MEETING SUMMARY
Senate Fiscal Committee | November 8, 2011

Attendance: Harald Vaessin (Chair), Suzi Ballinger, Linda Lobao, Wes Boomgaarden, Lonnie King, David Goss, Betsy Lindsey, Bobby Moser, Michael Cata, Jim Woods, Mike Boehm, Bruce Weide, Robert Perry, Greg Rose, Tariq Azam, Don Haurin, Joe Steinmetz, Thomas Hammer, Jon Pelz, Geoff Chatas, Kris Devine, Henry Zheng, Kim Stukenborg

Guests: James DeFrance (COPE), Steve Fortino (Morgan Stanley), Ulrich Heinz, Mike Lisa (Physics), Stratford Shields (Morgan Stanley), Perry Offutt (Morgan Stanley), Michael Papadakis (University Treasurer), Mike Mitchell (Legal Affairs), Jay Kasey (Administration & Planning) T.K. DaNeil

1 New Members—Harald Vaessin, Chair
   • Welcome David Goss and Jon Pelz.

2 Financing the University—Geoff Chatas
   • How did we get here?
   • How much old debt is being retired? In 10 years, about half
   • AA1 rating from Moody’s.
   • Endowment = $1.4 billion
   • Fundraising= $150M last year “stable”
   • Assumptions
     ✓ enrollment increase 1%;
     ✓ tuition and fees rate increase of 3.5% per annum,
   • Gifts “grow” 7% but most gifts are “restricted”
   • Capital sources can only “borrow” for bricks and mortar.
   • Need to “bridge the gap”
   • Next meeting will share Financial Report from November Board meeting.

3 Parking Proposal—Perry Offutt and Stratford Shields (Morgan Stanley), Mike Papadakis (University Treasurer)
   • RFQ sent to interested parties—10 responses received
   • 5-6 month process
   • Develop a base case to share with potential bidders
   • Key drivers to estimate “value”:
     ✓ Length of time
     ✓ Rate increases (7.5% cap for first 10 years)
     ✓ Current cost for OSU to run operation vs. external vendor
     ✓ Timing of capital requirements
   • Board resolution = $375M minimum investment with maximum parking increase 7.5%, term max of 50 years
   • $375M will be used for initiatives other than buildings (i.e. xx% buses; xx% academic core, xx% student aid)
   • Information related to the evaluation of leasing management of parking is posted on the Business & Finance webpage.
Bus Service—Jay Kasey, Administration & Planning
- Annual cost of OSU bus service approx. $4M ($55/hr. x 75,000 hrs.)
- Additional $1.2M for infrastructure (enforcement officers, manage signage, etc.)
- Framework plan focuses on a pedestrian campus.
- Develop more parking on west campus not central campus.
- Immediate need is at the Medical Center. Cannon Drive to be moved closer to Olentangy River

Coordination & Implementation of Sustainability Policies—Dick Gunther
- POM component needs to be replaced in current budget model.
- Number of incentives or resources for energy improvements on the OSU main campus:
  - Modest investments in energy i.e. install meters to monitor energy consumption
  - Establish self-replenishing loan fund

CDS Update—Robert Perry
- Reviewing POM charges in budget model.

CSS Update—Greg Rose
- Reviewing alternative funding options for Development.

Next Meeting
Tuesday, November 22, 2011
1:30-3:30
Room 200 Bricker Hall