



**SENATE FISCAL
COMMITTEE ANNUAL
REPORT**
2016/2017

Committee Members

Richard Dietrich, Chair – Fisher College of Business
Blaine Lilly – College of Engineering, Mechanical & Aerospace Engineering, Faculty Council
Susan Olesik – College of Arts and Sciences, Chemistry and Biochemistry, Faculty Council
Jim Rathman – College of Arts and Sciences, Chemistry and Biochemistry, Faculty Council
Michele Basso – College of Medicine, Health and Rehab Sciences, Faculty Council
Jim Cogdell – College of Arts and Sciences, Mathematics, Faculty Council
Anne Carey – College of Arts and Sciences, Earth Sciences, Faculty Council
Rama Yedavalli - College of Engineering, Mechanical & Aerospace Engineering, Faculty Council
Tim Haab – Agricultural, Environmental and Development Economics, Faculty Council
Sam Whipple – Arts and Sciences, University Student Government
Gerard Basalla – Political Science, University Student Government
Michael Branum – Business, University Student Government
Sarah Souders - Political Science, University Student Government
Eric Bode – Executive Dean Staff Appointee/SFO, FAES
Gerhard Raimann – College of Arts and Sciences, Chemistry and Biochemistry, USAC
David Wiseley – Presidential Staff Appointee/SFO, Office of Student Life
David Manderscheid- Executive Dean for Arts and Sciences
Steve Gavazzi – Executive Dean for Regional Campuses Representative; Mansfield Dean
David Williams – Executive Dean for Professional Schools; Dean of the College of Engineering
Karla Zaknik – Executive Dean for Health Sciences; Dean of College of Optometry
Geoff Chatas – Sr. Vice-President & CFO, Office of Business and Finance
Kris Devine – Central Administration President’s Appointment; Office of Business and Finance
Brad Harris – Central Administration President’s Appointment; Office of Academic Affairs

**Senate Fiscal Committee
Activities Report
September 13, 2016 – May 23, 2017**

Senate Fiscal Committee is one of the largest committee in the shared governance model of the University Senate. The committee has the largest set of duties and responsibilities that entail reviewing budget and financial matters through subcommittee work and make recommendations to University administration.

Support Office Finance Subcommittee Annual Report

The subcommittee was focused in three areas this year (see below and attached recommendations):

- FY18 Support Office Budget Requests
- FY17 Support Office Budget Requests Action Plan Review (OCIO, Public Safety)
- Internal Charges
- IT Enterprise Software Cost Share

College Finance Subcommittee Annual Report

The subcommittee was focused on four reas of review (see below and attached recommendations):

- Composite Benefit Rates – Part of Budget
- Overhead Rates– Part of Budget
- POM Rates– Part of Budget
- University Funding Model

Student Fee Review Subcommittee Annual Report

The subcommittee reviewed of all fee requests to develop recommendations for the Provost and CFO for approval. In addition, SFC continued reviewing the uses of the fees, the level of the fee, the continuing need for the fee and any cash balances and purpose of such balances.

Special Projects Subcommittee Annual Report

The Special Projects Subcommittee conducted a follow-up regarding an issue student government raised about students enrolling between 18 to 21 credit hours. The proposal was to look at select circumstances to waive the incremental tuition surcharges on students enrolling between 18 to 21 credit hours

- Internship credit
- Research credit
- To graduate on time

The proposal was referred to Council on Academic Affairs and Council on Enrollment and Student Progress requesting they look into the value of the proposal in terms of the Academic programing perspective, as well as terms and conditions for students requesting a waiver.

Senate Fiscal Committee Recommendations

Composite Benefit Rate (February 21, 2017)

- The College Finance Subcommittee brought the recommended report to the Committee
- The recommendation (as percentage of salary) was:
 1. General University: Faculty 29.2%; Unclassified 35.1%; Classified Civil Service 47.8%; Specials 16.1%; Students 0.6%; Post-Doctoral Fellows 4.9%; Graduate Associates 11.5%
 2. OSU Health System: Faculty 38.4%; Unclassified 34.3%; Classified Civil Service 52.5%; Specials 16.6%; Students 1.1%; Post-Doctoral Fellows 4.9%; Graduate Associates 12.0%
 3. Faculty Group Practice: Clinical Appointments 5.2% (excludes retirement contributions)
- This was the second year of a benign rate environment and the basic rates remain flat.
- After discussion, a motion to recommend the Benefit Rate Recommendation as presented to the Provost and CFO for next year was passed.
- The Provost and CFO approved the proposal.

Earning Overhead Rate (February 21, 2017)

- This is the annual calculation of overhead rates charged by the University to non-General Fund (earnings) units for services such as payroll processing auditing, insurance, campus safety, etc.
- Tom Ewing gave a summary of the calculated and proposed Overhead rates for FY2018 based on FY2016 actual costs charged by the university to non-General Fund earning units for services such as payroll processing, auditing, insurance, campus safety, etc.
- The overhead rate recommendation for FY18 was:
 1. Health System: \$53.4 million Fixed Payment (to be compliant with federal Medicare reimbursement policies)
 2. Instructional Clinics 4.6%;
 3. Regional Auxiliaries 5.0%;
 4. All Other Earnings Units 5.7%.
- The subcommittee aged the Overhead Rate Recommendation should be approved based on the fact that the typical process was followed and there were no significant changes from the previous year. It will review the methodologies for generating support unit and university services funding and determine if there are any recommendations for changes going forward. FP&A will provide further detail.
- A motion to approve the recommendation was made and passed.
- The Provost and CFO approved the proposal.

Differential Fee Requests (March 7, 2017)

The Student Fee Review Subcommittee reviewed the differential fee requests and brought its recommendations to the full SFC.

SFC recommends approval of the following requests

College	Fee Name	Instructional Current	Instructional Recommended	Instructional Increase	Non-Resident: Recommended Increase
Dentistry	Dentistry - Rank 1	\$16,548	\$16,880	2.0%	2.0%
Dentistry	Dentistry - Ranks 2-4	\$14,676	\$14,968	2.0%	2.0%
Law	Law	\$14,412	\$14,700	2.0%	0.00%
Medicine	Master of Genetic Counseling	\$9,568	\$9,568	0.0%	0.00%
Medicine	Doctor of Occupational Therapy	\$5,624	\$6,072	8.0%	0.00%
Medicine	Doctor of Physical Therapy	\$6,268	\$6,520	4.0%	0.00%
Optometry	Optometry - Ranks 1-2	\$12,948	\$12,948	0.0%	0.00%
Optometry	Optometry - Ranks 3-4	\$11,496	\$11,496	0.0%	0.00%
Pharmacy	Pharmacy Ranks 1-4	\$10,400	\$10,816	4.0%	Std University Increase

In addition to the fees recommended above, SFC discussed three other requests:

1. Differential fee request submitted by the College of Veterinary Medicine. SFC’s Student Fee Review Subcommittee (SFRS) chair described weaknesses in the request, in particular a description of the student consultation process and the (lack of) documentation indicating students’ support for or disagreement with the requested increase. Additional information provided by the college stated only that the dean “hasn’t received any pushback.” SFC concluded that the weakness was sufficiently significant and therefore voted against recommending Veterinary Medicine’s requested fee increase. Simultaneously, SFC recognized that further communication with Veterinary Medicine may provide additional evidence that the request complies with the guidelines for approval of a differential fee request and suggests that representatives of the CFO and/or Provost contact appropriate representatives of the College of Veterinary Medicine to determine if SFC’s negative recommendation was a consequence of miscommunication rather than a defect in meeting the guidelines to justify a fee increase.
2. Differential fee request submitted by the Fisher College of Business for the MHRM program. SFRS advised that, in its opinion, the request does not comply with guidelines for approval for multiple reasons, including: (1) an incomplete/inappropriate description of student consultation process—there is no basis to conclude that the consultation process was followed, and (2) a cursory description of how the additional funds would be used to benefit the students in the MHRM program. Following discussion, SFC voted against recommending the request.

SFC also received a security and maintenance fee request by regional campuses requested. Professor Michele Basso, chair of SFRS, reported that it is her understanding that this request is inconsistent with current state guidelines for fee increases. Accordingly, SFC did not discuss this request further.

Plant Operations Maintenance (POM) Rate (March 21, 2017)

- Lynn Ready gave an overview of the calculation of costs of utilities, maintenance, and custodial services on an assigned square foot (ASF) basis. There are five cost pools:
 - Utilities
 - Custodial
 - Maintenance
 - Deferred Maintenance & Renewal Endowment
 - Preventative Maintenance

POM funds are used to offset basic utilities, repairs and ongoing maintenance and custodial costs

- Kristany Berger reviewed the POM Rate Worksheet and gave explanation for rate increases
- Susan Olesik presented the subcommittee recommendations:
 1. Approve proposed rate of \$16.23/ASF including the following decision points as follows:

- Non-Actionable Safety-Related Base Increases: Utilities Safety Costs – increased water testing-\$50k; Maintenance – Elevator Contracts - \$320k
 - Actionable Base Increases: Utilities – Chilled Water Operations Funding - \$110k; Maintenance – ADA Accommodations Funding - \$250k; Preventative maintenance – Final increase to \$0.75/ASF from \$.60/ASF - \$1.05k.
2. The subcommittee is recommending the \$.15 increase for the utility rate smoothing. However, if there is cash at the end of the year in this category we are recommending that those funds are placed in the repair and renovation category.
 3. Defer action on additional utilities surcharge while the comprehensive energy management project is under consideration. Surcharges should be a specific agenda item for CFS next fiscal year.
 4. Any positive utility closeout for FY18 should be distributed as follows:
 - \$1M to Presidents & Provost's Sustainability Council fund.
 - Excess above the utility reserve ceiling will be transferred as cash to the preventative maintenance pool
 5. The utility reserve balance should remain at 33% of the three year average utility net costs. Any difference should be transferred as cash to the repair & renovation pool.
 6. In 2012 the College Distribution Subcommittee, equivalent to the current CFS, made recommendations on the POM rate analysis that were not followed up on. This subcommittee is recommending the 2012 document be reviewed and updated next year by the CFS with the intent to provide follow-through on the original recommendations.
- After discussing each recommendation, the following decisions were made by the full Committee:
 - Recommend #1 – **Motion passed with modification to \$16.08/ASF:**
 - Recommendation #2 – \$0.15 increase in utility rate smoothing - **Motion Failed**
 - Recommendation #3 – **Motion passed**
 - Recommendation #4 – **Motion passed with an amendment to strike \$1M to President & Provost Sustainability Council fund**
 - Recommendation #5 – **Motion passed**
 - Recommendation #6 – **Motion passed**
 - Recommendation #7 added: **Motion made and passed**
 - \$1M will be transferred to the President & Provost's Sustainability Council fund from the utility reserve – with no contingency

The Provost and CFO recommended the proposal for the POM Rates for FY2018 with the approved rate proposal of \$16.08, foregoing the surcharge on CBEC and additional surcharge on RPAC. However, they will forgo any reduction to the utility reserve at this time other than utilization of \$1,000,000 the President's and Provost's Sustainability Council.

Support Office FY2018 Budget Requests (April 4, 2017)

- Total budget requested by all units combined is \$10.6 million PBA and \$3.1 million in cash
- OHR, OCIO and Advancement are experiencing structural deficits and were not evaluated during this process.
 - Administration & Planning (4 requests)
 - Board of Trustees (2 requests)
 - Government Affairs (1 request)
 - OAA/OCIO (3 requests)
 - OAA/Research (2 requests)
 - OAA/Wexner Center (1 request)

After evaluating the requests and setting priority levels, the Support Office Finance Subcommittee (SOFS) recommended the following:

1. Continue to enhance the integrated strategic planning framework to better define institutional priorities

The committee recommends that the University administration enhance the strategic planning model to better define strategic initiatives and institutional priorities. Risk assessment should also

be an integrated component of this model. The end goal should provide a tool to better align financial resources to the highest university priorities over a sufficient planning horizon.

2. Continue to develop both universal and local plans to eliminate the structural deficits and align funding with institutional priorities

The committee recommends that a holistic approach be taken relative to funding structural deficits as well as other units not specifically addressed in the report. Specifically, SOFS recommends the following:

- Public Safety – Aside from the \$1.0M conversion to PBA recommended in FY17, any remaining structural deficit should be funded internally by Administration and Planning. Additionally, Administration and Planning should work with FP&A to review the overall financial status of Public Safety and address the recommendations established in the February 21, 2017 SOFS report on Public Safety FY17 Budget request.
- OCIO – Aside from the \$1.0M conversion to PBA recommended in FY17, provide cash funding to cover the structural deficit incurred at year end FY18, not to exceed \$8.2M. Additionally, OAA should work with FP&A to review the overall financial status of the OCIO and address the recommendations established in March, 07, 2017 SOFS report on the OCIO FY17 Budget Request.
- Government Affairs – A workforce plan should be developed in conjunction with working with FP&A to develop a five-year financial plan. The overall Plan will serve as a basis for consideration of future funding proposals

It is important that these assess both short-term and long term plans and quantify the projected structural deficit over the next five years. A goal would also be to establish a permanently (to the degree possible) protected funding base for university priorities. The funding models and successive awards of PBA and cash through the budget requests would align with the institutional priorities defined in #1 above.

The committee also recognizes that there are finite limits on cash and PBA. These plans would include expense reductions, central funding appropriations, and new funding models. SOFS recommend the university explore instances where scaling back or ceasing lower priority services may be necessary to free up funds.

3. Fund the following requests, as central funds are available, provided the structural deficits in recommendation #2 have been adequately addressed. The requests total \$408,720 in PBA and \$510,000 in cash

The four requests are:

- a) Admin & Planning Safety Enhancements (\$408,720 in PBA and \$160,000 in cash)
 - 1 Existing Emergency Mgmt. Coordinator (\$67,805 PBA)
 - 3 New Univ. Law Enforcement Officers (\$340,915 PBA)
 - Run/Hide/Fight Video updates (\$15,000 cash)
 - Tasers (67) for Law Enforcement Officers (\$145,000 cash)
- b) OAA/Research-Research Integrity Officer (\$125,000 cash)
- c) OAA/Research-Legal Services (\$175,000 cash)
- d) Admin & Planning – Building Water Safety (\$50,000 cash)

SOFS also recognizes the importance of providing campus safety, particularly, particularly in light of the active aggressor attack that occurred on November 28, 2016. Two safety related requests related to capital projects not fully scoped and estimated at the time of the review. The requests were for providing locks for classroom pool doors and the expansion of the Emergency Operations Center (EOC). SOFS recommends that cost estimates be solidified and that other pools of funds be explored. For example, classroom pool technology funds could be explored as an alternative source for funding for the door locks.

A motion was made to vote on the subcommittees recommendations – all three recommendations passed.

IT Assessments and Cost Share (May 9 2017)

The Support Office Finance Subcommittee reviewed the Cost-Sharing Proposal for Common IT Services and Software for FY17 – FY20 and made the following recommendations:

1. SOFS supports the proposed FY18 cost-share allocations presented above in this report for the following (EDM cost-share allocations are addressed in #8 below):
 - Common IT services - BuckeyeBox, Electronic Signature and BuckeyeLearn
 - Common software – Microsoft Campus Agreement, Adobe Creative Cloud, SQL Server, SPSS, SAS, Qualtrics
 2. SOFS continues to support the faculty/staff/student FTE allocation methodology for both the proposed common software and IT services included in the assessment base.
 3. SOFS recommends that the OCIO provide education about the specific use of BuckeyeBox and EDM.
 4. The OCIO and University Purchasing report annually each autumn to SOFS. The presentation should include previous year actual expenditures in comparison to the actual level of cost recovery. Five-year projections by service/software are to be presented. Any deviations greater than 10% of prior-year projections are to be evaluated. Usage statistics should be presented where practical.
 5. The OCIO and University Purchasing should review each unit's assessment to ensure over-recovery is not occurring.
 6. Financial Planning & Analysis (FP&A) will work with the OCIO to review the cost structure for common IT services.
 7. The OCIO and University Purchasing need to submit any proposed increases through the annual support office budget process. This process would include any "tipping-point" evaluations for adding new software/services in the future.
 8. SOFS recommends a hybrid of the OCIO-proposed alternatives for EDM cost-recovery be implemented to better manage cost considerations:
 - The recommendation supports an EDM expense budget of \$1.06M per year beginning in FY2018.
 - The six historical partners would continue to be fully assessed in FY2018 and FY2019 on a tiered basis for storage space, resulting in a total cost recovery of \$900K.
 - Beginning in FY2020, the initial partner share would be stepped down to equate to 2/3 of an FP&A approved EDM budget.
 - The FY2017 projected carryforward of \$300,000 would be spread across FY2018-FY2020 to help reduce the overall impact of the cost share implementation.
 - In FY2019, cost share would begin to be implemented for all other university users on an FTE basis, representing cost-recovery of 1/3 of the FP&A approved EDM budget. The initial partners would not be included in this FTE base
- A cost savings of \$30,000 over FY17-FY20 would be realized.
 - A motion was made to concur with the recommendations in the subcommittee's report and forward on. The motion passed.

Program Reviews & Budget Requests

Public Safety Program Review & FY17 Budget request (February 21, 2017)

The Support Office Finance Subcommittee made the following recommendations:

1. Convert the \$1M to PBA in FY18 with expectation that these funds are to be used for employing two police officers hired in FY17 and the remainder be applied to the structural deficit
2. Additionally, the following requirements are that A&P provide:
 - a. A financial status update to SOFS during the 2017-2018 subcommittee proceedings
 - b. Enhance controls around OT approval and tracking in the new scheduling software and present a status update to SOFS during the financial update in 2017-2018
 - c. continue developing plan for identifying and addressing the structural deficit
 - d. work with university administration to ensure that Public Safety is adequately protected from future PBA reductions

A motion to approve the recommendations and forward them to the Provost and CFO was made and passed.

OCIO Program Review & FY17 Budget Request (March 7, 2017)

The Support Office Finance Subcommittee made the following recommendations:

Award the maximum of the actual security deficit realized by year-end FY17, not to exceed \$9.5M. The expectations are that this funding will be used to fund security related personnel and benefits, software and services and hardware and infrastructure.

Additionally, the following requirements are that the OCIO:

1. provide a financial status update to SOFS during the 2017-2018 subcommittee proceedings including, but not limited to:
 - ten-year financial projections for each of the OCIO service lines as well as a consolidated OCIO financial statement
 - projections needed to incorporate the impact of paying off the debt service on Mount Hall, Workday, managed IT service expansion plans and other strategic initiatives such as Cloud technologies
 - work with B&F and OAA to ensure that Workday-related costs and continued legacy system support are addressed through the appropriate budget
 - fully quantify the anticipated structural deficit given the current state of funding
 - OSU Distance Ed and ELearning (ODEE) ten-year financial projections based on anticipated enrollment
 - Underlying assumptions for the financial projections
2. continue to pursue cost efficient IT solutions that reduce redundancy and create efficiencies across campus while maintaining current service levels
3. work with B&F and OAA to address the long-term funding plan (i.e. chargebacks vs. PBA vs. cash)
4. work with B&F and OAA to determine what existing and future software/services will qualify as "central services" and the methodology for covering related expenses.

A motion to recommend the OCIO FY17 Budget to the Provost and CFO was passed.

Budget-Driven Topics Presented/Discussed

Summer Tuition Discount Impact (February 7, 2017 - Brad Harris, Scott Klute)

- Initiated to ease going from Quarters to Semesters
- Strategic Goals:
 - Shorten students' time to degree
 - Reduce cost for undergraduates
 - Improve utilization of campus during the summer
- Align with recommendation of Task Force on Affordability and Efficiency
- New Structure introduced in 2016 (FY17) with various course offerings discussed
- Discounted pricing recommendations discussed
 - Introduce 25% discount on summer term tuition
 - Applies to undergraduate and online courses
 - Available for coursework during any session of summer structure
 - Phase out existing discount for first 4-week session
 - 2016 (FY17) First 4-week session: 3 free credits; Rest of summer: full rate
 - 2017 (FY18) First 4-week session: 50% discount; Rest of summer: 25%
 - 2018 (FY19) Entire summer session: 25% discount (applies only to undergraduate)
- Plan has been approved by the Board of Trustees and students are aware of the changes
- Model assumptions discussed (Avg. of FY16 & FY17)
 - 50% enrollment for first 4-week session (UG and Graduate)
 - 100% enrollment for first 4-week session (Professional)
 - 100% enrollment for remaining session summer sessions (UG, Grad and Professional)
- Discussion ensued on the concerns of course offerings
 - Incentivize for more offerings
 - Financial incentives
 - On-line offerings
 - Look at different markets
 - Columbus State – main competition
- Fee Authorization discussion ensued on the phasing out of Grad/Professional discount
- Looking at funding by grants to off-set the full tuition for Grad/Professional students
- Discussion on cumulative credit hour and revenue ensued based on the assumptions
- Assumption of 15-16% uplift of summer enrollment would bring us to break even
 - Time to degree target is 4 years

FY 2018 Tuition and Fees (February 7, 2017 – Kris Devine)

1. Intent from the Governor's Office (not final) is:
 - All tuition and fees, including Mandatory Fees, Program, Tech and Course fees (except room and board) will be 0% increase for next two years for in-state undergraduate students
 - SSI will have 1% increase – based on credit hours delivered/graduation rates
2. Discussion on recommended rate increases ensued
3. Discussion on international students with visa issues and the impact on revenue ensued
4. Costs of text books discussion ensued
5. Housing and Dining discussions are on-going

FY 2018 Long Range Financial Model (February 7, 2017 – Kris Devine)

- Expectations going forward
 - Government support is likely to remain relatively flat
 - Affordability will remain a strong focus
 - Health system must continue to manage pressures
 - Importance of efficiencies and fund-raising will intensify
- Plan includes:

- Historical case scenario using top-down modeling methodology relying on historical trends and known numbers
- Strategic scenario incorporating best financial estimates of current strategic initiatives, including projected capital spend
- Consolidated numbers include results of long range financial plan of Wexner Medical Center
- The Comprehensive Energy Planning group is close to making a decision on going forward with issuing a non-binding RFP or not. They have been asked to bid on:
 - Funding sustainability goals
 - Take on running the utilities on campus
 - Provide input on substantial support, (above \$100M) for academic mission
- The Government Accounting Standards Board (GASB) has decided we need to put our pension into our financial statements, even though it's the obligation of the State
- Hard decisions will need to be made, however OSU is in a very strong financial position, with a huge demand for our product, such as the NIKE contract.

Special Topics / Reports

Senate Fiscal Committee Rules Revisions Recommendations (September 13, 2016 - Dick Dietrich)

- The recommendations are:
 - Increase student membership from 4 to 6 for continuity with subcommittees
 - 3A – Propose to strike the restriction of department, school, center or college level staff members (2) and adding support unit staff with fiscal and budgetary experience
 - As proposed 2 central administration officials appointed by the President – non-voting members and adding terms of service is not limited – after discussion, the Presidential appointees will remain term limited
 - Striking the non-term limits for President appointees
- The Senate Rules Committee clarified the language needed
- Rules are applicable to all Senate committees
- Motion to recommend the language modifications was made and approved

2015 Health Plan & Utilization (September 27, 2016 - Mark Larmore, Kelly Hamilton, Dr. Rob Cooper & Dr. Arick Forrest)

- Wexner OSU Medical Center is the largest provider of medical care in our Health Plan
- 2015 Results – Snapshot of Healthcare Spends reviewed
 - Total spend was \$318,701,137 – Up 3.5%
 - Trend key drivers noted over five years
 - Trend is based on the cost per average membership
 - Overall the trend in 2015 went up 1.4% (less than the national trend)
 - Some increases in costs is due to the increase in members – steadily increasing approximately 2% a year
 - Pricing with OSU providers has been flat since 2014
- High-Cost Member Discussion
 - High-cost cases classified at over \$100,000
 - 7% of our members responsible for 50% of healthcare spend
 - Top conditions and demographics discussed
 - Over 50% of the hospital admissions are from labor and delivery
 - Top 15 Clinical conditions and breakdown of the whole population where dollars spent discussed
- Outpatient Prescription Drug Spend
 - Non-specialty (traditional drugs/generics) and specialty drugs (used to treat complex diseases/high cost and special handling) both contribute to the spend
 - Generic fill rate currently at 85.5% - to max out at 88 to 89%
 - Other Pharmacy cost savings initiatives were discussed
- Utilization Management – What is covered and what is not. The program strives to promote appropriate use of available health care resources for maintaining, improving, or restoring the optimal health status of plan members

- Care coordination
- Enhanced Case Management – Appropriate level of care
- Buckeye Baby Program
- Health Coaching (Obesity)
- Biometrics Health Screenings
- Educational Programming
- Emergency Department – Costs have decreased due to Urgent Cares and partnering with Case Management
- Primary Care Physician & Re-admits coverage
- Pricing Initiatives – Value-Based Care bundling for both main hospital and the James; joint replacement, cancer, gastrointestinal
- Accountable Care Innovation (ACI) – Collaborative effort to engage providers in the Medical Center as partners to the OSU Health Plan, maximizing internal capabilities to manage the cost and quality of health care
- Three-way partnership (OHR – OSUHP – OSUWMC) presents unique opportunities to collaborate on population health management

Dining Plan & Dining Financial (October 11, 2016 - Zia Ahmed, Sr. Director Dining Services and Eric Stucke, Business Manager, Dining Services)

- The Office of Student Life Dining Services Financial Review for FY 2012 – FY 2016 has been put on the SFC Box
- Dining operations are located in Columbus, Newark, Mansfield and Wooster with over 30 different types of operations:
 - Traditional – Community-style dining
 - Fast/Casual – Union Market, Oxley's by the Numbers
 - Coffee Shops – Grab and go options
 - Convenient store
 - Table service – Sloopy's
 - Full catering operation
 - Food truck
 - Culinary production kitchen – Freshly baked goods and fresh daily sandwiches, etc.
- FY2017 Plan changes:
 - Introduced declining balance plan
 - Eliminated the Buckeye 5 and Access 7 plans
 - Eliminated Visit Exchange
 - Increased value of a single exchange to \$8.00 in campus retail restaurants
 - Discounted Traditions door price from \$10.00 to \$6.50
 - Increased dining dollar discount to 35% in campus retail restaurants
 - Converted Carmen 1 & 2 plans to declining balance plans
- Debt Service discussion ensued
 - Paying off pre-existing debt
 - Cost of labor – minimum wage increase
- Goal of 40 % local and sustainable food by 2025
- Enrollment challenges discussion ensued
- Fair labor Standards Act (FLSA) rule challenges discussed
 - 60 to 70 hours per week due to the nature of the food industry business
- Expenses breakdown was discussed
- Financial projection uses an assumption of a 2% increase every year
- Historical structural changes to the dining plans over the past five years ensued
- The committee requested a satisfaction and utilization report in May

Workday (October 11, 2017 - Lisa Plaga, Interim Controller, Office of Business & Finance)

- The university's current financial system is PeopleSoft – oldest financial system in the United States
- Workday subscription contract was signed in January, 2016
 - 5-year contract, with a 5-year renewal option
 - Finance pricing secured

- Student subscription option with pricing guaranteed for 1 year
 - HCM (HR) subscription option with pricing guaranteed for 2 years
- Professional services (consulting) agreement was signed in February, 2016
 - Secured consulting prices for the lesser of the financial implementation or 2 years
- Provide quality user experience for administration, faculty, researchers and physicians
- Deliver efficient and effective fiscal processes
- Ensure our systems and data are protected against theft or a breach
- All financials processes, systems are in the scope of Workday
- Systems/tools replaced: PeopleSoft Financials, eRequest, eTravel, eReports, Finance Data Warehouse
- Go live in July, 2018
 - Fiscal year 2019
 - Budget cycle – FY20
- Currently in Architect phase – Sessions with project team members and subject experts to determine how Workday will be implemented to meet our business requirements
- OCIO is working through issues with current and historical data from a security and retention policy perspective

Health Plan Changes (October 25, 2016 - Joanne McGoldrick and Pam Doseck)

Summary of 2017 changes

- PHA & Biometrics are required to earn Health Reimbursement Account (HRA) credits
 - Employee premium credit reduced from \$360 to \$240 annually
 - Incentives for Wellness activities changed from receiving Amazon gift cards to earning up to \$150 in HRA funding
 - Individual deductibles going up in each plan
 - Family deductibles & annual maximum going from 3x to 2x individual amount
 - Prescription deductible from \$0 to \$50 per person (except for Generics)
 - Prescription network – Preferred and Non-preferred pharmacies will be identified
 - Massage and acupuncture – Massage no longer covered and restricted for acupuncture to limited diagnoses
 - After tax coverage – Addition of after-tax coverage to provide coverage option without tax risk for those who do not comply with regulations for pre-tax benefits
- Benchmarking – total annual costs
 - Total average annual costs for Ohio State faculty and staff are 8% lower than average in the geographic labor market area
 - Total faculty/staff costs are higher than those of other universities – subsidized cost that Ohio State pays is also higher
- Drivers of higher costs:
 - Higher number of dependents and spouse on our plan
 - Health risks – Ohio is very unhealthy state

Parking Update (January 24, 2017 - Jay Kasey)

- Current endowment totals \$509 Million (FY16 actual market value)
 - Faculty & Research - \$210.7M
 - Student Scholarships - \$87.5M
 - Provided 406 students with financial aid in the past year, based on merit
 - Arts District Development - \$52.7M
 - Transportation & Sustainability - \$158.1M
 - 10 Compressed natural gas buses purchased
- Customer Satisfaction Metrics shows improvements overall
- Discussion ensued on the elimination of approximately 2,000 parking spots once the Cannon Drive move gets underway
 - Plan is to provide shuttles from the Carmack lots, which are under utilized
- A motion was made to receive the report and was approved by the Committee

Comprehensive Energy Management Project (April 4, 2017 - Mike Papadakis, VP-FSA)

The following is a snapshot of why the University is considering this project:

- Sustainability - 25% energy efficiency improvement within 10 years
- Operations – Manage Systems (Electricity, Natural Gas, Chilled Water/cooling, Geothermal and Steam/Heating)
- Supply – Assist OSU in buying the type of energy on the best possible terms (Flexibility built-in for solar/wind, etc.)
- Academic Collaboration – Support teaching, learning and research, particularly in energy and sustainability
- After process of elimination of RFQ's and RFI's (teams of 10), it was narrowed down to six teams. The RFP process took a year. Three bids were submitted.
- Three advisory groups overlooked the entire process
 - President and Provost's Council on Sustainability
 - Faculty Advisory Group (Experts from related fields)
 - Council on Physical Environment
- Highest up-front consideration went to ENGIE-Axium
 - ENGIE is an energy corporation from Paris, France
 - Axium is from Canada
- They currently have clients in 70 countries, 1000 environmental researchers and 150,000 employees
- Ranked top 10% of companies in their class in healthcare and higher education fields
 - University of Maryland is a client
- Upfront payment for 50-year agreement: \$1.015 billion
- Academic collaboration: \$150 million
- Total value to the university: \$1.165 billion
- Upfront payment to support strategic plan i.e., Student Financial Aid, Compensation enhancements to support competitiveness with academic peers, classroom, research labs space, sustainability
- Collaboration opportunities based on community input discussed
- Energy Advancement and Innovation Center
 - \$50 million hub for research and technology
 - Collaboration between OSU, ENGIE and other industry experts
 - First ENGIE research hub in North America – 12th globally
- ENGIE-Axium's operating responsibilities outlined
 - University will retain approval rights on Sustainability and Operations
 - Supply - Support procurement of electricity and natural gas – OSU would continue to buy directly from providers
- Support and Operations is for the Columbus Campus, only
- Supply – Includes all of the OSU campuses for a better cost structure

Undergraduates Over 18 Credit Hours (April 18, 2017 - Brad Harris, Sam Whipple)

- The Special Projects Subcommittee conducted a follow-up regarding an issue student government raised about students enrolling between 18 to 21 credit hours
- Proposal was to look at select circumstances to waive the incremental tuition surcharges on students enrolling between 18 to 21 credit hours
 - Internship credit
 - Research credit
 - To graduate on time
- Enrollment Services shows that less than 1% of students enroll between 18 to 21 credit hours
 - Most students are junior or senior rank
 - 70% are seniors in order to graduate
 - Creates a minor fiscal impact of approximately \$500,000
- Proposal doesn't remove all the revenue, but will remove the barriers
- Academic Advisors would be required to sign-off for taking on more than 18 credit hours
- A motion from the subcommittee was made to refer their proposal to Council on Academic Affairs (CAA) and Council on Enrollment and Student Progress (CESP) requesting they look into the value of

the proposal in terms of the academic programming perspective, as well as terms and conditions for students requesting a waiver. Once done, the Subcommittee requests it come back to Senate Fiscal for full analysis. The motion passed.

Financial Aid and Enrollment Plan (May 9, 2017 - Vern Granger and Gail Stephenoff)

- Three strategic drivers (Access, Affordability & Excellence) based on the President's Investiture speech
- Pathways for students to come to Ohio State
 - Access promoted by increased on-line options, expanding traditional Master's enrollments, and increasing the percentages of first-generation and lower-income students
- \$15 million increase in need-based scholarships began in 2015-16 academic year
- Academic excellence is predicated upon inclusive excellence
- OAA and Business & Finance developed a sound fiscal foundation for the enrollment plan for 2016-2020
- Enrollment intermediate goals were outlined
 - Maintain enrollment at Regionals
 - Increase enrollment of first generation students to 25%
 - Hold down tuition and fees – keeping costs as low as possible
 - Reduce time to graduate in a timely manner. Goal is 4 years on Columbus campus
- Goal of increasing minority students (non-white) on all campuses without using numeric targets
- Increase non-Ohio students to 35%
- Keep ACT average of 29
- Success metrics discussed
 - First-year retention rate for the Columbus Campus was the highest in our history – the goal is 95%
 - Goal for 4-year graduation rate is 62%
 - Goal for 6-year graduation rate is 87%
 - Regional campuses – set goals to increase retention and graduation rates, as well
- Enrollment Plan to focus on all campuses
- Strategy needed: How to identify and redirect dollars over to need-based financial aid to make Ohio State more affordable for all students
- Demographic challenges at regionals
- State initiatives to push for college credits
- Revenue is not taking a hit from the students coming in with credit hours as they end up with double majors