to be done. UCBA is committed to these and other improvements.

## **UC CLERMONT**

UC Clermont is actively involved in a number of strategies and initiatives that are focused on sustaining enrollment and growing back some of the decline experienced in the fall of 2012. Full-time enrollment has declined for two straight years, from a September 2010 record level; however, part-time enrollment is at an all time high and showing no signs of decline. The college anticipates a flat enrollment in headcount, but as the result of a number of initiatives and program goals, is projecting FTE growth of 1.3% for the year. In particular, the college will be directing its efforts and resources at:

- Growing and sustaining student enrollment through an emphasis on workforce-focused academic programs.
- Growing and sustaining student enrollment through investments in market-sensitive technology, equipment and facilities directed at meeting student needs.

### **Growing and Sustaining Student Enrollment Through an Emphasis on Workforce-Focused Academic Programs:**

UC Clermont is actively involved in an aggressive promotion and marketing of its Summer Semester. Course offerings and sessions of the Summer School schedule are being targeted at regional guests and working adults, as well as high school graduates and current students.

The college has invested in faculty and technology to launch a new Health Information Systems (HIS) Technology Program. This program is a complete on-line Associate Degree program and is being directed at the recruitment of students, both on and off campus, who are open to opportunities in this expanding field.

An investment of \$300,000 has been made at the UC East Campus for a new state of the art Biology Lab to further support enrollment growth in Allied Health programs on that campus.

The college is implementing a new adult associate completion degree known as Learner Engaged Adult Program (LEAP). This effort is aimed at attracting adult students who have prior college credits, work or military experience, but who have not finished an associate degree.

The college's first Bachelor's degree in Applied Administration (BTAS) continues to be well received by the community and is recording steady growth.

The college's Police Academy is graduating two classes each year, and providing candidates interested in a career in law enforcement with quality education and training in that field. Clermont Police Academy graduates are serving in almost every area of law enforcement in the region.

**Growing and Sustaining Student Enrollment Through Investments in Market-Sensitive Technology, Equipment and Facilities Directed at Meeting Student Needs.**

UC Clermont has invested almost \$600,000 in its Center for Manufacturing Technology at the UC East Campus. It has also invested another \$200,000 in its new CAD Lab at this site and is aggressively promoting and marketing workforce training to businesses in the region.

An investment of approximately \$200,000 in a new cyber café at UC East (Konnekt) will provide students on the campus with improved food service opportunities, computer lab space and wireless access.

Plans and efforts are underway to introduce a more fully-interactive website that will better highlight the college's academic programs and other achievements.

The college is in the process of completing a review of its Enrollment and Student Services area. It is anticipated that this consultant-led initiative will result in changes that will enable the college to become even more effective and efficient in the delivery of services to its students.

**UNDESIGNATED GENERAL FUNDS  
BRANCH CAMPUSES SUMMARY  
(IN THOUSANDS)**

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Gross Tuition, Fee and Other Student Charges	44,734	43,575	(1,159)	-2.59%
Less Scholarships and Fellowships	(917)	(865)	52	-5.68%
Net Tuition, Fee and Other Student Charges	43,817	42,710	(1,107)	-2.53%
State Appropriations (State Share)	17,786	18,387	601	3.38%
Govt and Private Grants and Contracts	29	29	-	0.00%
Private Gifts	-	-	-	
Endowment Income	-	-	-	
Sales and Service	24	24	-	0.00%
Temporary Investments	-	-	-	
Other Sources	158	114	(44)	-27.91%
<b>Total Resources</b>	<b>61,815</b>	<b>61,265</b>	<b>(550)</b>	<b>-0.89%</b>
<b>EXPENDITURES</b>				
Educational and General				
Instructional and General	33,828	34,575	747	2.21%
Separately Budgeted Research	-	-	-	
Public Services	73	68	(5)	-6.58%
Academic Support	5,487	5,268	(220)	-4.00%
Student Services	4,968	4,943	(25)	-0.50%
Institutional Support	9,517	9,102	(415)	-4.36%
Operation and Maintenance of Plant	5,209	5,311	102	1.96%
<b>Total Educational and General</b>	<b>59,083</b>	<b>59,268</b>	<b>185</b>	<b>0.31%</b>
Mandatory Transfers				
Loan Fund Matching	-	-	-	
Debt Service	-	-	-	
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	259	259	-	0.00%
Plant Funds	4	-	(4)	-100.00%
Other	2,470	1,738	(731)	-29.61%
<b>Total Expenditures and Transfers</b>	<b>61,815</b>	<b>61,265</b>	<b>(550)</b>	<b>-0.89%</b>
<b>Net Increase (Decrease) In Fund Balance</b>	<b>-</b>	<b>-</b>		

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

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Gross Tuition, Fee and Other Student Charges	26,866	26,168	(698)	-2.60%
Less Scholarships and Fellowships	(341)	(350)	(9)	2.59%
Net Tuition, Fee and Other Student Charges	26,525	25,818	(707)	-2.67%
State Appropriations (State Share)	10,090	10,305	215	2.13%
Govt and Private Grants and Contracts	-	-	-	
Private Gifts	-	-	-	
Endowment Income	-	-	-	
Sales and Service	24	24	-	0.00%
Temporary Investments	-	-	-	
Other Sources	105	69	(36)	-34.39%
<b>Total Resources</b>	36,744	36,216	(528)	-1.44%
<b>EXPENDITURES</b>				
Educational and General				
Instructional and General	20,854	21,208	354	1.70%
Separately Budgeted Research	-	-	-	
Public Services	5	-	(5)	-100.00%
Academic Support	3,488	3,449	(39)	-1.10%
Student Services	2,384	2,588	204	8.56%
Institutional Support	4,756	4,120	(636)	-13.37%
Operation and Maintenance of Plant	3,126	3,337	211	6.75%
<b>Total Educational and General</b>	34,613	34,704	91	0.26%
Mandatory Transfers				
Loan Fund Matching	-	-	-	
Debt Service	-	-	-	
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	174	174	-	0.00%
Plant Funds	4	-	(4)	-100.00%
Other	1,953	1,338	(615)	-31.48%
<b>Total Expenditures and Transfers</b>	36,744	36,216	(528)	-1.44%
<b>Net Increase (Decrease) In Fund Balance</b>	-	-		

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

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Gross Tuition, Fee and Other Student Charges	17,868	17,407	(461)	-2.58%
Less Scholarships and Fellowships	(576)	(515)	61	-10.58%
Net Tuition, Fee and Other Student Charges	17,292	16,892	(400)	-2.31%
State Appropriations (State Share)	7,696	8,082	386	5.01%
Govt and Private Grants and Contracts	29	29	-	0.00%
Private Gifts	-	-	-	
Endowment Income	-	-	-	
Sales and Service	-	-	-	
Temporary Investments	-	-	-	
Other Sources	54	46	(8)	-15.33%
<b>Total Resources</b>	<b>25,071</b>	<b>25,048</b>	<b>(23)</b>	<b>-0.09%</b>
<b>EXPENDITURES</b>				
Educational and General				
Instructional and General	12,974	13,367	392	3.02%
Separately Budgeted Research	-	-	-	
Public Services	68	68	-	0.00%
Academic Support	1,999	1,818	(181)	-9.06%
Student Services	2,584	2,355	(229)	-8.88%
Institutional Support	4,761	4,982	221	4.65%
Operation and Maintenance of Plant	2,083	1,974	(109)	-5.24%
<b>Total Educational and General</b>	<b>24,470</b>	<b>24,563</b>	<b>93</b>	<b>0.38%</b>
Mandatory Transfers				
Loan Fund Matching	-	-	-	
Debt Service	-	-	-	
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	85	85	-	0.00%
Plant Funds	-	-	-	
Other	516	400	(116)	-22.42%
<b>Total Expenditures and Transfers</b>	<b>25,071</b>	<b>25,048</b>	<b>(23)</b>	<b>-0.09%</b>
<b>Net Increase (Decrease) In Fund Balance</b>	<b>-</b>	<b>-</b>		

## 6. AUXILIARY OPERATIONS

# UNIVERSITY OF CINCINNATI AUXILIARY ENTERPRISES— OVERVIEW

## CAMPUS SERVICES AUXILIARY

Campus Services, a single umbrella auxiliary organization, consisting of seven revenue-generating departments, provides a coordinated effort to meet the needs of the campus community:

- Retail Services
- Housing & Food Services
- MainStreet & Campus Recreation Operations
- Bearcat Campus Card
- Kingsgate Conference Center
- Conference and Event Services
- Parking Services

**Retail Services** consists of six bookstores, two convenience stores, Central Stores, and Vending Services. In FY 2014, the successful rental program Rent-A-Text will enter the fourth year, offering a wide selection of books that save students an average of 50% off the price of a new book. In FY 2013, rental sales saved students more than \$1.1 million. Digital book options will continue to increase in FY 2014 and provide additional affordability. A new Apple Service Center will open within the main bookstore in TUC in early FY 2014, and a new DAAP Bookstore will open in fall 2013. Central Stores will enter its third year of the office supplies



agreement with Guy Brown Express, an Ohio Minority Business Enterprise (MBE) that is also certified in Ohio's Encouraging Diversity, Growth & Equity (EDGE) program. Guy Brown's wholesale partner in this joint venture is OfficeMax. Soft drink vending services will continue to be operated by Campus Services, while snack vending is operated under a contract with the Rehabilitation Services Commission of Ohio. An RFP process will be implemented for the pouring rights contract, which expires in 2014.

**Housing & Food Services (H&FS)** is projecting an occupancy rate of 95%, with a 2% rate increase for all housing facilities and no increase for meal plans for FY 2014. Morgens Hall will reopen in fall 2013 and add 456 additional beds to the housing portfolio. The base capacity of the on-campus residence hall community will be 4,301 for FY 2014. Housing facility improvements



scheduled for FY 2014 include Siddall roof replacement, initiation of a shower renovation in Daniels, mattress replacement in Calhoun, window treatment replacement in Siddall, furniture replacement in Stratford Heights 20 & 21 and front porch repair at Stratford Heights 13 & 21. In FY 2014, dining services will offer an unlimited meal plan and consider an equivalency program for meal plan holders in DAAP, opening a new DAAP Café for fall 2013. MarketPointe and CenterCourt are national award-winning residential dining centers. Late-night services will continue to be provided at CenterCourt dining center and a “to go” option will continue to be provided at Stadium View Café. MarketPointe will get a new floor in summer 2013. The Food Services contract with ARAMARK Corporation will enter the fourth year of the 10-year term and continue to provide cost containment and continuous improvement in quality of food and presentation.

**MainStreet & Campus Recreation Operations** oversees the facilities and programs in Tangeman University Center, Steger Student Life Center, Campus Recreation and MainStreet open spaces. Students enjoy a variety of services and venues along MainStreet. MainStreet Operations sponsors many of the 9,000-plus events that take place on MainStreet including Worldfest, a film series at the Cinema, a weekly live music series at the Catskeller, the annual UC tradition of the MainStreet Stride, which received a second-place national award for animation from the Association of College Unions International (ACUI), the fireworks at the Sigma Sigma Carnival, and Relay for Life. MainStreet hosts more than 1.5 million visitors annually.



Campus Recreation operates two comprehensive fitness facilities: the Campus Recreation Center, and the Fitness Center at CARE/Crawley. These facilities are projected to have a record high attendance in FY 2013 with approximately 743,915 visitors compared to 628,756 in FY 2010 for an increase of 115,159 individuals or 18% in three years. The Campus Recreation Center continues to receive local and national recognition, including being named Best Rec Center by Cincinnati Magazine and Most Amazing Rec Center by Best College Reviews and provides many programs and services including group fitness, personal training, massage therapy, fitness and wellness workshops, specialty instruction classes, swimming lessons, summer camps, climbing wall, and birthday parties. Campus Recreation will continue to develop partnerships with local hospitals and businesses to increase membership. Campus Recreation continues to face growing competition from local fitness facilities; but has made great strides over the past six years with a steady increase in revenue from facility rentals, programming fees, and memberships.

**The Bearcat Campus Card** expands the use of the UCID as a debit card program, providing convenient payment options to students, faculty, and staff at nearly 450 locations that include restaurants, vending machines, laundry, and retail locations on and off campus. Bearcat Card

sales are projected to be \$5.4M in FY 2013 and the banking services program with PNC is expected to show a 22% increase in financial return to the university. In FY 2014, an additional 15-20 merchants are expected to join the off-campus merchant program due to the retail development on Short Vine and Calhoun. In FY 2014, the Campus debit card linking to the bank account contract with PNC Bank will enter the fourth year of the five-year contract and will continue to provide guaranteed total revenue of \$150K and services such as Virtual Wallet, free online/mobile banking, unlimited ATM transactions, and educational programs to the UC community. In FY 2014, a new Bearcat Card transaction/access system will be acquired due to the end of life of the current system.

**Kingsgate Conference Center** continues to earn a high level of satisfaction from guests with respect to facilities, lodging, and restaurant and achieved the top score in the brand for internet service in FY 2013. The Conference Center is operated under a contract with Marriott Hotel Services Inc. Kingsgate has continued to meet its debt service and other financial obligations and has ranked at the top of its competitive group in numerous operational categories. A renovation of the Conference Center's rooms to sustain these standards was completed in FY 2013. A slight continued decline in revenue is expected with the Hampton Inn in the university neighborhood, and an overall decline in transient market travel in Cincinnati.

**Conference & Event Services (CES)** provides conference management services to almost 40 university, community, state, and national organizations each year, serving more than 10,000 participants. The large number of repeat conferences, clients, and referrals is indicative of the high level of customer satisfaction achieved. In FY 2014, CES will continue to focus on fulfilling the one-stop model to increase revenue and service to UC departments and external clients and implement phase 2 of an event management system called USI, as well as the 25 Live event scheduling system.

**Parking Services** operates 12 garages and 24 parking lots with more than 14,000 annual decal sales for 11,954 parking spaces. Parking rates for FY 2014 will remain flat. All garages and lots continue to provide state-of-the-art pay-in-lane technology. The online parking management system continues to effectively streamline services and in-office processes by managing citations, permits, decals, asset management, appeals, and finances. Online decal sales continue to increase. In FY 2013, Parking Services Director Darlene Bunton was named the National Parking Association's Innovator of the Year. Upcoming renovation projects include improved lighting to reduce electricity consumption and enhance safety as well as general facility repairs to maintain the integrity of the garages.

## INTERCOLLEGIATE ATHLETICS

FY 2013 was another exciting and successful year for UC Athletics, as the Department of Athletics accomplished many significant athletic and academic achievements. UC was paced by two teams that had stellar athletic performances capped by post-season appearances, and several teams performing well academically.

Whit Babcock is entering his second year at the helm of the Department of Athletics. The enthusiasm within the department, combined with the Athletic Director's energy, personality,

and engaging demeanor has translated into excitement about the future course of UC Athletics. The College Swimming Coaches Association of America (CSCAA) named Babcock the 2013 recipient of the Benjamin Franklin Award. The CSCAA Benjamin Franklin Award is presented to the individual or organization whose efforts best promote the integrity and enhancement of the student-athlete ideal. The Department of Athletics looks forward to many more successful years with Whit Babcock at the helm.

The UC Football team closed out a 10-3 campaign in 2012 that saw the Bearcats win their fourth BIG EAST Conference Championship in five years and defeat Duke University in the Belk Bowl. UC is the only NCAA Football Bowl Sub-division program to have won their conference championship four times in the past five seasons. The Bearcats are also one of only four NCAA Football Bowl Sub-division programs to have won 10 games in five of the past six seasons, joining Alabama, Oklahoma and Oregon as teams who have achieved the mark. UC was ranked No. 22 in the final USA Today Coaches Poll of the season and also received votes in the Associated Press poll. The Bearcats have been ranked to end the season in four of the past five years. The Bearcats were honored at the Ohio Statehouse in February for their 2012 accomplishments. UC will enter a new era in football in 2013, with head coach Tommy Tuberville taking the reins of the program as head football coach in December.

The UC Men's Basketball team achieved its third consecutive 20-win season, posting a 22-12 overall mark. The team also participated in their third consecutive NCAA Men's Basketball Tournament appearance. The attendance average at Fifth Third Arena reached its highest level since the Mick Cronin coaching era began in 2006-2007. Guard Sean Kilpatrick was named second team All-BIG EAST Conference by the league's coaches. Kilpatrick received the same award last season and was named to the BIG EAST All-Rookie team as a freshman during the 2010-11 campaign. He becomes only the second UC player to earn three league honors during his career.

In Men's Golf, Emerson Newsome won medalist honors at the Old Waverly Collegiate Championship and earned BIG EAST Men's Golf Athlete of the Week honors. The freshman picked up medalist honors at the tournament in just his ninth collegiate event. He shot a 210 (67-71-72) on the par-72 course. The individual tournament victory is the first for the Bearcats since Joe Young won the 2007 LaRosa's Collegiate Cup.

On the UC Women's Track and Field team, Kathy Klump was named the 2013 Greater Cincinnati Northern Kentucky Women's Sports Association College Sportswoman of the Year, and Mackenzie Fields was named the 2012-13 American Eagle Outfitters Institutional Female Scholar-Athlete of the Year for the University of Cincinnati. Fields won the BIG EAST Championship in the pole vault and became just the fourth women's indoor track & field All-American in UC history when she finished 10th in the same event at the NCAA Indoor Championships.

Academically, nearly 60 percent of University of Cincinnati student-athletes had a 3.0 or better semester grade point average (GPA) and 18 had a perfect 4.0, according to fall 2012 semester academic data highlighted by the UC Athletic Department. Having transitioned from an

academic calendar of quarters to semesters, Bearcat student-athletes had a departmental GPA of 3.028, marking its eighth consecutive grading period with a 3.0 GPA or higher and 14 of the last 15 quarters in which the department had a 3.0 GPA or higher. Men's basketball posted its highest team GPA since the spring 2007 quarter. Led by women's golf with the highest team GPA of 3.495 and baseball leading all men's teams with a 3.336 GPA, 11 of 17 teams achieved a GPA of 3.0 or higher.

FY 2013 has also been a unique one for the Department of Athletics. After multiple discussions surrounding conference realignment, the University of Cincinnati has its home in the newly-formed American Athletic Conference. The department is expected to receive additional revenue in the form of exit fees over the next several years. These funds will be utilized in a manner that will help in bolstering the department's financial footing while also encouraging the best stewardship of entrusted resources.

As the department moves forward, there is continued hope in the situation. The Department of Athletics will continue with its course to win conference championships, develop and graduate student-athletes, and provide the best student-athlete experience.



**SUMMARY OF AUXILIARY OPERATIONS  
UPTOWN CAMPUS AND BRANCH CAMPUS PARKING  
(IN THOUSANDS)**

**FISCAL YEAR 2013**

	RESOURCES			EXPENDITURES and TRANSFERS				Net Income
	Auxiliary	Restricted	Total Budget	Expenses	Debt Service	Other Transfers	Total Budget	
Campus Services Auxiliary*	83,560	-	83,560	38,529	32,119	12,130	82,778	782
Intercollegiate Athletics	26,177	4,559	30,736	38,857	5,802	(13,874)	30,785	(49)
<b>GRAND TOTAL</b>	109,737	4,559	114,296	77,386	37,920	(1,743)	113,563	733

**FISCAL YEAR 2014**

	RESOURCES			EXPENDITURES and TRANSFERS				Net Income
	Auxiliary	Restricted	Total Budget	Expenses	Debt Service	Other Transfers	Total Budget	
Campus Services Auxiliary*	86,408	-	86,408	39,076	31,417	15,367	85,860	548
Intercollegiate Athletics	22,574	4,643	27,217	39,778	4,829	(17,389)	27,217	-
<b>GRAND TOTAL</b>	108,982	4,643	113,625	78,854	36,246	(2,022)	113,077	548

\*Campus Services Auxiliary includes Retail, Food Services, Housing, Faculty Club, Kingsgate, Conferencing, Campus Recreation Center, Tangeman University Center/Steger Student Life Center, Campus Life Fee, Fitness Center at CARE/Crawley, Stratford

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

**FISCAL YEAR 2013**

	<b>RESOURCES</b>	<b>EXPENDITURES and TRANSFERS</b>				<b>Net Income</b>
	<b>Total Budget</b>	<b>Expenses</b>	<b>Debt Service</b>	<b>Other Transfers</b>	<b>Total Budget</b>	
Retail	2,750	870	601	397	1,868	882
Food	14,978	10,277	497	4,217	14,991	(13)
Housing	22,242	13,234	7,754	1,165	22,153	89
Faculty Club	21	61	-	(59)	2	19
Kingsgate	1,513	-	1,339	56	1,395	118
TUC/Steger Student Life Ctr.	1,238	3,345	-	(1,368)	1,977	(739)
Campus Life Fee	14,769	73	11,898	800	12,771	1,998
Campus Recreation Center	1,610	2,872	-	217	3,089	(1,479)
Fitness Center at CARE/Crawley	-	110	-	(110)	-	-
Stratford Heights	5,151	1,666	-	3,691	5,357	(206)
Parking Lots and Garages	18,575	5,522	9,800	3,109	18,431	144
Belleue Gardens	471	109	231	15	355	116
Conferencing	243	391	-	-	391	(148)
<b>GRAND TOTAL</b>	<b>83,560</b>	<b>38,529</b>	<b>32,119</b>	<b>12,130</b>	<b>82,778</b>	<b>782</b>

**FISCAL YEAR 2014**

	<b>RESOURCES</b>	<b>EXPENDITURES and TRANSFERS</b>				<b>Net Income</b>
	<b>Total Budget</b>	<b>Expenses</b>	<b>Debt Service</b>	<b>Other Transfers</b>	<b>Total Budget</b>	
Retail	2,753	899	599	1,215	2,713	40
Food	16,296	11,301	496	4,235	16,032	264
Housing	24,955	13,133	9,275	1,278	23,686	1,269
Faculty Club	10	-	-	-	-	10
Kingsgate	1,449	-	1,343	50	1,393	56
TUC/Steger Student Life Ctr.	1,273	3,174	-	(1,350)	1,824	(551)
Campus Life Fee	14,100	106	11,523	1,146	12,775	1,325
Campus Recreation Center	1,704	2,787	-	235	3,022	(1,318)
Fitness Center at CARE/Crawley	-	110	-	(110)	-	-
Stratford Heights	4,728	1,594	-	3,689	5,283	(555)
Parking Lots and Garages	18,367	5,462	7,950	5,046	18,458	(91)
Belleue Gardens	472	130	231	15	376	96
Conferencing	300	379	-	(80)	299	1
<b>GRAND TOTAL</b>	<b>86,408</b>	<b>39,076</b>	<b>31,417</b>	<b>15,367</b>	<b>85,860</b>	<b>548</b>

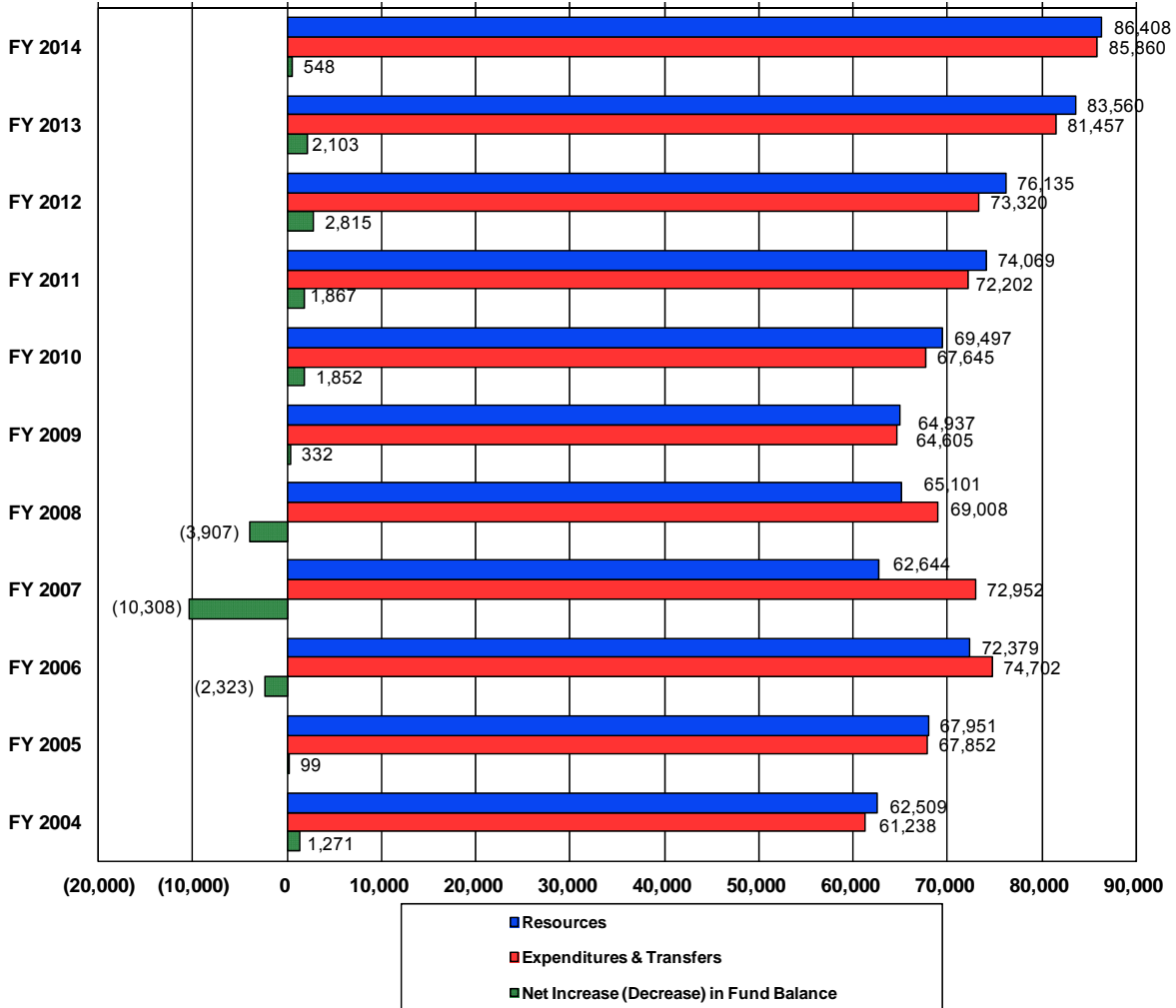
**CAMPUS SERVICES AUXILIARY SUMMARY**  
**Comparison of FY 2013 to FY 2014 Budget**  
**(IN THOUSANDS)**

	<b>FY2013 Budget As Of 2/28/13</b>	<b>FY2014 Budget</b>	<b>Variance</b>	<b>Percent Change</b>
<b>RESOURCES</b>				
Sales	19,850	19,585	(265)	-1.34%
Student Meals	13,792	14,000	208	1.51%
Housing	26,292	28,586	2,294	8.73%
Rentals	125	125	-	0.00%
Contracts	3,920	3,874	(46)	-1.16%
Other	4,811	6,138	1,327	27.58%
Miscellaneous Student Fees	14,769	14,100	(669)	-4.53%
<b>Total Resources</b>	<b>83,560</b>	<b>86,408</b>	<b>2,848</b>	<b>3.41%</b>
<b>EXPENDITURES</b>				
Cost of Sales	9,141	9,751	610	6.67%
Salaries	6,366	6,540	174	2.74%
Benefits	2,734	2,810	76	2.76%
DOE	16,758	16,204	(554)	-3.30%
University Overhead	1,952	1,968	16	0.80%
Programming	1,578	1,803	225	14.26%
<b>Total Expenditures</b>	<b>38,529</b>	<b>39,076</b>	<b>547</b>	<b>1.42%</b>
<b>Mandatory Transfers</b>				
Debt Service	32,119	31,417	(702)	-2.19%
<b>Non-Mandatory Transfers</b>				
Reserve for Repairs and Renovations	2,826	4,100	1,274	45.11%
Reserve - Other	133	-	(133)	-100.00%
Subsidies to Non-Instructional Activities	(1,120)	(1,042)	78	-6.94%
Internal Campus Services Overhead	5,115	5,284	169	3.29%
Other	5,177	7,025	1,848	35.68%
<b>Total Expenditures and Transfers</b>	<b>82,778</b>	<b>85,860</b>	<b>3,082</b>	<b>3.72%</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>782</b>	<b>548</b>		

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



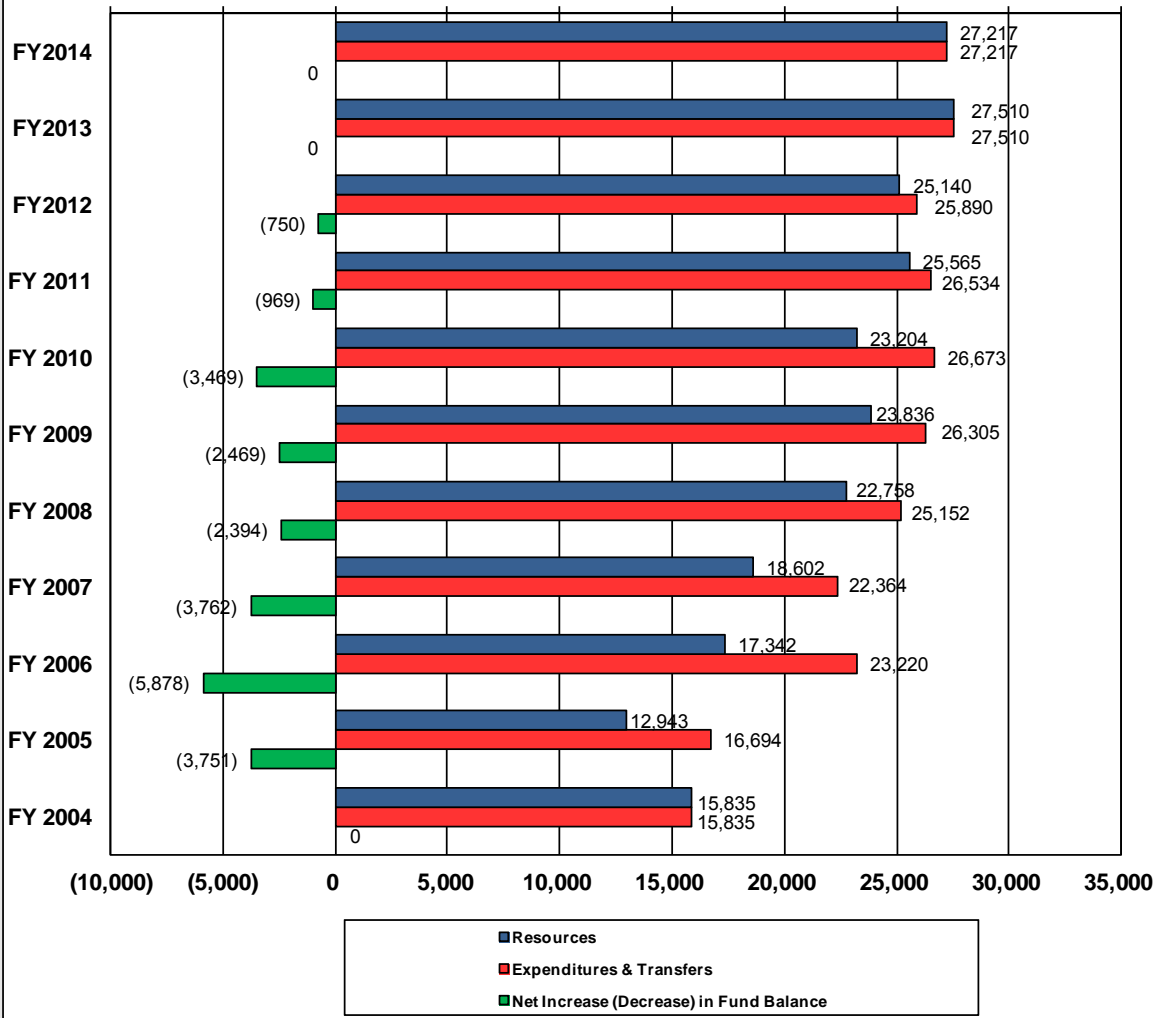
**Original BOT Approved  
Budget History - Campus Services  
(In Thousands)**



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

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Sports				
Men's Basketball	4,955	4,740	(215)	-4.34%
Football	12,897	8,519	(4,378)	-33.94%
Gifts	4,559	4,643	84	1.84%
Other	8,325	9,314	989	11.88%
<b>Total Resources</b>	<b>30,736</b>	<b>27,217</b>	<b>(3,519)</b>	<b>-11.45%</b>
<b>EXPENDITURES &amp; TRANSFERS</b>				
Sports				
Men's Basketball	4,487	5,305	818	18.23%
Football	12,371	11,755	(616)	-4.98%
Women's Sports	6,758	5,918	(840)	-12.43%
Other Mens Sports	2,051	2,241	190	9.29%
Total Sports	25,667	25,219	(448)	-1.74%
Administrative & General	10,327	12,262	1,935	18.74%
Operations & Maintenance	2,863	2,296	(567)	-19.82%
<b>Total Expenditures</b>	<b>38,857</b>	<b>39,778</b>	<b>921</b>	<b>2.37%</b>
Mandatory Transfers				
Debt Service	5,802	4,829	(973)	-16.77%
Non-Mandatory Transfers				
Subsidies for Non-Instructional Activities	(17,912)	(22,025)	(4,114)	22.97%
Other	4,038	4,636	598	14.81%
<b>Total Expenditures &amp; Transfers</b>	<b>30,785</b>	<b>27,217</b>	<b>(3,568)</b>	<b>-11.59%</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(49)</b>	<b>-</b>		

### Original BOT Approved Budget History - Athletics (In Thousands)





# 7. DESIGNATED GENERAL FUNDS

# UNIVERSITY OF CINCINNATI

## DESIGNATED GENERAL FUNDS—

### OVERVIEW

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

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

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

#### HOXWORTH BLOOD CENTER

Under the leadership of Ronald A. Sacher, MD, Hoxworth continued to achieve its strategic goals as the community's only blood center, providing blood, blood components and blood-related services for the patients in the 31 tri-state hospitals served. Goals, initiatives, successes, challenges, as well as physical plant constraints and requirements are listed below.

#### GOALS

- Hoxworth is on target to collect 94,000 red cell units in FY 2013 and the goal for FY 2014 is 99,000 red cell units.
- Hoxworth is seeking to enhance market stability by providing high level value-added services to hospital customers. One such value-add is the Appropriate Inventory Management (AIM) system. Hoxworth customers will be able to track key blood management metrics and the system provides national transfusion data as well as blood product utilization data to hospitals to evaluate transfusions by gender, age, etc. It can also help reduce unnecessary transfusions by providing utilization reports with local, regional, and national benchmarking to reveal evidence-based best practice.
- A second value added service is the implementation of a web-based donor antibody registry which hospitals can access to ensure that they have the latest antibody information available for patients served in the Greater Cincinnati Area. This system provides a

quantum leap in patient safety for those patients who require additional work to provide safe and effective transfusion when moving from hospital to hospital. There currently is no central antibody information repository in place.

- Hoxworth has been discussing strategic planning. The focus has been on improving non-traditional revenue sources such as Clinical Services, Transplantation Immunology and Cell Therapy. The blood center is in the process of reviewing opportunities to expand and grow these areas while continuing to maintain a concentration on blood donations. The blood center has already seen success in this arena. Another portion of the strategic planning is becoming an Employer of Choice in Greater Cincinnati, and Hoxworth has committees working on this important goal.
- Hoxworth is working to raise \$225,000 to purchase a new bloodmobile. Currently, over \$140,000 has been raised towards this goal and there are pending requests in process.

## SUCCESSSES

- Hoxworth's Blood Center's entry "Are You My Type" has been chosen as the winner in the ADRP (Association of Donor Recruitment Professionals) Overall Campaign Category for the 2013 Daniel Eberts Radio, TV and Film Awards. Hoxworth will be recognized during ADRP's 2013 Annual Conference in Arizona.
- Hoxworth launched a new donor recruitment program, Bleed for a Cause, sponsored by [Montgomery Inn \(www.montgomeryinn.com\)](http://www.montgomeryinn.com) and [Toyota Motor Engineering & Manufacturing North America. \(www.toyota.com\)](http://www.toyota.com) Thanks to their generosity and commitment to the community, this competition rewarded the top three charities with direct financial support. Organizations and all of their supporters persuaded people to donate blood in February 2013. Donors gave blood in the organization's name.
- The top three winners were the Leukemia & Lymphoma Society, Brandon C. Gromada Head & Neck Cancer Foundation, and SPCA of Cincinnati. Hoxworth thanks all 63 groups for participating.
- Hoxworth held the first regional Regenerative Medicine Symposium with over 100 attendees. Hoxworth, the UC College of Medicine, and Cincinnati Children's Hospital sponsored the local event.
- Hoxworth launched DRM Touch, a web-based donor recruitment software system. This system is being used by more than 21,000 donors year-to-date. This software allows utilization of computer technology to aid in telerecruitment and scheduling of donors, to develop and implement marketing strategies using social media, email and texting, to reward donors by providing donation information, and to access limited test results. A "donor store" to incentivize and retain donors has been launched and donors are taking advantage of the rewards program, some donating to charity.
- Hoxworth continues to develop high profile relationships with local sports teams and universities to entice donor participation. The 11<sup>th</sup> annual Bengals blood drive was held on October 3 at Paul Brown Stadium. All donors at the stadium received a free tiger blood t-shirt. This drive resulted in the collection of 817 products, an all-time record for a one-day drive. This year's Reds drive, which was held June 21, 2012 collected 642 products.

Additional drives involving the Cincinnati Cyclones, UC/Xavier Crosstown Classic and individual university drives were all successful blood drives resulting in great collections.

- The annual Hero2Hero blood drive was held in November. Holiday greeting cards were available for donors to sign for troops serving in the Middle East. Following the drive, 500 care packages were sent to troops. The three-day promotion sponsored by Procter & Gamble, Gold Star, and Montgomery Inn collected 731 red blood cell and 71 platelet units.
- Hoxworth entered into an agreement with Bridges for a Just Community for a Diversity Relations Specialist. The goal is to increase public relations focus in diversity recruitment and mining demographic data to develop recruitment plans for Asian and Hispanic heritage donors. The Diversity Specialist has established a planning group for a multi-cultural event in 2014 that will include Be The Match and Life Center. Currently Cincinnati does not have an event that celebrates all cultures. This would bring everyone together in celebrating diversity and the arts in Washington Park.
- In FY 2012, Hoxworth Blood Center collected 96,719 red cell units from community blood donors.

## **INITIATIVES**

- Hoxworth celebrates its 75<sup>th</sup> anniversary on December 10, 2013 and will be building a community campaign to focus on engaging current and potential partners in multi-layered cause-marketing programs. The financial sponsors will be Toyota and Montgomery Inn.
- Hoxworth entered into a lease agreement for space on the third floor of the Hoxworth Center building. This space, once construction is completed, will be a therapeutic apheresis collection facility that will support the three local Bone Marrow Transplant programs located at UC Health, Cincinnati Children's Hospital Medical Center and Jewish Kenwood Hospital (Mercy System).
- Hoxworth is working on building, installing and validating the electronic blood donor history questionnaire called Donor Doc. Hoxworth is in the first six months of an estimated two year launch at the Neighborhood Donor Centers, with mobile operations going live six to twelve months afterwards.

## **CHALLENGES**

Hoxworth is feeling the effect of the early stages of the Affordable Care Act. Hospital customers are very concerned about the financial impact of this Act and Hoxworth is working with them to see what can be done.

## **PHYSICAL PLANT CONSTRAINTS AND REQUIREMENTS**

Hoxworth is investigating potential sites to relocate the current Downtown neighborhood donor center as well as the Western Hills neighborhood donor center. Ideally, these sites may be moved in the next 6-12 months.

## **SERVICE CENTER OVERVIEW**

The final two tables in this section represent the budgets for the two largest university service centers, UCIT and Consolidated Utilities. A service center is an institutional entity that



provides a service or product to university users for a fee. The rates charged by the center are calculated so that the center recovers its costs. The university has two types of service centers.

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

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

These two university service centers, UCIT and Consolidated Utilities, cannot be summed with the other Designated Fund schedules to determine a total for designated funds, because their income is accounted for as an offset to expenditures. While they function as self-supporting entities over time, they are presented here due to their relative size when compared to other funds and departments.

## UCIT

### INITIATIVES

**Data Center** – The university has an obligation to provide a data center and other IT Enterprise Architecture (EA) that is stable, efficient, reliable and secure. At the same time, the institution is also obligated to meet the information technologies needs of current and future academic and research requirements, strategies and goals. Executive leadership recommended that a formal assessment of the current data center be conducted to ensure that the institution is meeting its obligations and responsibilities around EA. This assessment will result in the development of plans to remediate any current high-risk issues and to address short-term, mid-term and long-term data center needs that align with defined business requirements, strategies and goals. The assessment shall include consideration of new partnerships and outsourcing options.

**Student Information System Mainframe Performance** – During Fall 2012 peak registration periods, the mainframe that supports the Student Information System (SIS) did not adequately meet the near real-time Internet response expectations of students. This caused long wait-periods for students scheduling classes and signaled a new service expectation from senior university leadership. UCIT, in conjunction with the Office of Enrollment Management, enhanced the supporting technology infrastructure and improved business processes in Spring 2013 to ensure a better registration experience for students. Early results show the changes made a significant positive impact; however, systems and data will be analyzed for continuous improvement opportunities throughout FY2014.

### E-Learning Initiatives –

*UC Virtualization Strategy* - In the auspices of the Blue Ribbon Task Force on Academic Information Technology Report, UCIT is leading the partnership work with the community

to design scalable virtualization architecture to serve the entire student body and explore extending the availability of “virtualization as a service” to the greater K-12 community.

*Streaming & Lecture Capture Service* - During fall semester 2012, the UC Lecture Capture Service recorded and processed nearly 200 classes each day. This popular service is one that students and instructors have come to depend upon to be successful in their academic pursuits. With the growth of mobile access and distance learning, UC needs a more robust system for managing and delivering recorded materials through online streaming. UCIT is actively leading the partnership work with the community to define requirements and identify a “best fit” solution for the university.

*Centrally Scheduled E-Classrooms* – UCIT, in partnership with the University Architect’s Office, is in the final phase of meeting the Academic Master Plan goal of making 100% of the university’s centrally-controlled classrooms electronic. Unfortunately, the Ohio Board of Regents Instructional Equipment funding source that sustains yearly replacement of this equipment has greatly diminished, while e-classroom growth is peaking.

Moving beyond e-classrooms, twenty-first century education requires 21<sup>st</sup> century tools. UCIT aims to move beyond the status quo and assume a leadership role in e-classroom research and development, allowing UC to become a leader in this realm.

**UC App Lab on Main** – In partnership with the Provost’s Office, Web Communications, Student Government, UC Forward, UC Foundation and other key stakeholders, UCIT went beyond the traditional “app” to launch a UC-branded portfolio of applications that it will support for the long-run. UCIT maintains and staffs a physical space, the UC App Lab on Main, to facilitate continued innovative, agile and efficient mobile app development collaborations with the UC community. It is the only physical space at any university in the region dedicated to the development of mobile applications.

## **SUCCESSSES**

**Wireless Build Out Completed** - UCIT completed the Academic Master Plan (AMP) goal to bring the campus to 100% wireless coverage. Work began in June 2011 to bring wireless to all university residence halls and wrapped in late December 2012 with wireless coverage in every building and select green space locations on campus. The project was completed in less than two years—well ahead of the scheduled four-year timeline. Since the project began, the number of wireless devices accessing UC’s wireless infrastructure has increased 1000%.

**All Centrally-Scheduled Classrooms Made Electronic** – In Fall 2013, UCIT is scheduled to complete a second goal of the AMP plan by converting the remaining centrally-scheduled conventional classrooms to electronic classrooms. This work will bring the total number of e-classrooms to 158. Equipped with computers, projectors and other multi-media equipment, e-classrooms enable more instructors to use modern technology in their teaching.

**Student Lab Access Anywhere on Campus With Any Computer** – UCIT collaborated with the College of Allied Health Sciences; the Carl H. Lindner College of Business; the College of Education, Criminal Justice, and Human Services; and the College of Nursing to pilot an initial

500-seat virtual lab to serve in-house and distance learning students. This virtual lab provides students access to computer lab software anytime, from anywhere.

**Microsoft Exchange 2010 Upgrade** – UCIT upgraded UCMail to Microsoft Exchange 2010. With this upgrade, faculty and staff enjoy 5-times more storage space (10 Gigabytes total); a more feature-rich Outlook Web Access experience; data redundancy; and Microsoft Lync 2010, a centralized instant messaging and conferencing service.

**Lynda.com** – UCIT partnered with the McMicken College of Arts & Sciences; the Carl H. Lindner College of Business; the College of Design, Architecture, Art, and Planning; the College of Education, Criminal Justice, and Human Services; the College of Nursing; Blue Ash College; and UC Libraries to bring all currently registered students, faculty (including Emeriti) and staff full access to Lynda.com. This UC licensed video-training library offers more than 1,400 software, career development and technology training titles. They are accessible from anywhere using an internet browser and UC login credentials. The addition of Lynda.com further supported the university's commitment to efficiency, allowing the Human Resources department to cancel its subscription to the university's current training provider.

**Continuous Improvement Strategic Planning** – Under the direction of the university's newly appointed Vice President for Information Technology & CIO Nelson Vincent, UCIT launched a transformation process based on Jay R. Galbraith's Star Model of Organization Design. The organization-wide process involved the launch of five transformation teams, each focused on a specific point of the Galbraith Star—strategy, structure, processes, rewards and people. These transformation teams inspired the formation of internal committees focused on communications, diversity, outreach and social opportunities, as well as a Staff Council and Leadership Academy to develop and train the future leaders of UCIT. UCIT's transformation also initiated the Strategic Planning Update Committee charged with developing a university-wide strategic plan for IT at UC that furthers the foundational work of the Blue Ribbon Task Force and links IT to the academic and service mission of the university.

**IT & Computing Partnership Summits** – UCIT partnered with the College of Education, Criminal Justice, and Human Services; the College of Engineering & Applied Science; the Carl H. Lindner College of Business, the McMicken College of Arts and Sciences; Professional Practice and Experiential Learning (ProPEL); the Provost's Office; and the Office of Admissions to host two IT Summits and other internal meetings to engage with and listen to nearly 90 business and industry partners and more than 30 faculty members. The sessions provided an avenue to gather partner feedback and access needs and opportunities related to the IT workforce. In response, the university activated a 20-person cross-college, interdisciplinary IT & Computing Task Force to initiate action to address the IT & computing needs of the region.

**National Science Foundation Grant (NSF) Submission** – UCIT collaborated with the university's research community to submit The Campus Cyberinfrastructure – Network Infrastructure and Engineering Program Data Driven Network grant to the NSF. If awarded, this grant will provide up to \$498,189 to allow UCIT to build phase one of a high bandwidth

network, called UCScienceNet (UCSN), for STEM researchers and students at UC. This will enable a broad spectrum of investigators to accelerate and extend their existing research programs. UCSN will advance the Academic Master Plan by creating new opportunities for research, collaboration and education.

**Student Information System (SIS) Replacement Project** – UCIT is playing a lead role in guiding the replacement of the university's current Student Information System. Following a fall kickoff, members of this collaborative team mapped out current processes and requirements and identified all of the desired qualities a new system should provide to the UC community. The project as a whole has been coined the largest IT project in the university's history. Next steps include issuing RFPs to choose a vendor and an implementation partner.

## CHALLENGES

**Keeping Up With the Demand for Storage Capacity** – The demands of a digital world increase the university's need to securely store large amounts of data. This demand will continue to increase exponentially. Many IT analysts predict storage capacity demands are expected to grow 350% to 600% year after year as a result of server virtualization, database, data warehouse and centralized consolidation initiatives.

**Wireless Connectivity in a BYOD (Bring Your Own Device) World** – Before the wireless build out project began, there were 3,000 to 3,500 simultaneous user connections on the wireless network that consisted of just 700 access points. Today, there are 35,000 to 38,000 simultaneous devices connected to the 4,000 access point network. This evidence plainly demonstrates the incredible demand for the university to provide widespread, secure and compliant wireless access to all students, faculty and staff.

**Security and Compliance** – As a research extensive institution, UC must comply with the Health Insurance Portability and Accountability Act (HIPAA), the Family Educational Rights and Privacy Act (FERPA), the Federal Information Security Management Act (FISMA) and other federal acts to qualify for federal dollars to support the academic and research initiatives of today and tomorrow.

**Workforce Shortages in IT** - Last year's Regional Job Outlook Report highlighted that computer and mathematical science occupations, with a 26.5% 10-year growth rate, are among the fastest growing in the region. They're also among the highest paying jobs. The Federal Cybersecurity market forecasts that the 2013-2018 projects will be a cumulative market valued at \$65.5 billion, and that the U.S. Federal Cybersecurity market will grow steadily at about 6.2% CAGR over the next six years. McKinsey & Co. forecasts that the U.S. will face a shortage of 140,000 to 190,000 people with data science skills by 2018. They also forecasted that by the end of 2012, more than 90% of the Fortune 500 companies would have data science initiatives underway. The IT & Computing Task Force is working to respond to those opportunities and turn them into action for the benefit of the region's employers, students and UC's faculty.

**Market Salaries Competition** – IT is consistently cited as one of the most-promising U.S. careers, even with the rise of off-shoring. With support from the Office of the Provost and Administration and Finance, UCIT was able to implement strategic salary increases for FY 2013. However, market and economic pressures will continue to exist. To attract and retain a talented IT workforce, UC must continually review competitive salary and benefit packages.

**Connecting to the 100Gbps Network** - In December 2012, Governor John Kasich delivered on his promise of a tenfold upgrade in data transmission for the network system, known as OARnet. The astonishing network speeds of 100 Gigabits per second (Gbps) will help advance research and job growth across Ohio's medical research, higher education, manufacturing, engineering and technology networking corridors. UC's academic and research goals will undoubtedly benefit from a connection to this fiber optic network system that links Ohio's education and research centers. Once established, the next step will involve bringing that supercomputing power into and around the university community.

### **CONSOLIDATED UTILITIES**

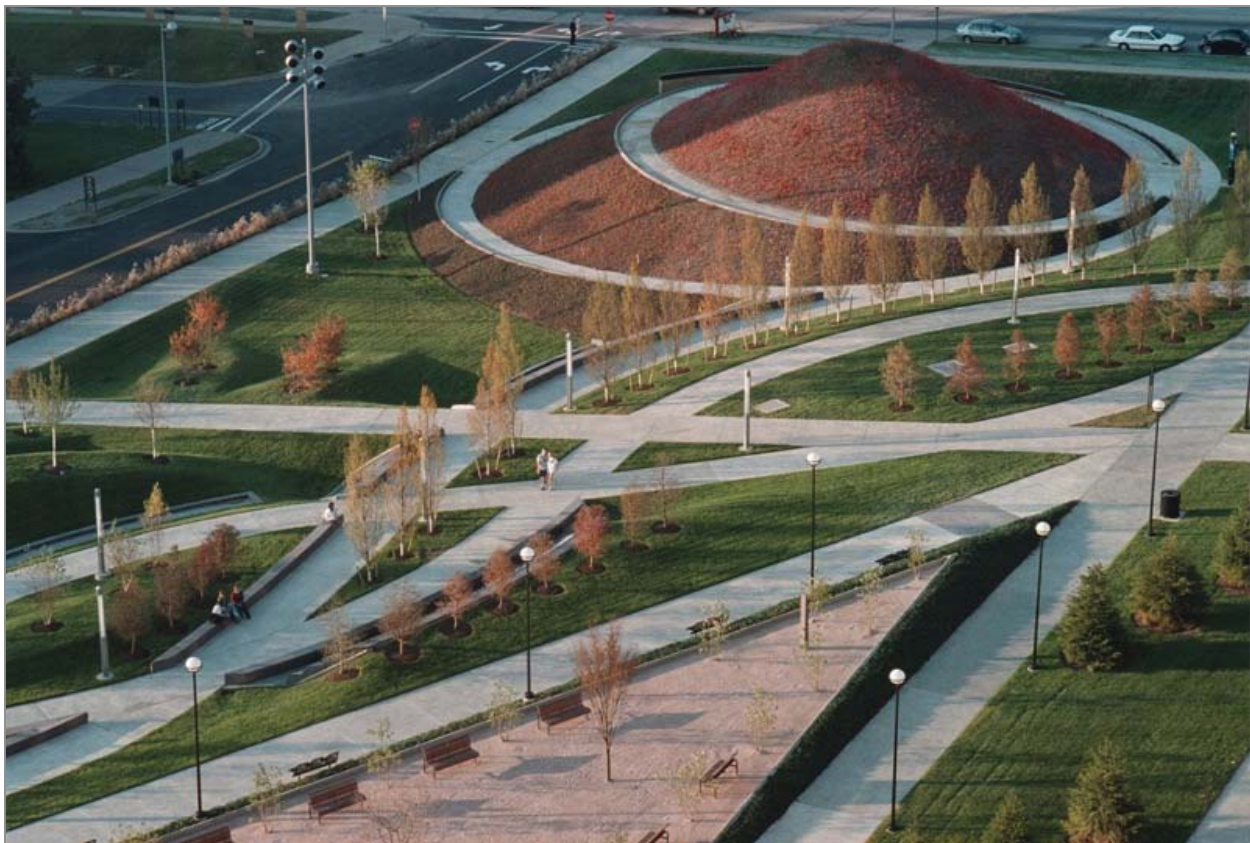
Consolidated Utilities strives to reduce green house gases and the consumption of energy, while at the same time keeping rates charged to customers (i.e. – the university) level or slightly lower than prior years. Consolidated Utilities aims to utilize equipment in the most efficient manner possible, while pushing towards UC's goal of reducing the carbon footprint. To help comply with this goal, Consolidated Utilities has installed newer technologies that comply with new EPA regulations to help reduce dependence on coal. Even though producing utilities from Consolidated Utilities' assets help reduce the carbon footprint, electricity still must be purchased from outside vendors. For this purchased electricity, Consolidated Utilities will begin purchasing directly from the Electric Power Grid (PJM) which should result in lower costs.

Over the past five years (FY 2009 – projected FY 2013), the overall costs of Consolidated Utilities have decreased by 7%. These decreased costs have resulted in a steady utility budget for the general funds of the university. For FY 2013, prices for commodities have fallen approximately 10% due, in part, to milder than average weather conditions. Consolidated Utilities continues to coordinate energy reduction projects for the university to reduce energy consumption, thereby lowering costs. Further, Consolidated Utilities has taken advantage of lower natural gas prices and locking rates at these bottom prices. At the same time, Consolidated Utilities expects to pay \$4 million (\$1.5 million already paid as of the end of 3<sup>rd</sup> quarter) toward an internal deficit with the university. This deficit should be reduced to approximately \$4.3 million by the end of FY 2013 from a beginning balance (July 2007) of \$15.5 million.

For FY 2014, Consolidated Utilities continues to hedge natural gas needs and lock in lower prices. Consolidated Utilities will begin purchasing electricity from the Power Grid and hopes to keep costs constant for the first year of the contract. Consolidated Utilities expects costs to rise in FY 2014 due to an expectation of a normal weather year occurring. Further, a cost increase will occur from added debt service of projects that are being put in place. In FY 2014, Consolidated Utilities expects to make an additional \$3 million payment towards the internal deficit. Even with these excess costs, Consolidated Utilities will keep all rates charged to

customers the same as last year; thus, the general funds Utilities budget should remain consistent.

Though the future looks bright, there are some challenges that remain. With new technologies, the cost of funding these projects will have an effect on future rates. While natural gas prices remain at all time lows, Consolidated Utilities is constantly looking to capitalize on low rates for future budgets. With the new electric contract, Consolidated Utilities will be able to capitalize on the right opportunities to purchase or produce utility needs of the university. Consolidated Utilities strives to keep budgets constant over the foreseeable future by being diligent on technological and economical changes occurring in the operating environment. Though weather cannot be predicted precisely, Consolidated Utilities tries to maintain the costs it can control.



**DESIGNATED GENERAL FUNDS  
INCLUDING HOXWORTH BLOOD CENTER  
(IN THOUSANDS)**

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Gross Tuition, Fee and Other Student Charges	26,984	28,551	1,567	5.81%
Less Scholarships and Fellowships	-	-	-	
Net Tuition, Fee and Other Student Charges	26,984	28,551	1,567	5.81%
Govt and Private Grants and Contracts	19,768	17,321	(2,447)	-12.38%
Private Gifts	130	-	(130)	-100.00%
Endowment Income	997	952	(45)	-4.54%
Sales and Service	63,204	64,647	1,443	2.28%
Other Sources	6,444	6,587	143	2.22%
<b>Total Resources</b>	117,528	118,058	530	0.45%
<b>EXPENDITURES</b>				
Educational and General				
Instructional and General	4,446	4,606	160	3.60%
Separately Budgeted Research	16,573	14,879	(1,694)	-10.22%
Public Services	54,008	54,140	132	0.24%
Academic Support	16,140	16,032	(108)	-0.67%
Student Services	19,009	19,011	2	0.01%
Institutional Support	30,711	29,868	(843)	-2.75%
Operation and Maintenance of Plant	(3,399)	(4,172)	(773)	22.75%
Scholarships and Fellowships	1,552	1,490	(62)	-3.97%
<b>Total Educational and General</b>	139,041	135,854	(3,187)	-2.29%
Auxiliary Enterprises				
Mandatory Transfers				
Debt Service	22,315	28,536	6,221	27.88%
Nonmandatory Transfers				
Subsidies to Non-Instructional Units	250	6,515	6,265	2505.85%
Undesignated General Funds	(46,729)	(49,575)	(2,846)	6.09%
Other	1,844	181	(1,663)	-90.20%
Claims On Operations	(5,100)	(5,100)	-	0.00%
<b>Total Expenditures and Transfers</b>	111,621	116,410	4,789	4.29%
<b>Net Increase (Decrease) In Fund Balance</b>	5,907	1,648		

**DESIGNATED GENERAL FUNDS  
HOXWORTH BLOOD CENTER  
(IN THOUSANDS)**

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Services Provided	44,219	48,451	4,232	9.57%
Interest Income	301	306	5	1.57%
<b>Total Resources</b>	44,520	48,757	4,237	9.52%
<b>EXPENDITURES</b>				
Compensation	19,779	20,095	316	1.60%
Other	22,154	24,875	2,721	12.28%
<b>Total Educational and General</b>	41,933	44,969	3,036	7.24%
Mandatory Transfers				
Debt Service				
Non-Mandatory Transfers				
Plant Funds	1,205	1,380	175	14.52%
Other	86	88	2	1.90%
<b>Total Expenditures and Transfers</b>	43,224	46,437	3,213	7.43%
<b>Net Increase (Decrease) in Fund Balance</b>	1,296	2,320		



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

	<b>FY 2013 Budget as of 2/28/13</b>	<b>FY 2014 Budget</b>	<b>Variance</b>	<b>Percent Change</b>
<b>RESOURCES</b>				
Recovery - General Fund	-	-	-	
Recovery - Other	14,785	16,280	1,495	10.11%
<b>Total Resources</b>	<b>14,785</b>	<b>16,280</b>	<b>1,495</b>	<b>10.11%</b>
<b>EXPENDITURES</b>				
Compensation	15,673	16,231	558	3.56%
Other	10,648	12,323	1,675	15.73%
Total Educational and General	26,321	28,554	2,233	8.48%
Mandatory Transfers				
Debt Service	-	-	-	
Nonmandatory Transfers				
Plant Funds	3,673	1,976	(1,697)	-46.21%
Undesignated	(12,894)	(13,218)	(324)	2.51%
Other	(2,265)	(2,125)	140	-6.20%
<b>Total Expenditures and Transfers</b>	<b>14,834</b>	<b>15,187</b>	<b>353</b>	<b>2.38%</b>
<b>Net Increase (Decrease) In Fund Balance</b>	<b>(49)</b>	<b>1,093</b>		

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

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

	FY 2013 Budget as of 2/28/13	FY 2014 Budget	Variance	Percent Change
<b>RESOURCES</b>				
Recovery - Steam	23,052	22,525	(527)	-2.28%
Recovery - Chilled Water	14,679	15,359	680	4.63%
Recovery - Electric	28,361	29,326	965	3.40%
Recovery - Water and Sewage	2,661	3,247	586	22.02%
<b>Total Resources</b>	<b>68,753</b>	<b>70,457</b>	<b>1,704</b>	<b>2.48%</b>
<b>EXPENDITURES</b>				
Compensation	4,983	5,083	100	2.02%
All Other	48,723	50,045	1,322	2.71%
<b>Total Expenditures</b>	<b>53,706</b>	<b>55,128</b>	<b>1,422</b>	<b>2.65%</b>
Mandatory Transfers				
Debt Service	10,230	11,812	1,582	15.46%
Non-Mandatory Transfers				
Plant Fund	1,179	207	(972)	-82.47%
Undesignated Central	-	-	-	
Designated	4,099	3,000	(1,099)	-26.82%
Other	-	81	81	100.00%
<b>Total Expenditures and Transfers</b>	<b>69,214</b>	<b>70,228</b>	<b>1,014</b>	<b>1.47%</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(461)</b>	<b>229</b>		

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

## 8. RESTRICTED FUNDS—

## UNIVERSITY OF CINCINNATI— RESTRICTED FUNDS— OVERVIEW

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

Restricted funds revenue sources have been aggressively pursued and the results of those efforts are being realized in the current fiscal year. Revenues in excess of expenses for FY 2014 of approximately \$795K are anticipated.

State appropriations are primarily funds retained by the College of Medicine for Clinical Teaching Subsidy. A variety of programs are supported at the college with this important source of funds.

### RESEARCH

The University of Cincinnati is classified as a Research Extensive University by the Carnegie Commission. It is ranked in the top 30 of all public institutions by the National Science Foundation for federal research and development expenditures. UC is an institution with a rich history in discovery and innovation. It is credited with many firsts, from the oral, live-virus polio vaccine, the first observations by the National Weather Service, the first antihistamine, the first electronic organ and the first safe, anti-knock gasoline. UC researchers are literally transforming the way people live and work. It is UC's history that has established it as a leading research institution, and that great tradition of excellence continues today.

While the University of Cincinnati maintains a very diverse portfolio in research, of particular note are those areas that have been designated as Centers of Excellence by the State of Ohio which include Neurosciences, Environmental Health and Cancer, Pediatrics and Diabetes and Obesity in the area of Healthcare (<http://med.uc.edu/centersofexcellence.aspx>); and Design and Innovation, Music and the Theater Arts, Sustaining the Urban Environment, Nanoscale Sensor Technology and Intelligent Air & Space Vehicle Energy Systems in the arts, humanities and natural sciences (<http://www.uc.edu/provost/priorities/coe.html>). Active, funded programs in healthcare, urban planning and engineering have well-established collaborations with the Environmental Protection Agency (EPA) whose main offices are located directly adjacent to the Uptown campus.

## GOALS

Building a world-class faculty, creating and sustaining interdisciplinary research programs and promoting entrepreneurial efforts through partnerships are all part of the goals of the Office of Research. Key actions include promoting interdisciplinary research efforts, recruiting world-class faculty, translating discoveries into the public domain and improving partnerships within the region, state and nation.

As a result of extensive collaborations with industry, state agencies, and locally supported technology-oriented business incubators, many of the research programs supported by funds from the Office of Research are directly related to economic development in the region and across the state.

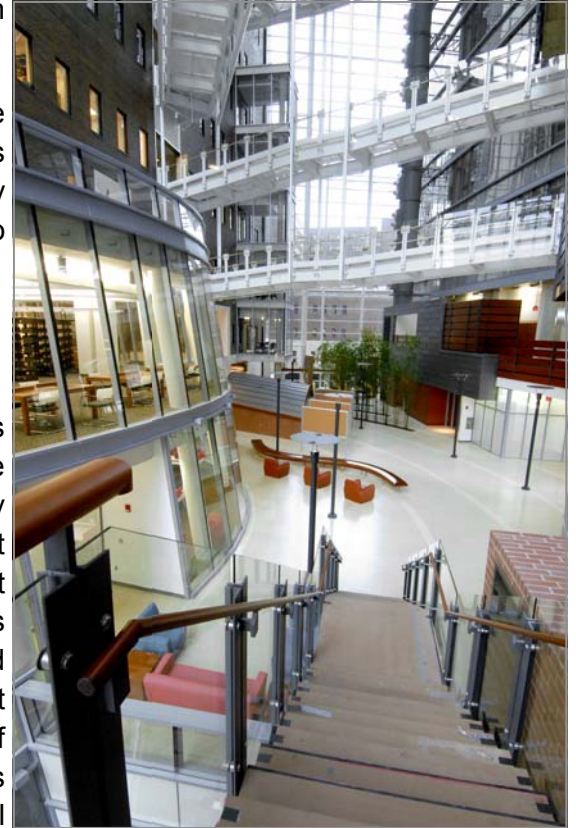
## INITIATIVES AND SUCCESSES

### University of Cincinnati Research Institute (UCRI)

UCRI is an independent not-for-profit 501(c)(3) which serves three primary needs of the UC community. The first is to serve industrial clients who need the services of the internationally recognized technical experts at UC in a timely and efficient manner. In this capacity, UCRI will serve its most important function of attracting local, national and international industries to partner with faculty and students in performing sponsored research at UC. The second is to provide an efficient mechanism for commercialization of a wide range of intellectual property originating at UC by faculty and students from all colleges and units through industry/commercial partnerships. It is essential to the university to expand opportunities to all colleges to allow for the commercialization of their unique intellectual property. The third is to provide cooperative learning experiences and opportunities for UC students with industry partners.

UCRI will be able to “move at the speed of business” in addressing these needs. The compelling need to establish UCRI is from the desire of local (and other) industrial leaders such as General Electric Aviation (GEA) to have a research partner that can expedite and advance their research needs to build on economic growth within the community. In addition, UCRI will provide the proper environment to promote commercialization of intellectual property (IP) from the university. UCRI has an opportunity to significantly grow the industrial research funding base and provide synergisms that will undoubtedly reach into the classroom. Establishing such industry partnerships is an essential element for overall growth of the research base which will provide future opportunities for innovation at UC.

Staff members in the Office of Research dedicate significant effort to support the infrastructure of UCRI.



### **Entrepreneurial Activity and Technology Commercialization**

As a result of the University of Cincinnati's rich research environment, it is the largest engine for the development in intellectual property in southwest Ohio. Recent efforts have greatly enhanced UC's efforts at commercialization of a wide variety of intellectual property (IP) from across a diverse college pool. Funds from the Office of Research are used to support the infrastructure required for commercializing its new inventions. This includes essential costs for filing and maintaining patents, due diligence work to assess the technologies and participation in economic development activities in the region.

In addition, the Office of Research has established a Technology Commercialization Accelerator to provide seed funding, commercialization expertise and business connections to launch potentially high-impact entrepreneurial initiatives. The intended outcome is to tee up technologies for commercialization through start-up companies or licensing opportunities. Funded projects focus on commercialization goals and outcomes.

### **Recruitment and Retention of World-Class Faculty**

The recruitment of outstanding new faculty to the University of Cincinnati is critical for the success of its research programs. Significant start-up funding is required to successfully recruit junior and senior investigators with either the potential to run internationally-recognized research programs or who have already achieved this level of success. The Office of Research works with deans and department chairs to support appropriate funding for new researchers at UC.

### **Faculty Development Programs**

The Office of Research supports grant writing workshops open to all faculty, postdoctoral fellows and graduate students at the University of Cincinnati. Each year about 250 people

participate in these programs, which have proven to contribute to the success of obtaining new grants. The Office of Research also supports one-on-one intensive grant writing workshops for 15 faculty members each year. This workshop shepherds participants through the development of their proposal application section by section. The program has three objectives 1) to write and submit the best application of which the participant is capable; 2) to better understand the dynamics and psychology of the review process; and 3) to develop an appreciation for the importance of constructive criticism from colleagues as an important part of the proposal-development process.

### **Interdisciplinary Research Institutes/Centers**

Funds from the Office of Research are used to provide an incentive for developing programs that address emerging interdisciplinary problems which span traditional departments and colleges. The goal is to stimulate formation of centers and institutes that have the potential for



national visibility, significant research income and outstanding scholarship. The University Research Council grant program provides support for interdisciplinary research initiatives.

## CHALLENGES

Federal and state budget cuts have a direct effect on the research efforts at UC and the budget for the Office of Research. Decreases in funding to major federal science agencies including the National Institutes of Health and the National Science Foundation mean that they will be awarding fewer grants to UC faculty. Because of this, it will be harder to maintain cutting-edge research programs.



At the same time as major federal science funding cuts, the state has reduced budgets to institutions of higher education. For the Office of Research, this means a reduction of both its Research Incentive allocation from the Ohio Board of Regents and the Third Frontier and its general funds allocation from the university. These funds go to support the initiatives indicated above, as well as support research infrastructure in the research-intensive colleges.

## FACILITIES & ADMINISTRATIVE RATES

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

- General funds                    52%
- Research Support                21%
- Provost                            1.5%
- Deans                              3.5%
- Departments                    22%

The Department of Health and Human Services has issued a determination for federal Facilities & Administrative (F&A) rates effective FY 2013 through FY 2016. The approved rates were determined, as required by A-21 and the Office of Management and Budget (OMB), following a rigorous process which included a comprehensive space survey in conjunction with analysis of the research expenditure base. The determination was favorable and substantiates UC's strong research ranking.

*The full listing of F&A rates for the FY 2013-2016 period can be found on the Government Cost Compliance website [www.uc.edu/af/budgetfinsvcs/gcc.html](http://www.uc.edu/af/budgetfinsvcs/gcc.html).*

## ENDOWMENT

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

As of March 31, 2013, the market value of the endowment was \$1.036 billion, which is up 5.3% or \$57.1 million since June 30, 2012. Endowment Fund "A", the internally-managed endowment capital pool, has a value of \$740.5 million. Excluding \$71 million in neighborhood development corporations loans and local real estate, it consists of approximately 37% developed markets public equities, 15% developed markets public fixed income, 11% emerging markets public equities and fixed income, 18% absolute return funds, and 19% other investments, including private equity and real estate. Based on market values at the end of FY 2012, the UC endowment is the 75<sup>th</sup> largest of 843 endowments of U.S. and Canadian public and private institutions of higher education.<sup>1</sup>

<sup>1</sup>Source: PIMCO. Assumes starting ten-year Treasury yield of 1.8%.

### Performance

The Investment Portfolio generated +8.8% annualized gains for the three-year period ended March 31, 2013 and outpaced all three of the Investment Portfolio's primary benchmarks for the period. (see table below) Over the past three years, financial markets have experienced repeated bouts of turmoil from government actions including the U.S. debt ceiling and fiscal cliff debates, multiple rounds of central bank stimulus, and European officials' inconsistent, ad hoc approach to managing the flair-ups in the region's sovereign debt crisis. The Investment Office is very pleased with performance over this period, particularly given that a new strategic asset allocation was implemented during this period. Material allocation shifts, combined with volatile markets risk getting caught wrong-footed. The Investment Office's staged migration mitigated these risks and enabled the Investment Portfolio to outperform.

University of Cincinnati As of March 31, 2013	QTD	FYTD	1-Yr.	3-Yr. (Annualized)	5-Yr. (Annualized)	10-Yr. (Annualized)
Fund A	3.6%	9.8%	7.8%	8.0%	3.4%	8.5%
Strategic Investments <sup>1</sup>	0.3%	-0.4%	-0.6%	0.5%	0.9%	-0.4%
Investment Portfolio (Fund A ex-Strategics)	3.9%	10.9%	8.8%	8.8%	4.1%	9.1%
Primary Objective (PO) <sup>2</sup>	2.4%	6.4%	7.8%	7.9%	7.2%	7.8%
Broad Policy Benchmark (BPB) <sup>3</sup>	4.8%	13.0%	9.0%	8.5%	4.6%	8.3%
Target Weighted Benchmark (TWB) <sup>4</sup>	3.9%	9.9%	7.7%	8.6%	4.6%	9.6%

<sup>1</sup>NDCLs until June 2012, NDCLs and Direct Local Real Estate thereafter

<sup>2</sup>Primary Objective: University Spending Policy (5%) + UCF Fundraising Fee (2%) + Inflation (CPI) + UC Investment Office expenses

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

<sup>4</sup>Target Weighted Benchmark: 22.0% Russell 3000 Index, 13.0% MSCI EAFE Index, 9.0% MSCI Emerging Markets Index, 15.0% Barclays Aggregate Bond Index, 2.0% NCREIF Property Index, 3.5% Wilshire REIT Index, 15.5% Thomson One/Venture Economics, and 20.0% HFRI Fund of Fund Index +1.5%



## Asset Allocation

The Investment Office has sought to create an asset allocation that will maximize the odds that Fund A will achieve the primary objective, while remaining within the university's risk tolerance, by seeking to take the most profitable risks in appropriate amounts in a highly diversified portfolio. Asset Allocation actions taken:

**Reduce Fixed Income:** Fixed income risks and opportunities will be significantly different going forward than they have been over the past three decades as interest rates have fallen from 17% to today's historically low rates under 2%.

**Move to High Quality Fixed Income:** UC's primary goal in investing in fixed income is to maintain a portion of the portfolio that will protect liquidity and value during market crises, which only high quality U.S. fixed income investments will do. Moreover, the Investment Office has elected to focus our limited resources on decisions with the largest impact on investment returns and therefore outsource most decisions about allocation among fixed income categories to our active managers who possess more and better resources for successfully making these decisions.

**Change Target Weightings to Caps on Alternative Investment Categories:** As a risk mitigation tool, UC has adopted caps on several categories of alternative investments, rather than targets with ranges of acceptable actual allocations. Caps provide the Investment Committee with tighter control over allocations in alternative investments and engender a higher level of vigilance within the Investment Office over these allocations.

**Reallocate From Developed Market to Emerging Market Equities:** A structural shift in the driving forces behind global economics is underway in which developed market countries are turning into laggards and many emerging market countries have grown into engines of global economic growth.

**Increase Allocation to Absolute Return Hedge Funds:** UC's Investment Office believes that conservative, low leverage funds with the ability to dynamically allocate among specialized investment strategies and complex assets can offer attractive risk-adjusted returns and diversification benefits to the endowment.

## Spending

On April 23, 2013 the Board of Trustees approved an amendment of rule 3361:20-41-01 to i) reduce the endowment spending policy rate from 5.0% in FY 2013 to 4.75% for FY 2014 and to 4.5% for FY 2015; and ii) exclude both Neighborhood Development Corporation Loans and local real estate-related assets from the spending policy calculation for all historical periods starting with the calculation for FY 2015. Reducing the spending policy, modifying the asset base used in the spending policy calculation, and implementing other cost control measures are critical steps to help insure the long term protection of the endowment corpus and provide ongoing intergenerational equity.

**RESTRICTED FUNDS  
(IN THOUSANDS)**

	<b>FY 2013 Budget As Of 2/28/13</b>	<b>FY 2014 Budget</b>	<b>Variance</b>	<b>Percent Change</b>
<b>RESOURCES</b>				
State Appropriations	7,644	8,345	701	9.17%
Govt. and Private Grants and Contracts	216,623	189,376	(27,247)	-12.58%
Private Gifts	41,355	43,498	2,143	5.18%
Endowment Income	55,668	52,884	(2,783)	-5.00%
Temporary Investments	-	-	-	
Other	264	2,020	1,756	664.20%
<b>Total Resources</b>	<b>321,554</b>	<b>296,123</b>	<b>(25,431)</b>	<b>-7.91%</b>
<b>EXPENDITURES &amp; TRANSFERS</b>				
Educational and General				
Instruction and Department Research	48,191	46,826	(1,365)	-2.83%
Separately Budgeted Research	170,397	150,336	(20,061)	-11.77%
Public Service	4,895	4,311	(584)	-11.93%
Academic Support	13,922	12,619	(1,303)	-9.36%
Student Services	3,207	3,036	(171)	-5.32%
Institutional Support	4,563	3,951	(612)	-13.41%
Operation & Maintenance of Plant	30	65	35	116.16%
Scholarship and Fellowship	62,856	59,586	(3,270)	-5.20%
<b>Total Expenditures</b>	<b>308,061</b>	<b>280,730</b>	<b>(27,331)</b>	<b>-8.87%</b>
Mandatory Transfers				
Debt Service	1,145	603	(542)	-47.31%
Nonmandatory Transfers				
Other	10,684	13,995	3,311	30.98%
<b>Total Expenditures &amp; Transfers</b>	<b>319,890</b>	<b>295,328</b>	<b>(24,562)</b>	<b>-7.68%</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>1,664</b>	<b>795</b>		

## APPENDIX 1

### Student Fees and Historical Data

**UNIVERSITY OF CINCINNATI  
PROPOSED SEMESTER STUDENT FEES  
EFFECTIVE AUTUMN SEMESTER 2013**

	CAMPUS LIFE FEE <sup>1</sup>		GENERAL FEE		IT&IE FEE <sup>2</sup>	
	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester
<b>FULL TIME RATES</b>						
Undergraduate Programs:						
Uptown Campus	252	252	398	398	180	180
UC Clermont College	0	0	228	228	132	132
UC Blue Ash College	0	0	228	228	132	132
Professional Programs:						
Law	252	252	398	398	180	180
Medicine (MD)	252	252	398	398	0	0
Pharmacy (PharmD)	252	252	398	398	180	180
Graduate Programs <sup>4</sup>	252	252	398	398	180	180

	INSTRUCTIONAL FEE AND NONRESIDENT SURCHARGE			
	Ohio		Out-Of-State <sup>5</sup>	
	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester
<b>FULL TIME RATES</b>				
Undergraduate Programs:				
Uptown Campus	4,562	4,562	12,078	12,078
UC Clermont College	2,245	2,245	5,791	5,791
UC Blue Ash College	2,585	2,585	6,898	6,898
Professional Programs:				
Law	10,938	10,938	19,692	19,692
Medicine (MD)	13,760	13,898	22,625	22,852
Pharmacy (PharmD)	7,033	8,135	13,069	14,473
Graduate Programs <sup>4</sup>	6,261	6,261	12,018	12,018

	PART TIME PER CREDIT HOUR FEES (INSTRUCTIONAL, GENERAL, IT&IE, CAMPUS LIFE AND NONRESIDENT SURCHARGE)			
	Ohio		Out-Of-State <sup>5</sup>	
	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester	Autumn FY 13 Approved Semester	Autumn FY 14 Proposed Semester
<b>PART-TIME RATES</b>				
Undergraduate Programs:				
Uptown Campus	450	450	1,076	1,076
UC Clermont College	218	218	513	513
UC Blue Ash College	246	246	605	605
Professional Programs:				
Law	981	981	1,711	1,711
Medicine (MD)	1,201	1,213	1,940	1,959
Pharmacy (PharmD)	787	897	1,390	1,531
Graduate Programs <sup>4</sup>	710	710	1,285	1,285

- (1) Campus Life Fee approved at the May 23, 2000 Board of Trustees meeting.
- (2) The IT&IE Fee assists in funding information technology, instructional equipment and improved student access to computer resources and other instructional materials.
- (3) A parking fee of \$68 per semester in FY 14 is assessed by the branch campuses (included in the above amounts).
- (4) Medicine Graduate Programs do not charge the IT&IE Fee.
- (5) Includes the Ohio instructional fee and the non-resident surcharge.

**PROPOSED SUMMARY OF SEMESTER STUDENT FEES  
ALL CAMPUSES EFFECTIVE AUTUMN SEMESTER 2013**

	FULL-TIME RESIDENT TUITION & FEES Semester				FULL-TIME NON-RESIDENT TUITION & FEES Semester			
	Autumn FY 13 Tuition & Fees	Autumn FY 14 Tuition & Fees	Dollar Change	Percentage Change	Autumn FY 13 Tuition & Fees	Autumn FY 14 Tuition & Fees	Dollar Change	Percentage Change
Undergraduate								
Uptown Campus	5,392	5,392	0	0.0%	12,908	12,908	0	0.0%
UC Clermont College <sup>1</sup>	2,605	2,605	0	0.0%	6,151	6,151	0	0.0%
UC Blue Ash College <sup>1</sup>	2,945	2,945	0	0.0%	7,258	7,258	0	0.0%
Professional Programs								
Law	11,768	11,768	0	0.0%	20,522	20,522	0	0.0%
Medicine (MD)	14,410	14,548	138	1.0%	23,275	23,502	227	1.0%
Pharmacy (PharmD) <sup>2</sup>	7,863	8,965	1,102	14.0%	13,899	15,303	1,404	10.1%
Graduate Programs <sup>3</sup>	7,091	7,091	0	0.0%	12,848	12,848	0	0.0%

**PROPOSED SUMMARY OF ANNUAL STUDENT FEES  
ALL CAMPUSES EFFECTIVE AUTUMN SEMESTER 2013**

	FULL-TIME RESIDENT TUITION & FEES Semester				FULL-TIME NON-RESIDENT TUITION & FEES Semester			
	Autumn FY 13 Tuition & Fees	Autumn FY 14 Tuition & Fees	Dollar Change	Percentage Change	Autumn FY 13 Tuition & Fees	Autumn FY 14 Tuition & Fees	Dollar Change	Percentage Change
Undergraduate								
Uptown Campus	10,784	10,784	0	0.0%	25,816	25,816	0	0.0%
UC Clermont College <sup>1</sup>	5,210	5,210	0	0.0%	12,302	12,302	0	0.0%
UC Blue Ash College <sup>1</sup>	5,890	5,890	0	0.0%	14,516	14,516	0	0.0%
Professional Programs								
Law	23,536	23,536	0	0.0%	41,044	41,044	0	0.0%
Medicine (MD)	28,820	29,096	276	1.0%	46,550	47,004	454	1.0%
Pharmacy (PharmD) <sup>2</sup>	15,726	17,930	2,204	14.0%	27,798	30,606	2,808	10.1%
Graduate Programs <sup>3</sup>	14,182	14,182	0	0.0%	25,696	25,696	0	0.0%

- (1) A parking fee of \$68 per semester in FY 14 is assessed by the branch campuses (included in the above amounts).
- (2) In addition, the instructional fee is combined with the currently charged PharmD Program Fee of \$750 per semester after the 5% tuition increase per the College's request and Provost's approval.
- (3) Medicine Graduate Programs do not charge the IT&IE Fee.

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

	State Share of Instruction <sup>1</sup>			Student Fees <sup>2</sup>		
	State Share of Instruction	Dollar Change	Percent Change	Fees	Dollar Change	Percent Change
FY 2005 Actual	140,384	(3,804)	-2.6%	247,747	29,270	13.4%
FY 2006 Actual	140,076	(308)	-0.2%	271,034	23,287	9.4%
FY 2007 Actual	145,115	5,039	3.6%	298,557	27,523	10.2%
FY 2008 Actual	152,367	7,252	5.0%	316,455	17,898	6.0%
FY 2009 Actual	167,319	14,952	9.8%	319,730	3,275	1.0%
FY 2010 Actual <sup>3,4</sup>	178,781	11,462	6.9%	338,870	19,140	6.0%
FY 2011 Actual <sup>5</sup>	179,437	656	0.4%	374,193	35,323	10.4%
FY 2012 Actual <sup>6</sup>	153,805	(25,632)	-14.3%	409,787	35,594	9.5%
FY 2013 Projected	156,582	2,777	1.8%	419,587	9,800	2.4%
FY 2014 Budget	159,958	3,376	2.2%	424,049	4,462	1.1%
Ten Year Average Increase			1.2%			6.9%
Five Year Average Increase			-0.6%			5.9%

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

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

Year	Center for					
	Under-graduate	Access and Transition**	Graduate	Law	Pharmacy	Medicine
2004-05	8,379	6,579	9,975	14,084	9,975	21,831
2005-06 Autumn	8,877	6,975	10,773	16,210	10,773	23,580
2006-07	9,399	7,392	11,661	18,032	11,661	25,965
2007-08	9,399	7,392	12,111	18,982	12,111	26,910
2008-09	9,399	7,392	12,354	19,362	12,354	27,987
2009-10	9,399	7,392	12,723	19,942	12,723	29,385
2010-11	10,065	7,917	13,236	20,946	13,236	30,855
2011-12	10,419	0	13,701	22,204	14,361	31,935
2012-13 Semesters	10,784	0	14,182	23,536	15,726	28,820
2013-14	10,784	0	14,182	23,536	17,930	29,096
<b>Ten Year Average Annual Increase</b>	<b>\$316</b>	<b>N/A</b>	<b>\$520</b>	<b>\$1,130</b>	<b>\$895</b>	<b>\$943</b>
<b>Five Year Average Annual Increase</b>	<b>\$277</b>	<b>N/A</b>	<b>\$366</b>	<b>\$835</b>	<b>\$1,115</b>	<b>\$222</b>
<b>Ten Year Average Annual Increase</b>	<b>3.6%</b>	<b>N/A</b>	<b>4.7%</b>	<b>6.9%</b>	<b>7.2%</b>	<b>4.2%</b>
<b>Five Year Average Annual Increase</b>	<b>2.8%</b>	<b>N/A</b>	<b>2.8%</b>	<b>4.0%</b>	<b>7.8%</b>	<b>0.9%</b>

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

**FULL TIME EQUIVALENT (FTE) ENROLLMENTS  
ALL-TERMS SUBSIDY ELIGIBLE REPORTING, FY 2001-2014**

Year	Uptown Campus			UC Blue Ash Branch	UC Clermont Branch	Grand Total
	Undergrad	Professional	Total			
2000-01	15,103	5,031	20,134	2,244	1,469	23,847
2001-02	15,200	5,265	20,465	2,458	1,656	24,579
2002-03	14,867	5,406	20,273	2,650	1,778	24,701
2003-04	15,026	5,461	20,487	2,847	2,017	25,351
2004-05	15,111	5,662	20,773	2,969	2,088	25,830
2005-06	15,270	5,332	20,602	2,991	2,170	25,763
2006-07	15,423	5,487	20,910	3,029	2,229	26,168
2007-08	16,006	5,577	21,583	3,025	2,439	27,047
2008-09	16,536	5,444	21,980	3,056	2,649	27,685
2009-10	17,358	5,670	23,028	3,435	3,016	29,479
2010-11	17,853	5,709	23,562	3,600	3,075	30,237
2011-12	18,353	5,916	24,269	3,690	3,024	30,983
Est. 2012-13	18,014	5,878	23,892	3,477	2,782	30,151
Est. 2013-14	18,374	5,944	24,318	3,547	2,818	30,683

**SUMMARY OF RESIDENT STUDENT FEES  
OHIO BOARD OF REGENTS' INSTITUTIONS**

	<b>UNDERGRADUATE FEES</b>		
	<b>Autumn FY 2012 Fees</b>	<b>Autumn FY 2013 Fees</b>	<b>Percent Change</b>
	Miami University	13,081	13,523
<b>University of Cincinnati</b>	<b>10,419</b>	<b>10,784</b>	<b>3.5%</b>
Bowling Green State University	10,044	10,394	3.5%
Ohio University	9,936	10,282	3.5%
Ohio State University	9,735	10,037	3.1%
University of Akron	9,545	9,862	3.3%
Kent State University	9,346	9,672	3.5%
Cleveland State University	9,002	9,314	3.5%
University of Toledo	8,926	9,196	3.0%
Wright State University <sup>1</sup>	8,070	8,354	3.5%
Youngstown State University	7,451	7,451	0.0%
Shawnee State University	6,762	6,988	3.3%
Central State University	5,672	5,870	3.5%
<b>Average</b>	<b>9,076</b>	<b>9,364</b>	<b>3.2%</b>
	<b>GRADUATE FEES</b>		
<b>University of Cincinnati</b>	<b>13,701</b>	<b>14,182</b>	<b>3.5%</b>
University of Toledo	13,647	14,064	3.1%
Miami University	12,419	12,840	3.4%
Wright State University <sup>1</sup>	11,826	12,240	3.5%
Ohio State University	11,823	12,201	3.2%
Cleveland State University	12,881	12,169	-5.5%
Bowling Green State University	11,598	11,648	0.4%
Kent State University	9,942	10,290	3.5%
Youngstown State University	9,909	10,257	3.5%
Ohio University	9,510	9,510	0.0%
Shawnee State University	8,508	8,795	3.4%
University of Akron	8,312	8,578	3.2%
Central State University	5,400	6,174	14.3%
<b>Average</b>	<b>10,729</b>	<b>10,996</b>	<b>2.5%</b>

**Source: "FALL SURVEY OF STUDENT CHARGES - For Academic Year 2012 - 2013" by The Ohio Board of Regents**

University of Cincinnati amounts shown include the Instructional, General/Facilities, IT&IE & Campus Life Fees.

1) The multi-tiered tuition has been discontinued leaving just tuition rates for students entering after FY2004.



**ROOM AND BOARD RATES  
FISCAL YEAR 2013-14**

	2012-13 Actual		2013-14 Actual	
	SEMESTER	ANNUAL	SEMESTER	ANNUAL
<b>I. SCHEDULE OF BASIC ROOM RATES</b>				
A. Calhoun, Daniels, Dabney, Siddall (Multiple Occupancy)	\$3,015	\$6,030	\$3,075	\$6,150
B. Stratford Heights <sup>1</sup> (Multiple Occupancy)	3,468	6,936	3,537	7,074
C. Calhoun, Daniels, Siddall (Designed Singles)	3,480	6,960	3,549	7,098
D. Stratford Heights <sup>1</sup> (Designed Singles)	3,753	7,506	3,828	7,656
E. Turner Hall <sup>1</sup> (Double Suites)	3,677	7,354	3,750	7,500
F. Campus Recreation Center (CRC), Turner, Schneider <sup>1</sup> (Single Suites)	3,898	7,796	3,976	7,952
G. Morgens (Apartment- Double Occupancy)	N/A	N/A	3,938	7,876
H. Morgens (Apartment- Single Occupancy)	N/A	N/A	4,175	8,350
<b>II. SCHEDULE OF BASIC BOARD RATES</b>				
Unlimited Plan/Semester (Unlimited swipes) <sup>2</sup>	N/A	N/A	2,070	4,140
186 Plus Plan/Semester (12 Plus Meals/Week Plan) <sup>3</sup>	2,070	4,140	2,050	4,100
<b>III. SCHEDULE OF ROOM AND BOARD RATES</b>				
Unlimited Plan/Semester (Unlimited swipes) <sup>2</sup> at Calhoun, Daniels, Dabney, Siddall (multiple occupancy)	N/A	N/A	5,145	10,290
186 Block Plan/Semester (Averages 12 Meals/Week Plan) <sup>3</sup> at Calhoun, Daniels, Dabney, Siddall (multiple occupancy)	5,085	10,170	5,125	10,250
Unlimited Plan/Semester (Unlimited swipes) <sup>2</sup> at Calhoun, Daniels, Siddall (single occupancy)	N/A	N/A	5,619	11,238
186 Block Plan/Semester (Averages 12 Meals/Week Plan) <sup>3</sup> at Calhoun, Daniels, Siddall (single occupancy)	5,550	11,100	5,599	11,198
<b>IV. OFF CAMPUS MEAL TICKET RATES</b>				
65 Meals and 150 Bearcat dollars/Semester	655	1,310	675	1,350
48 Meals and 75 Bearcat dollars/Semester	450	900	465	930
36 Meals and 45 Bearcat dollars/Semester	345	690	360	720

- 1) The option of signing a twelve month lease is available to Turner, Schneider, Stratford Heights and Campus Recreation Center residents only. This option adds \$1,200 to the annual rate.
- 2) The option of Unlimited meal swipes also includes 15 guest swipes and 150 Bearcat dollars per semester.
- 3) The option of the 186 meal plan includes unrestricted guest swipes per semester.

## APPENDIX 2

### Definitions Used Throughout

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Student Services** – Activities for which the primary purpose is to contribute to a student’s emotional and physical well-being, as well as his/her cultural and social development outside the context of the formal instructional program. This category includes Admissions and Registration, Counseling and Student Financial Aid.

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

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

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

## APPENDIX 3

### Relationship to Financial Statements

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

	Budget Plan	Financial Report
<b>Document Approvers/Users</b>		
Adopted by Board - Internal Performance Monitoring	X	
Auditor, State of Ohio		X
Federal Clearinghouse		X
Rating Agencies/Investors		X
US Dept of Education		X
<b>Accounting Method/Standards</b>		
Fund	X	
Governmental Accounting Standards Board (GASB)		X
<b>Accounting Basis</b>		
Accrual - Modified	X	
Accrual - Full		X
<b>Accounting Data</b>		
Budget Projections - Current Fiscal Year Budget as of 3/31/09 Compared to Next Fiscal Year's Projected Budget	X	
Audited Financial Results - Compare prior two (2) fiscal years		X
<b>Funds Included in the Report</b>		
Current Funds	X	X
• General Funds		
• Auxiliary Funds		
• Designated Funds		
• Restricted Funds		
• Expendable Endowment		
• Gifts		
• Grants/Contracts		
Non-Current Funds		X
• Loan Funds		
• Plant Funds		
• Endowment Principal Funds		
<b>Financial Reports</b>		
Statement of Net Position (SNP)		X
Current Funds - Net Increase/(Decrease) in Fund Balance	X	
Statement of Revenues, Expenses and Changes in Net Position (SRECNP)		X
• State Operating Appropriations		
• Reflected as Operating Revenue	X	
• Reflected as Non-Operating Revenue		X
• Grants & Contracts		
• Cash Basis	X	
• Accrual Basis		X
• Debt Service		
• Principal & Interest Reflected in Mandatory Transfer	X	
• Principal Payment is Reflected as One Component of the Change in Long-term Debt - Current and Noncurrent (SNP)		X
• Interest on Capital Asset Related Debt - Nonoperating (SRECNP)		X
• Depreciation Expense		X
• Investment Income (Endowment and Operating)		X
• Increase in Fair Value of Investments (Endowment, UC Health & Operating)		X
• Gains/Loss on Disposal of Assets		X
• Non-Capitalized Expenditures Reflected as Operating Expense	X	X
Statements of Cash Flows		X

## APPENDIX 4

### Key Policies and Links

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

Operating Cash Policy  
Structural Deficit Policy

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

Contains links to UC Budget Plans for FY 2006 — FY 2014

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

Government Cost Compliance (F&A Rates) – [www.uc.edu/af/budgetfinsvcs/gcc.html](http://www.uc.edu/af/budgetfinsvcs/gcc.html)

University Decision-Making Process- <http://www.uc.edu/president/priorities/decisionmaking.html>

## APPENDIX 5

### Uptown General Fund Operating Expense Increase Detail/Definitions

***MSB Phase 2-5—\$1,500,000***

Builds permanent budget for debt service related to this project first due in FY 2015. Five years at \$1.5M per year FY 2011 – FY 2015 plus \$1M in FY 2016.

***Roof Replacements—\$250,000***

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

***Capital Investment Fund: Major Capital Projects Debt Service—\$1,000,000***

Funding for capital projects debt service \$1M in FY 2014, \$1M in FY 2015.

***U Square Lease—\$500,000***

Budget for U Square lease payments of \$500,000 in FY 2013 and an additional \$500,000 in FY 2014.

***Chemical Inventory Operations/Disposal—\$283,000***

Cover the costs, including salaries, of managing the chemical inventory system.

***Core Systems Funding—\$1,000,000***

Build-up of funding to pay debt service on new student information system (UNIVERSIS replacement). \$1M per year FY 2011 – FY 2015 plus \$900,000 in FY 2016.

***SAP Maintenance Fee—\$61,000***

Increases in SAP maintenance fee costs.

***Academic Teaching Lab Renovations—\$500,000***

Debt service for lab renovations. \$500,000 per year FY 2009 – FY 2014.

***UCIT Student Bundle Rates—\$124,000***

Funding for the increase in subsidy for the phone/internet bundled services rate for students.

***UCIT Mainframe Maintenance—\$200,200***

Increase in the UCIT Mainframe maintenance fee cost.

***UC Police—\$486,516***

Cover the police budget due to the cancellation of the UC Medical Center's contract for police/security.



**General Counsel—\$149,608**

Funding the budget shortfall in the General Counsel's office.

**President's Office—\$126,706**

Budget increase to cover the shortfall in the President's office.

**Chief Diversity Office—\$300,000**

Increasing the salary and incentive grants for recruitment and retention.

**VP for Governmental Relations & University Communications—\$300,000**

Funding the Alumni Advocacy Program and new advertising/marketing efforts.

**VP Communications Reallocated—(\$500,000)**

Reallocation of funding from previous year.

## APPENDIX 6

### Budget-Building Process

The FY 2014 budget is the product of a transparent and participatory decision-making process, structured around key committees with multiple constituencies. Among these committees are the Academic Committee (AC), which focuses on strategic academic priorities; the Fiscal Coordinating Committee (FCC), which facilitates integrated decisions around fiscal planning and priorities; and the Budget Committee which supports the Executive Committee on fiscal matters. All of these groups, as well as the Faculty Senate and the Academic Operations Committee (AOC), send proposals to the Provost. The Provost, the Executive Committee, and the President's Cabinet advise and make proposals to the President who then submits recommendations to the Board of Trustees for approval.

*University Decision-Making Process- <http://www.uc.edu/president/priorities/decisionmaking.html>*

