MEETING SUMMARY
Senate Fiscal Committee | September 27, 2011

Attendance: Harald Vaessin (Chair), Linda Lobao, Bruce Weide, Robert Perry, Don Haurin, Tom Hammer, Michael Cata, Jonathan Elder, Justin Costa, Betsy Lindsey, Jim Woods, Brad Harris (for Joe Steinmetz), Greg Rose, Lonnie King, Bobby Moser, Mike Boehm, Suzi Ballinger, Geoff Chatas, Henry Zheng, John Kuhar, Amy Turner, Kris Devine

Introductions/Welcome—Harald Vaessin, Chair
- Turnover this year with committee—lots of new faces.
- This group serves in an advisory role to President Gee, Provost Alutto and Geoff Chatas.
- Critical that we take our role seriously in dealing with financial matters of the University.
- We are here for the University—not members of our college or department units.
- Reviewed list of possible SFC issues for 2012 (attached).
- Some items discussed may not yet be at a stage suited for broader dissemination.

Subcommittee Descriptions and Potential Issues to be Addressed
Central Distribution Subcommittee (CDS)—Co-Chairs: Robert Perry, Jim Woods
- Review of POM rates/assessments and potential changes for sustainability activities savings
- Review of Study Abroad funding model

Central Services Subcommittee (CSS)—Co-Chairs: Greg Rose, TBD
- Review budget requests from central service units
- Review of funding model for Development/Advancement
- Identification of funding sources for support office cash requests
- Implementation of new unit review process

New members need to let Harald/Suzi know your subcommittee preference.

Parking—Geoff Chatas
- University is looking at non-core mission assets i.e. airport, golf course, parking garages.
- Investigating engaging a third party to operate our parking garages. They would pay the University $375-$600M up front that we could reinvest
- 30-50 year agreement
- 1\textsuperscript{st} phase (completed)—obtain Board approval to move forward with RFQ
- 2\textsuperscript{nd} phase—RFQ to be submitted first of October to obtain list of qualified bidders.
- 3\textsuperscript{rd} phase—RFP (January) to be issued; RFP results reported in the spring
- 4\textsuperscript{th} (final) phase—Identify who is interested; talk to stakeholders
- University vs. Private—it is safe, long-term investment. This will help bridge financial gap.
- Currently, our parking is “break-even”
- Certain conditions will apply: Rate increases are controlled, service standards must be achieved, OSU will have the right to cancel agreement at any time. Advertising/billboards are “off limits”
- Sporting events will remain the same
- Enforcement/citations will be vendor’s responsibility.
- OSU will continue the appeals process.
State Budget—Geoff Chatas
- 1st look – Subsidy funding reduced already from approximately $390 M in FY 11 to $330 M in FY 12. Not expecting to have increased funding in the next biennium. The Governor has mentioned opening the budget up again for this biennium.
- Capital budget—not “optimistic”

Century bond—100 years
- 4.75% rate for 100 years
- Approximately $7M can be invested in order to fully pay the principal back in 100 years.

2010-2015 Capital Budget no additions/changes
- Components of FY 2010-FY 2015 Capital Plan include the Medical Center, North Academic Core, Student Housing and Supporting Infrastructure

Endowment
- Current endowment = $2 billion

Financial Update—Geoff Chatas
- FY 2011 snapshot
- Tuition/fees increase
- State support remained flat
- Grants and gifts increase
- Endowment is solid
- Auxiliary increase of 19% (extra football game=$12M)
- Cash has increased to $4 billion from $2.9 billion
- Overall, good news from last year.
- FY 12 projections to Board in November (will share with group)
- 95% tuition paid on first day of classes this fall
- Need to investigate distributing tuition payments
  ✓ semester payments ($4,200) vs. quarterly payments ($3,500)

Future Considerations
- Medical Center
- $1.5M revenue from government
- Financial Model—looking ahead “What happens if…….?™ scenario planning

Next Meeting—Tuesday, October 11
Room 200 Bricker Hall