Senate Fiscal Committee
The Ohio State University
2025-26 Annual Report

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Gretchen Gombos – Fisher COB – SFO- Staff -Presidential Appointment

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Matt Smith – Regional Dean – OSU Newark

Cathann Kress – CFAES- Dean/Represented by Terry Snoddy

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Kris Devine – OBF- Deputy CFO

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Chad Foust – OBF - Analyst

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Steve Pruchnicki – OBF – Senior Analyst

Beth Tucker – OBF - Analyst

Henry Ferris – OBF – Analyst

Brian Clark – OBF – Analyst

Lily Langley – OBF Administrative Assistant

Gloria Wood – OBF – Executive Assistant

SUPPORT OFFICE FINANCE SUBCOMMITTEE UNIVERSITY SENATE

FY27 RECOMMENDATIONS

March 10, 2026

Membership:

Mark Foster, Chair 2025-26, Katie Quatman-Yates, Kenny Saephan, Gretchen Gombos, Kim Kinsel, Jim Woods, Norman Jones, Derek Hansford

Support Staff:

Steve Pruchnicki, Kayla Adams, Mackenzie Soviak

Background & Overview:

The Support Office Finance Subcommittee (SOFS) serves as a subcommittee of university Senate Fiscal Committee (SFC), specifically at it pertains to funding requests and financial issues that impact university cost-share structures.

The Support Office Finance Subcommittee is tasked with reviewing annual budget requests from university support offices each calendar year and providing recommendations to the full Senate Fiscal Committee for potential funding priority for each request. **In typical funding cycles, recommendations by SOFS are made in the context of prioritizing marginal central resources, whereas in the absence of marginal resources the committee recognizes that funding new requests must necessarily come at the cost of cuts to other priorities, potentially directly degrading important aspects of the university's teaching, research and service missions.** For this budgetary cycle, SOFS members attended presentations from representatives of Administration and Planning (A&P), Office of Technology and Digital Innovation (OTDI), and the Office of Business and Finance (B&F) to review requests and for subcommittee members to ask questions of each support office group. These meetings took place on February 17th and February 24th, 2026.

Review of Requests:

The Support Office Finance Subcommittee reviewed three separate budget requests, all from A&P, that constitute approximately $28.7 million in continuing funds (GFA), of which $22.1M was requested in FY27 GFA with $6.6M requested FY28-31.

In response to funding requests submitted by the November 21, 2025, deadline, SOFS invited petitioners to present details justifying their funding requests. On December 19, 2025, petitioners were provided with a tailored list of questions to be addressed at the presentation, including comprehensive financial details, plans for each program or request, and the specific benefits they would bring to the university. During the presentations, conducted via video conference, SOFS members followed up with a range of questions to better understand details of the proposals.

SOFS discussed the requests during the March 10th, 2026, meeting of the subcommittee, and prioritized requests via electronic voting. SOFS organized the FY27 budget requests into three categories: **High Priority**, **Medium Priority**, and **Low Priority**. No requests fit into the **Structural Deficit** category for FY27.

An overview of FY27 requests received, and recommended priority, are as follows:

Request	Description	FY27 Amount Requested	FY28-31 Requested	Total Request	Funding Type Requested	Priority
Deferred Maintenance	Increase PBA Set-Aside from $10.8M to $17M for increased debt service on deferred maintenance loans	6,200,000	-	6,200,000	Continuing Funds (GFA)	Low
OTDI One Network	Centralize university networking services to OTDI "One Network" and eliminate current earnings operation, funded by central-tax-supported GFA	12,134,067	2,975,650	15,109,717	Continuing Funds (GFA)	N/A
Pulic Safety Enhancements	Enhance campus public safety via investments in officers, drone technology, cameras, lighting, and real-time Crime Center	3,797,000	3,568,036	7,365,036	Continuing Funds (GFA)	Low
TOTALS		***22,131,067***	***6,543,686***	***28,674,753***		

Summary of Requests and Recommendations:

Deferred Maintenance PBA Set-Aside

A&P requested $6,200,000 in continuing funds (GFA) to expand the PBA Set-Aside from $10.8M to $17M annually, which is used to fund debt service financing for capital projects. A&P uses this program to fund projects for which there is no defined “owner,” and includes campus infrastructure such as roadways and tunnels.

A&P provided a broad overview of its comprehensive deferred maintenance strategy, funding sources, and uses for each. A&P explained this program is leveraged for larger strategic initiatives alongside small-scale deferred maintenance priorities and touted its use for portions of the Ohio Union renovation, Thompson Library renovation, and Student Services building. A&P detailed that, given consistent periods of inflation, the historical $10.8M PBA Set-Aside has seen an erosion of buying power (noting, for example, that $100M in 2009 has the buying power of ~$56M today). The requested increase to $17M corresponds to a 3% annual inflationary increase since 2009.

A&P’s presentation differed from their submitted proposal in that the official submission requested a full $6.2M in additional GFA in FY27, while the presentation provided a phased-in approach (total PBA Set-Aside rising from $10.8M in FY26 to $12M in FY27,

$15M in FY28, and finally to $17M in FY29). Additionally, A&P's presentation suggested revisiting the PBA Set-Aside every 3-5 years after FY31 to use an appropriate benchmark and subsequently adjust for inflation to retain buying power.

Although the subcommittee agrees that addressing the deferred maintenance gap should be an institutional priority, the subcommittee assigns this request as a **low priority.** A&P failed to justify the request by responding to SOFS' written request for specific information related to priority projects, which loans currently within the portfolio will be paid off in the near-term, what current PBA Set-Aside equity holdings are committed to, and how this program is aligned to a broader, enterprise-wide deferred maintenance strategy. These details are critical for understanding funding needs, particularly in the context of an uncommitted FY25 PBA Set-Aside equity balance of $4.2M. Absent those details, the urgency and appropriateness of the request was impossible to evaluate beyond the not-unreasonable annualized 3% inflationary increase.

OTDI One Network

To create an institution-wide "One Network" for optimal security and reliability, A&P and OTDI submitted a request for $12,134,067 in FY27 continuing GFA, with an additional $2,975,650 in GFA in FY28-31. The proposal encompassed four critical components: Core Network (Internet), Data Circuits (physical cabling), Wi-Fi, and wired edge connectivity (excluding the Health System and College of Medicine). Core assumptions of the proposal were that existing networking staff across the university would be transitioned to OTDI, and that chargebacks would be replaced by central-tax-supported GFA.

A&P's presentation differed substantially from their submitted request. In the presentation, A&P presented a request for $1.2M to close a "Wi-Fi Gap", a transition of $5.1M in College and Support unit chargebacks to permanent GFA (the mechanism was not specified but options include funding via central tax, or by transitioning unit chargeback to a unit GFA recission/net revision), while retaining $2.3M in chargebacks for auxiliary units. Therefore, SOFS disregarded the initial submission and focused its attention on the presented request.

SOFS was not able issue a recommendation on the OTDI One Network request and assigns priority as "**N/A**". While the subcommittee acknowledges OTDI's strategic goals and priorities concerning the One Network initiative, the request as presented was problematic, with subcommittee concerns as follows:

- OTDI provided no material or financial justification for the presented $1.2M Wi-Fi Gap. The general ledger and budget submissions show a $0.9M FY25 continuing margin and a $0.5M FY26 margin (including Athletics and Student Life support). Additionally, OTDI appears to have significantly over-budgeted supplies and services for the Wi-Fi program which are not materializing in FY26. Based on available information, SOFS cannot identify a gap to be remedied, and A&P did not provide this information.OTDI seeks to transition a currently functional earnings operation to central GFA, funded via central tax.

- SOFS does not have the ability, charge, or charter to obligate a unit's GFA.
- SOFS notes and affirms that current university policies and procedures for earnings units align charges to consumption, via chargebacks and internal billing. No substantive benefit or justification to deviate from the defined processes for such operations was presented by OTDI, and the subcommittee has significant reservations about setting aside the RCM model for this unit, given the model supports accountability and transparency in services rendered.

SOFS encourages OTDI to continue to partner with units to achieve adoption of the One Network initiative, and utilize existing university earnings policy and procedure, as appropriate. Noting that the chargebacks mechanism involves processing many transactions, SOFS urges OTDI to assess its internal billing systems and processes to eliminate internal bottlenecks and enhance efficiency.

Department of Public Safety Enhancements

A&P Department of Public Safety (DPS) requested a substantive increase in GFA to fund growth in personnel, to enhance infrastructure and to add new capabilities. Specifically, a $3.797M request for FY27 encompasses $1.365M in personnel (three (3) additional officers, one (1) dispatcher, and Alarm & Video Monitors), $0.581M for annual drone software maintenance and rent/POM, and $1.851M in equipment (annual police cruiser replacement, lighting, and cameras). Additional funding of $3,568,036 in FY28-31 aims to increase sworn officer counts from 75 to 90 by FY31.

In its presentation, A&P detailed public safety enhancements underway, including the new Gateway substation, Blankenship Hall renovation, Drone as a First Responder program, Real Time Crime Center, and the strategy surrounding increasing sworn police officer counts to 90 by FY31. A&P noted target officer increases from ~55 in FY17 to 90 in FY31, also detailing it has seen sustained vacancies in its officer population, resulting in variance between annual budget and expenses. To fund those developments, A&P showcased recent central investments in DPS, including cash and GFA investments, alongside A&P investments.

SOFS affirms that public safety is of the utmost importance to the campus community as a whole and is unanimously supportive of ensuring that the university upholds best practices in this area and remains a leader among peers. In the future, the subcommittee is interested in reviewing detailed peer data to appropriately benchmark investments.

However, SOFS is alarmed that planned growth in the DPS operation appears disconnected from its potential benefits. Despite questioning in writing and during thepresentation, A&P declined to provide quantitative metrics justifying the proposed quantity of officers or detailing what success would entail for any of the requested initiatives. Narrative justification was limited to anecdotal examples highlighting either nuisance crimes (e.g., bike theft), or rare but headline-generating off-campus violent crimes. The presentation was insufficient to inform the committee of both the department's appropriate size, relative to peers, as well as appropriate metrics on successful safety outcomes.

Absent justification of the benefits of the proposed enhancements to DPS, SOFS approached this request by seeking to understand the existing DPS FY26 operating margin, validating the accuracy and proportionality of requested funding support, and reviewing available funding sources (particularly considering the significant central investments already invested). Based on the analysis described below, SOFS assigns this request a **low priority.**

Following subcommittee review of the DPS FY26 Autumn Forecast alongside the request submission, the subcommittee notes the following:

- Police Officers: The current max salary for a police officer, per the FOP range, is $122,720 ($170,335 with benefits). Three (3) officers, with benefits, would carry an approximate annual cost of $511,006, absent overtime.
- Dispatchers: The current salary range for a police dispatcher, per the FOP range, is $47,944 ($66,546 with benefits)
- Alarm & Video Monitors: The current max salary for an Alarm and Video Monitor, per the A1 Hourly Broadband pay range, is $42,349 ($58,780 with benefits)
- Per the FY26 Autumn Forecast, alongside significant central investment already received, DPS shows a $1.737M unobligated net margin on general funds, driven primarily by vacancy savings and one-time cash support for the Block-by-Block program. This existing continuing GFA margin is sufficient for ten (10) net new police officers at the maximum salary.
- In FY25, the purchase cost of a Police Ford Transit was $81,365 while a Police Toyota Rav 4 was $32,575.
- The request lacked substantive justification for the supplies and services request of $581,000 for drone software, additional POM, and substation rent.
- The request lacked substantive justification for the $1,851,000 request for lighting and camera investments and an additional police cruiser annually. Additionally, the request did not address how Auxiliaries would contribute to expanded cameras and lighting on a recurring basis. Annual equipment investments of $1.851M exceed the total DPS equipment spend in historical years and appear inflated, with the SOFS funding request increasing annually by 15% inflation.

SOFS recommends that DPS align its growth plans with aspirational safety outcomes to inform right sizing its investments in personnel, infrastructure and capabilities. In the context of the current request, SOFS recommends that A&P prioritize its existing continuing GFA to meet its near-term goals. SOFS estimates, based on salary ranges readily available and estimated at the top of the salary range, that hiring of three new police officers, an additional dispatcher, and an Alarm and Video Monitor, would cost

$636,332 compared to the $1.365M requested for FY27 personnel. SOFS recommends that DPS fund its additional supplies and services and equipment from remaining unobligated DPS margin, including annual police cruiser refresh cycles, while the department backfills and hires base-funded officers and strategic position hires associated with the camera and video monitoring staff.

For continuing investments in camera and lighting, SOFS recommends that DPS first exhaust its margin. Because the request for camera, lighting, rent, and POM lacked substantive backup, and because the total $1.851M in recurring equipment exceeds DPS's entire annual expenditure in any historical year, SOFS recommends funding centrally with cash for two (2) fiscal years, if needed should DPS exhaust its unobligated GFA margin, based on actual expenses in FY27 and FY28.

DPS may return to SOFS to request additional permanent funding when all available funding streams are exhausted following continued expansion of the officer population, and once appropriate levels of recurring equipment spend are identified. SOFS notes that units requesting funds must exhaust all available funding streams prior to submitting a SOFS request, and that any future requests should be complete with corresponding benchmarks and performance metrics along with substantive details justifying the funds requested.

NOTE:

Consistent with commentary throughout this recommendation, given a projected lack of central margin to prioritize in FY27, SOFS notes that it does not have the ability or inclination to recommend an increase to the 19% central tax.

Support Office Finance Subcommittee University Senate

FY27 OTDI SOFTWARE COST SHARE RECOMMENDATION

March 16, 2026

Membership:

Mark Foster, Chair 2025-26, Katie Quatman-Yates, Kenny Saephan, Gretchen Gombos, Kim Kinsel, Jim Woods, Norman Jones, Derek Hansford

Support Staff:

Steve Pruchnicki, Kayla Adams, Mackenzie Soviak

Background & Overview:

The Support Office Finance Subcommittee (SOFS) serves as a subcommittee of university Senate Fiscal Committee (SFC), specifically as it pertains to funding requests and financial issues that impact university cost-share structures.

On Tuesday, February 17th, 2026, staff from the Office of Technology and Digital Innovation (OTDI) alongside colleagues from the Office of Business and Finance (B&F) provided an update on site licensed software, OTDI Managed Services, and Google Core Services, each of which have a cost share model to leverage the university's significant economies of scale and provide cost savings.

Site Licensed Software

While FY27 projected cost-share figures were not shared, Procure-to-Pay AVP Nathan Andridge shared details regarding how the university leverages its significant buying power to deliver savings to software end-users, specifically for Microsoft 365, Adobe, SPSS, SAS, SQL Server, and Qualtrics. Nathan noted significant usage across the university, with total costs for the suite of software growing significantly less than the Consumer Price Index (CPI), while software price increases across the country continue to outpace the CPI. The university was able to hedge against pandemic-era inflation with contractual price protection.

Nathan detailed that the retail cost for the full suite of software offerings is estimated at
$2,830 per user, while the FY26 unit chargeback is $180 per FTE, noting achieved economies of scale.

Nathan concluded by noting that, while challenges lie ahead and software vendors are aggressively increasing costs faster than CPI or similar inflationary benchmarks, the site-licensed software model continues to work as intended.

OTDI Managed Services

OTDI staff presented on OTDI Managed Services, which include BuckeyeLearn, Enterprise Document Management (EDM OnBase), Electronic Signature (DocuSign), Qualtrics, and Microsoft One Drive. OTDI provided updates on each service provided, including active users and requisite OTDI support staff to host the service. These services are available and consumed by university personnel while expenses are assigned via a cost-share model as detailed below:

- BuckeyeLearn: Headcount allocation with full university cost-share
- OnBase EDM: 2/3 Advanced Partner service cost-share (usage-based), 1/3 university cost-share FTE allocation
- DocuSign (Electronic Signature): FTE allocation with full university cost-share
- Qualtrics (Web survey tool): FTE allocation with full university cost-share

OTDI showcased software cost-share actuals FY17 through FY25, noting $1.84M in FY25 expenses, $1.96M in estimated FY26 expenses (a 6.6% increase), and $2.02M FY27 projected expenses (a 3.1% increase). BuckeyeLearn remains the largest driver of total expense, with $1.137M in estimated FY27 expenses, or 56% of the total managed services spend.

OTDI provided an update on how it seeks to simplify cost-sharing for the OnBase EDM system, which currently recovers 2/3 from advanced partners (i.e., usage-based). OTDI noted the current methodology requires usage-based cost tracking, manual reconciliation and reporting, high administration overhead, and constrains scalable enterprise-wide adoption.

OTDI would like to return to SOFS to propose an enterprise-wide cost-share model, with a shared investment, simplified and transparent cost allocations, additional scalability, reduced overhead, and access to new and existing capabilities from OnBase vendor, Hyland.

Google Core Services

OTDI staff detailed current Google Core Services, including Google Workspace (currently free to the university), Google AI (a premium add-on, invoiced to user based on chargeback), and Google Cloud (variable, pay-as-you-go invoiced to user based on chargeback). **SOFS warns against reliance on “free” services, as these could lead to future obligatory expenses**.

Outcome

While SOFS has no recommendation on the information presented, SOFS affirms its approval of university-wide cost-share structures that allow the university to leverage its economies of scale to achieve valuable cost savings and wide adoption of software usage.

SOFS acknowledges that our site-licensed software costs continue to favorably perform against CPI and/or other inflationary benchmarks. However, SOFS notes that continued inflationary expense pressures alongside constricting revenue pressures (i.e., cost increases outpace revenue increases) indicate that **end-users and leadership may need to weigh software against other priorities to reduce overall expenditures**.

Regarding OTDI's requested examination to transition OnBase EDM to a full university cost-share in FY28, SOFS would be interested in examining details surrounding this request, including the following:

- How would OTDI's process efficiency translate to meaningful savings for both the university and end-users?
- What is the current makeup of the "Advanced Partner Cost-Share", what savings would these units realize, and what expense increase (if any) would current non-advanced-users of EDM OnBase see?
- What benefits would the non-advanced-partners see corresponding to this potential expense increase?
- What cost-share method is OTDI requesting?
- What additional capabilities can the vendor provide with additional scalability?
- How would transitioning from consumption-based billing to universal cost-share benefit the university, when this tool may have significant usage variability across units?

Support Office Finance Subcommittee University Senate

November 18, 2025

Membership:

Mark Foster, Chair 2025-26, Katie Quatman-Yates, Anna Zaitseva, Gretchen Gombos, Kim Kinsel, Jim Woods, Norman Jones, Derek Hansford

Support Staff:

Steve Pruchnicki and Kayla Adams

Background:

Human Resource Service Delivery (HRSD) is a customer-service focused earnings operation providing HR services to the enterprise in exchange for a fee for service ("HRSD Assessment"). Launched in 2021, the HRSD transformation served as a centralization of HR services previously de-centralized across the enterprise.

Since the launch, the HRSD model has operated with a continually increasing structural operating deficit resulting from a lack of realized efficiencies alongside expanding FTEs and staff pay increases beyond AMCP. The FY26 HRSD continuing funds budgetary gap is estimated at **$6-6.5M.**

Process:

From the inception of HRSD in FY21, HRSD, the Support Office Finance Subcommittee (SOFS), and the full Senate Fiscal Committee (SFC), have partnered to address the gap, with central cash infusions totaling **$20.7M** through FY25 (Appendix E). During FY25, HRSD leadership and the Office of Business and Finance (B&F) completed a Zero-Based-Budgeting (ZBB) initiative. This was followed by an in-depth analysis by the SFC-requested HRSD Task Force, which included HR leadership and a broad cross-section of SFC members.

On October 21, 2025, HRSD presented the findings of the Task Force to the full SFC. The HRSD presentation included three potential funding models, all based on current HRSD spending levels along with an assumed $1M of FY26 personnel efficiencies. The presented models included continuing with the current HRSD billing practices, allocating pooled costs to units directly based on where services are provided, and direct-costing Strategic Initiatives and Talent Acquisition team members to the units for which they are assigned. The Task Force did not have sufficient time to review these funding models or recommend an alternative.

On October 28, 2025, SOFS reviewed the HRSD presentation alongside the findings from the ZBB and Task Force initiatives to propose a plan to permanently resolve HRSD's structural operating deficit.

FY27 RECOMMENDATION:

In the absence of a consensus-driven HRSD recommendation from the HRSD Task Force, the Support Office Finance Subcommittee of University Senate unanimously supports the following comprehensive HRSD budgetary remediation plan, recognizing implementation will require difficult decisions within HR, colleges, and support units.

Guiding Principles:

- The University Enterprise requires a high-functioning HR organization, and
- HRSD exists as a customer-service focused earnings operation that must be responsive to both its customer base and the needs of Enterprise, and
- The longstanding structural deficit is the consequence of failure to achieve efficiencies assumed in the design of the HRSD model, and
- HR must adhere to the same budgetary constraints as do all university colleges and support units, including the realization of internal efficiencies to fund market/equity adjustments for staff above those of AMCP, and
- A comprehensive, long-term solution benefits all university stakeholders

SOFS Recommendations:

The HRSD continuing funds budget gap (estimated at $6,167,187 per the HRSD Task Force, estimated at $6,454,548 per FY26 Plan) be remedied via

- 1) **$1.5M (23%)** increased HRSD Assessments charged to university colleges and support units,
- 2) **$1.5M (23%)** permanent central university GFA funding, and
- 3) **$3,454,548 (54%)** in permanent HRSD budgetary reductions.

SOFS supports a gradual phase-in to achieve balanced operations as soon as FY27 but no later than FY31, if deemed appropriate **(see appendix A and B)**

Should central GFA not be available in FY27 to meet this plan, central cash should be used pending availability of GFA. Should central GFA not be available, that portion should be added to permanent HRSD budgetary reductions.

- HR and its **customer base** must define a **clear and mutually agreeable** definition of standard service levels, **with justifying quantitative measures and/or metrics**. Service level requirements above the base should be born directly by increased HRSD assessments to the respective units. HR should conduct a customer service satisfaction initiative to gauge consumer sentiment and areas for improvement, incorporating feedback from the provost's listening survey if/when appropriate.
- To accommodate AMCP and changes to the composite benefit rate (CBR), HR shall index annual HRSD assessments to support unit guidelines, as calculated by FP&A.

- Following significant review of the HRSD organization via both ZBB and the HRSD Task Force, the following areas should be considered for permanent budgetary reductions:
    - Significant process improvements and/or re-engineering can achieve budgetary savings in the following areas:
        - HR Organizational Leadership Effectiveness
        - HR Compensation
        - HR Talent Management
        - HR Employee Labor Relations
        - HR Technology and Service Operations
    - Significant cost savings can be achieved within HR Strategic Initiatives:
        - HRSD spend is at 32% of total compared to 9% of EAB peers, while the M5 Senior Human Resources Business Partner layer appears duplicative and inefficient
    - Overall structure: HRSD appears "top heavy" with significant investment in senior level roles which can be minimized
        - As such, execution of these budget reductions should include a comprehensive analysis of spans and layers within HRSD, including leadership/managerial layers.
    - HR must engage HR Business Partners and HR Consultants throughout the university in identification and execution of process improvements and elimination of effort duplication.
    - In conjunction with process improvements, HR should re-evaluate risk tolerance thresholds across the organization
    - Achievable expense reductions of $5.8M across HRSD were identified in the ZBB project (see appendix C)
- Consistent with university procedure for all colleges and support units, all future budgetary overages shall be sourced from internal HRSD efficiencies or brought to SOFS for review along with other support office budget requests.
- Consistent with university procedure for all colleges and support units, all future base budgetary increases in excess of annual support unit guidelines be presented proactively to SOFS for consideration.
- Until the permanent budgetary reductions are realized in full, all equity/market increases across the HRSD organization shall be frozen, allowing the requisite efficiency savings to directly reduce the structural operating deficit.
    - If/when equity/market actions are permitted, decisions related to equity/market adjustments should be explicitly tied to employee performance
- HRSD efficiencies shall be sourced from personnel costs funded directly by unit HRSD assessments. This recommendation excludes the HR Benefits team, funded by the CBR.

- HR should immediately conduct a comprehensive analysis of the currently estimated 16 vacancies across HRSD and their necessity, aligned with FY26 efficiency targets already set (see appendix D)
- Failure to charge HRSD assessments on a regular cadence has caused interest to be charged by the internal bank for deficit equity holdings (which totaled $516k in FY25, unbudgeted, and totals **$860k from model inception**), HR must charge the annual assessments to the enterprise, in full, no later than December of each fiscal year, or monthly.
- SOFS reaffirms the FY26 recommendation, accepted by Executive Leadership, to sunset the four (4) Workday Training positions within HR currently funded by central cash. These positions, in total, shall be permanently sunset no later than the end of FY26, and no portion thereof shall be added to the HRSD budget model. As these positions are funded via discontinued central cash, no portion thereof may contribute to HRSD's efficiencies. To the extent HR wishes to maintain any subsection of these cash funded positions, offsetting reductions must be sourced within the HRSD funding model.
- SOFS notes that while alternative models were discussed as part of the HRSD Task Force process, including potentially direct-costing unit-facing services to units and charging assessments for central "pooled" services, much of this remains undefined. SOFS recommends that HRSD return to SFC once it achieves budgetary balance to present possible changes to the overall funding model and mechanics.
- HR should join SFC annually through FY31 to present outcomes and outline how it has achieved the requisite efficiencies.
    - SFC should receive HR's financial scorecard following each budgetary cycle through at least FY31.
- This recommendation, in full, should be incorporated into FY27 budgetary planning. Any budgetary gap in excess of the parameters outlined herein shall be born exclusively via HRSD efficiencies.
- HR should execute all efficiencies in coordination with a comprehensive 5-year workforce planning process.

THE OHIO STATE UNIVERSITY

APPENDIX

A. Proposed Funding Sources / Efficiencies by Year

	FY26	FY27	FY28	FY29	FY30	FY31
OHR Base Budget Efficiencies (Incremental)	$1,000,000	$1,000,000	$1,454,548	$ -	$ -	$ -
OHR Base Budget Efficiencies (cumulative)	$1,000,000	$2,000,000	$3,454,548	$3,454,548	$3,454,548	$3,454,548
Univ. One-Time Cash (Incremental)	$5,454,548	$2,654,548	$900,000	$600,000	$300,000	
Univ. Permanent GFA (Cumulative)		$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Increase to base Unit Assessment* (Incremental)		$300,000	$300,000	$300,000	$300,000	$300,000
Increase to base Unit Assessment* (Cumulative)		$ 300,000	$ 600,000	$ 900,000	$ 1,200,000	$1,500,000
Total	$ 6,454,548	$ 6,454,548	$ 6,454,548	$ 6,454,548	$ 6,454,548	$ 6,454,548

*This represents a base adjustment/increase only. Increases based on support unit guidelines to account for AMCP and benefits will be calculated annually and added to the Unit Assessment

B. HRSD Total Sources and Uses by Year

HRSD Total Sources and Uses Excludes HR Benefits *FY26 Based on FY26 Plan						
	FY26	FY27	FY28	FY29	FY30	FY31
SOURCES						
HRSD Base Assessments*	36,021,200	36,021,200	37,439,982	38,889,800	40,371,513	41,886,007
Support Unit Guidelines (Estimate at 3.8% salaries)***	-	1,118,782	1,149,817	1,181,713	1,214,494	1,248,184
Incremental Base HRSD Assessment	-	300,000	300,000	300,000	300,000	300,000
Total HRSD Assessments	**36,021,200**	**37,439,982**	**38,889,800**	**40,371,513**	**41,886,007**	**43,434,191**
Central Cash	5,454,548	2,654,547	900,000	600,000	300,000	-
Central GFA	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
TOTAL SOURCES	**41,475,748**	**41,594,529**	**41,289,800**	**42,471,513**	**43,686,007**	**44,934,191**
USES						
HRSD Salaries	29,441,642	30,258,353	31,097,719	31,960,370	32,846,951	33,758,125
HRSD Benefits	10,622,420	10,924,492	11,234,942	11,554,005	11,881,918	12,218,928
Workday Training Positions (4) Sal & Ben	383,803	-	-	-	-	-
Supplies and Services	2,454,249	2,454,249	2,454,249	2,454,249	2,454,249	2,454,249
Permanent HRSD Base Efficiencies (cumulative)	(1,000,000)	(2,000,000)	(3,454,548)	(3,454,548)	(3,454,548)	(3,454,548)
TOTAL USES:	**41,902,114**	**41,637,093**	**41,332,363**	**42,514,076**	**43,728,570**	**44,976,754**
NET TRANSFERS**	**426,366**	**42,563**	**42,563**	**42,563**	**42,563**	**42,563**
HRSD NET MARGIN	**-**	**-**	**-**	**-**	**-**	**-**

**Support unit guidelines are already included in FY26 HRSD Base Assessments*
*** Includes Workday Training Position cash in FY26, and USS rent support in all fiscal years*
****Actual support unit guidelines will be calculated as part of AMCP and benefit rate changes, validated by FP&A, annually*

C. Zero-Based Budget (ZBB) Achievable Cost Savings

Department	Total	ADJ	Observations
Administration	2,483,430	(139,751)	Eliminate proposed new compliance position and transition policy person to support work
Marketing and Communications	474,431	-	Are staffing level and size appropriate. There is an M4, S4, S3 here, further there is a web developer in Tech and 4 training staff.
Employee and Labor Relations	2,379,547		Investigate the workload of the policy coordinator. Can this be combined with the Compliance position?
HR Technology and Service Operations	4,673,055	(544,000)	IT - OHR should analyze the MITS charges as well as analyzing the work performed between MITS, EBS, and the technology team. Reporting - Transition to more of a self service model, developing standard reports and teaching users, especially others within OHR. A conservation reduction would be 2 FTE (maintain 4 report writers). PM - There is a disproportioned number of project managers and no business analysts. A conservative model would be 1 PM and 4 BA
Core Services Shared Services, ADJ benefits	987,629	-	
Strategic Initiatives	14,247,928	(4,000,000)	OHR services to the colleges have never been fully defined or standardized. Further units have been able allowed to establish their own staffing levels and requirements. This results in inconsistent service and expectation levels across the university. OHR should define service levels, creating a standard level of service. Then revamping the organizational structure and career leveling to meet those standards. Further, an analysis should be performed to determine whether the two teams should be combined to provide a better overall experience.
Talent Acquisition	4,245,364		
Talent Management - excludes training	2,579,553	(190,400)	Further investigations in needed into the roles of these positions. For example, are change management consultant needed on staff? Could we reduce by one? Both? She we use consultants as needed.
Talent Management - training	383,803	(191,902)	See above comment under marketing and communications. The recommendation would be to at least reduce to 2 FTE
Compensation	3,904,443	-	Business processes should be analyzed for efficiencies.. A risk based approach should be used to determine when compensation can be managed by the HRBPs.
Special Events	137,016	-	
Talent Management Shared Services	1,169,965	(750,415)	Should background checks be processed as an earnings operations with the salary and other costs included in the cost of the background check. The cost of the background check is already directly billed. Further investigation and business process design is needed, especially around the VISA process.
Executive Recruitment	865,860	-	
Payroll	3,656,363	-	
Total	**42,188,387**	**(5,816,468)**	

D. Current HRSD Vacancies

HRSD Vacancies as of 11/8/25

Excludes HR Benefits

Position		FY2026	
Position (Rollup)		FY26 University Plan	FY26 Autumn Forecast
00011604 HR Service Center Rep 3 (Unfilled)		44,483	25,096
00101860 HR Service Center Rep 2 (Unfilled)*		20,486	9,739
00101869 HR Service Center Representative 2 (Unfilled)*		21,289	10,408
00101870 HR Service Center Rep 2 (Unfilled)*		19,844	8,593
00101950 HR Consultant (Unfilled)		90,226	55,779
00102015 Staff Associate (Frozen)		113,500	55,530
00102023 Manager, Talent Acquistion (Frozen)		98,500	48,191
00102047 TA Coord (Unfilled)		44,512	21,777
00102048 Talent Acquisition Coord 2 (Unfilled)		37,719	18,434
00102109 HR Data Science Consultant (Frozen)		132,500	64,825
00102136 Compensation Analyst 4 (Frozen)		113,500	55,530
00102150 Compensation Analyst 4 (Unfilled)		128,577	79,878
00104437 ELR Represent (Unfilled)		65,086	42,997
00104583 HR Service Center Representative 2 (Unfilled)*		19,266	19,387
00119448 HR Service Center Represtative 2 (Unfilled)*		20,069	17,913
00163157 Consultant (Unfilled)		167,864	107,500
SUBTOTAL		***1,137,419***	***641,578***
Benefits at 36.5%		415,158	234,176
GRAND TOTAL		***1,552,577***	***875,754***

**A select population of HR Service Center Reps are split 50/50 between HRSD and HR Benefits. HR Benefits is fully funded from the composite benefit rate (CBR) and thus the HRSD salaries are reflected at 50% of total position budget.*

E. HR Central Cash Support FY21-25

HRSD Central Cash Support FY21-25			
Fiscal Year	**HRSD Total Central Cash Infusion for Deficit**	**Other HR Central Cash Infusions**	
FY21	1,442,109	-	
FY22	2,753,084	-	
FY23	4,138,917	-	
FY24	5,234,202	-	
FY25*	5,845,152	1,237,009	
GRAND TOTALS	***19,413,464***	***1,237,009***	***20,650,473***

**Please note in FY25 $1,237,009 of central cash was transferred to cover legacy Fingerprint/Background Check (BGC) deficits due to HR's lack of appropriate chargebacks for these services. HR BGC/Fingerprinting is outside of HRSD and fully recovered via chargebacks.*

Differential and Other Fee Requests for FY 2027

Prepared by the Student Fee Review Subcommittee (SFRS)

For presentation at the Senate Fiscal Committee meeting on **March 3, 2026**

Introduction

The Student Fee Review Subcommittee (SFRS) scheduled college presentations that summarized and answered questions related to each college's previously submitted request for changes to Differential and Other educational fees for graduate and professional programs during meetings on 1/20/26, 2/3/26 and 2/17/26. After deliberating at a subcommittee meeting on 2/24/26, the following recommendations and summary narrative were offered.

The subcommittee reviewed requests (to be implemented during the 2026-2027 academic year) based upon the following criteria:

- Is the request reasonable as part of the college's annual operating budget?
    - How much marginal revenue will be generated and how does that compare to anticipated inflationary growth in operational expenses?
- Is the new/updated fee in line with those of peer institutions?
- How has the request been communicated to currently enrolled students who will be directly impacted by the proposed change?

SFRS Recommendations for FY 27:

Differential fees

College	Fee Name	Instructional Fee Change	Non-Resident Fee Change	SFRS Action
Dentistry	Dentistry - Rank 1	8.5%	8.5%	Recommended
	Dentistry - Ranks 2 - 4	4.5%	4.5%	Recommended
Law	Law - JD/LLM	5.0%	0.0%	Recommended
Medicine	Medicine - Ranks 1 - 4	3.5%	0.0%	Recommended
	Doctor of Occupational Therapy - Rank 1	5.0%	5.0%	Recommended
	Doctor of Physical Therapy - Rank 1	3.0%	3.0%	Recommended
Nursing	Master of Healthcare Innovation (MHI) - online	23.1%	0.0%	Recommended
	Master of Clinical Research (MCR) - online	23.1%	0.0%	Recommended
	Graduate Entry Master of Science	5.0%	0.0%	Recommended
	Traditional Master of Science in Nursing	5.0%	0.0%	Recommended
	Traditional Master of Science in Nursing - online	5.0%	0.0%	Recommended
	Doctor of Nursing Education - online	5.0%	0.0%	Recommended
	Doctor of Nursing Practice - online	5.0%	0.0%	Recommended
Optometry	Optometry - Ranks 1 - 4	4.0%	0.0%	Recommended
Pharmacy	Pharmacy - Ranks 1 - 4	3.0%	0.0%	Recommended
Public Health	Executive Master of Health Administration (eMHA) program - online	New Program	New Program	Recommended
	Master of Health Administration	4.8%	0.0%	Recommended
Vet Medicine	Vet Med - Rank 1	3.0%	3.0%	Recommended
	Vet Med - Ranks 2 - 4	3.0%	0.0%	Recommended

Other Fees

College	Fee Type	Fee Name	Proposed Fee	Proposed Increase%	SFRS Action
Dentistry	Education Support Fee	Rank 1	$3,105	12.0%	Recommended
		Ranks 2 - 4	$2,170	6.0%	Recommended
	Other Student Fee	Supplemental Application Fee	$80	33.3%	Recommended
	Program Fee	Dentistry Program Fee	$500	150.0%	Recommended
	Other Student Fee	Hand Piece (Pass through fee) - Dental student Rank 1 (Autumn)	$2,416	5.0%	Recommended
	Other Student Fee	Hand Piece (Pass through fee) - Dental student Rank 2 (Spring)	$1,429	5.0%	Recommended
	Other Student Fee	Hand Piece (Pass through fee) - Hygiene Student (Autumn)	$310	5.0%	Recommended
Engineering	Program Fee	Engineering Program Fee	$500	New Fee	Recommended
Medicine	Other Student Fee	Doctor of Physical Therapy Admission Fee	$80	33.3%	Recommended
Nursing	Distance Learning Fee	Distance Learning Fee - Graduate	$248	8.8%	Recommended
	Technology Fee	Technology Fee - Graduate	$259	8.4%	Recommended
Vet Medicine	Education Support Fee	Rank 1	$309	6.2%	Recommended
		Rank 2	$231	8.5%	Recommended
		Rank 3	$309	6.2%	Recommended

SFRS Summary Narrative for FY 27:

College of Dentistry (request #1)

- Requesting an increase in differential/tuition charge (per semester) of 8.5% for rank 1 students and 4.5% for all other ranks.
- College is also requesting an increase in the existing surcharge for non-resident students of 8.5% for rank 1 students and 4.5% for all other ranks.

- College expects marginal revenue growth to assist with faculty and staff salary costs, clinic operations, new simulation clinic loan and investments in technology.
- This proposed fee increase will keep the college in the middle of the Big Ten and all dental schools nationwide in terms of cost.
- Over the past eleven years, average four-year tuition in the Big Ten has grown by +54% whereas OSU College of Dentistry four-year tuition has grown by +45% over that same timeframe.
- A student feedback session was hosted by the college with student leaders on 11/20/25, and a follow-up survey was shared with currently enrolled students.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Dentistry (request #2)

- Requesting an increased ***Education Support Fee*** of 12.0% for rank 1 students and 6.0% for all other ranks.
- College expects marginal revenue growth to assist with staff salary costs and costs of supplies.
- This increase will maintain OSU College of Dentistry's position near the bottom of the list of Big Ten peers in terms of affordability.
- A student feedback session was hosted by the college with student leaders on 11/20/25, and a follow-up survey was shared with currently enrolled students.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Dentistry (request #3)

- Requesting an increased ***Electric Hand Piece Fee*** of ***up to*** 5.0% for all relevant ranks.
- This is a 'pass-through' fee paid by the student to the college then transferred to the equipment vendor—the previous 4-year fixed rate contract is expiring, and the college is anticipating ***up to*** a 5% increase in the new multi-year fixed rate contract.
- A student feedback session was hosted by the college with student leaders on 11/20/25, and a follow-up survey was shared with currently enrolled students.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Dentistry (requests #4 and #5)

- Requesting an increased ***Supplemental Application Fee*** of 33% (from $60 to $80) and an increased ***Dentistry Program Fee*** of 150% (from $200 to $500) for future cohorts.

- These fees are one method to encourage candidates to thoughtfully consider their commitment to attending the dental program prior to accepting their offer.
- These increases would bring the dental program into alignment with comparable programs while ensuring the dental admissions program remains competitive and fair.
- Since these proposed fee increases will not impact anyone currently enrolled, student feedback was not required.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Engineering

- Requesting a new Graduate Program Fee of $500 per semester assessed to students attending on premise MS or PhD programs beginning with the incoming cohort of AU 26.
- College expects marginal revenue growth to assist with fellowship and research support, instructional support for graduate teaching associates, increased investment in research computing and IT support and enhanced advising, student success services and infrastructure.
- The College's Graduate programs are ranked #1 in Ohio, 14th among national public universities and 27th among all national universities (not cost rank, but US News); by cost, OSU's programs are the 12th lowest cost (more expensive than Iowa, Indiana, Nebraska and Purdue but less expensive than Michigan, Penn State, Illinois and Michigan State).
- Since this graduate program fee is new and will not impact anyone currently enrolled, student feedback was not required.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Law

- Requesting an increase in differential/tuition charge (per semester) of 5% for ***JD (Doctor of Law)*** and ***LLM (Master of Law)*** students.
- College expects marginal revenue growth to assist with increased faculty and staff costs, supplies and services and overhead inflation and projected decrease in base (GFA) funding resulting from impending changes to the university's budget model.
- OSU's Moritz College of Law currently ranks near the bottom of the list of institutional peers in terms of affordability.
  - A few peers including George Mason and Arizona State are more affordable, while several peers including William & Mary, University of Wisconsin, University of Minnesota, Emory and Notre Dame are more expensive.

- A student feedback session was hosted by the college with the Executive Board of the Student Bar Association on 1/15/25 resulting in questions regarding the timeline of the proposed increase and the communication plan to inform students.
  - Additionally, a student-wide email communication was disbursed on 1/21/25 with no additional student feedback collected as of 2/12/25.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Medicine (request #1)

- Requesting an increase in differential/tuition charge (per semester) of 3.5% for all ranks in the ***MD (Doctor of Medicine) Program***.
- Tuition has only increased a total of 5.8% in the past 10 years (from FY 16 to FY 26).
- College expects marginal revenue growth to assist with a portion of the expected inflationary increases in faculty and staff salaries.Ohio State's MD program is the most affordable in the state of Ohio, and its tuition/fees are lower than the average charged by all Ohio public, Big Ten and national peers.
- A Qualtrics survey was also shared to collect student feedback.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Medicine (requests #2 and #3)

- Requesting an increase in differential/tuition charge (per semester) of 3.0% for rank 1 students in the ***Doctor of Physical Therapy Program***.
- Program is also requesting an increase in the existing surcharge for non-resident students of 3.0% for rank 1 students.
- Program is requesting an increase of 33% (from $60 to $80) to the ***Admission Application Fee***.
- Program expects marginal revenue growth to assist with inflation for increased cost of faculty and operating expenses.
  - The increased revenue from the admission application fee will specifically cover the cost of reviewing 400 applications and interviewing 150 candidates annually.
- Although more expensive than similar programs in Ohio, the program's resident tuition is the most affordable among Big Ten peers. The program's non-resident tuition is the median among Big Ten and other national peers.
- Although not required since the proposed fee increase only impacts incoming students, the program did host a feedback session for current students.

- Students currently being recruited for the 2026-2027 academic year were advised of the potential tuition increase during the admission interview process.

- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Medicine (request #4)

- Requesting an increase in differential/tuition charge (per semester) of 5.0% for rank 1 students in the ***Doctor of Occupational Therapy Program***.
- Program is also requesting an increase in the existing surcharge for non-residents of 5.0% for rank 1 students.
- Tuition was not increased annually between FY 2019 and FY 2026.
- Program expects marginal revenue growth to assist with meeting the goals of the Occupational Therapy Doctorate strategic plan.
- Among its Big Ten peers, Ohio State's program has one of the more affordable resident tuition rates ranking more affordable than Wisconsin, Michigan and Minnesota, but more costly than Illinois, Nebraska and Washington.
- Program leadership hosted consultations with students on 11/3/25 and 11/18/25 and conducted a survey to gather additional student feedback.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Nursing (request #1)

- Requesting an increase in differential/tuition charge (per semester) of 5.0% for all ranks in the ***Graduate Entry (GE) Master of Science***, ***Traditional Master of Science in Nursing (MSN),*** both on premise and online, ***Doctor of Nursing Education (DNE)*** online and the ***Doctor of Nursing Practice (DNP)*** online programs.
- Also requesting an increase in differential/tuition charge (per semester) of 23.1% for Rank 1 only in the ***Master of Healthcare Innovation (MHI)*** online and ***Master of Clinical Research (MCR)*** online programs.
- College expects marginal revenue growth to assist with increased faculty compensation, faculty development and educational opportunities for continued career growth, enhanced faculty-led curriculum innovation and design, faculty onboarding and new instructor mentoring, faculty engagement and inter-professional education initiatives, faculty contributions to academic governance and committee service and development of faculty authored instructional materials and case studies.
- While no direct cost comparisons exist for the DNE, MHI and MCR programs, among nationally ranked peers, OSU's college of Nursing has the second lowest cost for the GE and MSN programs (more expensive than U. of Cal San Francisco but less expensive than Johns Hopkins, Vanderbilt and Duke) and the lowest cost for the

DNP program.

- All graduate students were invited to complete a survey, and the Dean and college leadership held two student forums to discuss the proposed fee increases; students were mixed on the increase but understood the state of higher education finance as it relates to inflationary pressures.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Nursing (requests #2 and #3)

- Requesting an increase to the ***Graduate Nursing Technology Fee*** of $20 (8.4%) per semester for students in on premise programs and an increase to the ***Graduate Nursing Distance Learning Fee*** of $20 (8.8%) per semester for students in online programs.
- Additional revenue will be used to offset rising costs in IT staffing, hardware upgrades and software license expansion
- The increased fees will keep OSU competitive with peer institutions including Illinois, Cincinnati, Minnesota and Maryland.
- College leadership hosted two town halls (9/18/25 and 10/13/25) and shared a survey during AU 25 semester to explain the proposed fee increases and gather student feedback; most participants understood the proposal and a larger majority expressed a favorable rating of the current technology services being offered.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Optometry

- Requesting an increase in differential/tuition charge (per semester) of 4% for all ranks.
- College expects marginal revenue growth to assist with anticipated increases in faculty/staff personnel costs and expenses related to utilities, maintenance and custodial needs.
- Of the 24 schools and colleges of Optometry in the US, OSU's college of Optometry maintains its position as the fourth lowest total non-resident tuition (total over 4 years) coming in more cost-effective than institutions such as University of Houston, University of Kentucky and Indiana University.
- College leadership hosted a virtual meeting on 12/8/25 that invited all currently enrolled students to participate and offer concerns or feedback regarding the proposed fee increase.
    - A Qualtrics survey was also shared to collect student feedback.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Pharmacy

- Requesting an increase in differential/tuition charge (per semester) of 3.0% for all ranks.
- College expects marginal revenue growth to assist with anticipated increases in faculty/staff personnel costs, professional rotation expenses and new classroom construction/maintenance.
- The proposed increase will retain the college's position at the median when compared to its Ohio peers, slightly above average when compared to its Big Ten peers and slightly below average when compared to its national peers (including the most expensive outlier, USC).
    - College is currently ranked 4th (not cost rank, but US News) out of 144 colleges/schools of pharmacy.
- College consistently markets a potential annual tuition increase ranging from 3%-5%.
- Additionally, the college hosted a hybrid feedback session for students on 12/2/25 and emailed a recording of this session to all PharmD students.
    - The session covered the student benefits, rationale and peer data associated with the proposed increase.
    - A Qualtrics survey was also shared to collect student feedback.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Public Health (request #1)

- Requesting an increase in differential/tuition charge (per semester) of 4.8% for all students in the ***Master of Health Administration (MHA)*** program.
- College expects marginal revenue growth to assist with anticipated increases in program director costs, certification fees, student and career service manager costs and teaching assistant and lecturer costs.
- The proposed increase will retain the college's position as the lowest cost program among the nation's top 15 MHA programs (including Columbia, Cornell, Michigan, Minnesota and UNC Chapel Hill).
    - College's MHA program is currently ranked 5th (not cost rank, but US News) nationally.
- Program Director hosted a feedback session for students on 12/4/25.
    - A Qualtrics survey was also shared to collect student feedback.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Public Health (request #2)

- Requesting a new differential/tuition charge (per semester) of $1,070 per credit hour and non-resident surcharge (per semester) of $200 for the ***Executive Master of Health Administration (eMHA)*** online program set to begin in AU 26.
- College expects newly generated revenue to assist with operational expenses including a program director, program manager, certification fees and faculty/lecturer costs.
- The proposed fee structure will make the total cost of the program (5 semesters) more cost effective than U of Illinois Chicago and U of Iowa, but more costly compared to George Mason, U of Cincinnati and Xavier.
- Since this fee is new and will not impact anyone currently enrolled, student feedback was not required.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

College of Veterinary Medicine (requests #1 and #2)

- Requesting an increase in differential/tuition charge (per semester) of 3% for all ranks.
- College is also requesting an increase in the existing surcharge for non-resident students of 3% for Rank 1 students.
- Requesting an increase in ***Education Support Fee*** (per semester) of +$18 for all ranks.
- College expects marginal revenue growth to assist with increased personnel costs which have been outpacing historic tuition increases—additionally, the proposed increase will enable the college to maintain its robust and innovative educational programming.
  - The increased revenue from the education support fee will specifically cover the cost of practice sutures for practice outside of labs.
- The college has the second highest resident tuition among the 8 schools in the Big Ten with Vet Med Colleges and the second lowest non-resident tuition among these same peer institutions.
- Among the top 20 Vet Med programs in the country, Ohio State's non-resident tuition is higher than only 6 of the 20, and the resident tuition rate is the 4th highest among these same peer institutions.
- College leadership met with students on 11/10/25 with approximately 60 participants in attendance.

  - A Qualtrics survey was also shared to collect student feedback.
- ***SRFS recommended this proposal by a vote of 5 in favor, 0 opposed and 0 abstentions.***

Appendix

The following tables are a summary of the details for each request:

The following table is a summary of the details for each Differential Tuition request.

College	Fee Name	Instructional Fee (per semester)			Non-Resident Surcharge (per semester)			Reasons for Increase	Student Consultation	Peer Ranking
		Proposed Fee	Proposed $ Change	Proposed % Change	Proposed Fee	Proposed $ Change	Proposed % Change			
Dentistry	Dentistry - Rank 1	$26,180	$2,052	8.5%	$29,393	$2,303	8.5%	College expects marginal revenue growth to assist with faculty and staff salary costs, clinic operations, new simulation clinic loan and investments in technology.	A student feedback session was hosted by the college with student leaders on 11/20/25, and a follow-up survey was shared with currently enrolled students.	This proposed fee increase will keep the college in the middle of the Big Ten and all dental schools nationwide in terms of cost. Over the past eleven years, average four-year tuition in the Big Ten has grown by +54% whereas OSU College of Dentistry four-year tuition has grown by +45% over that same timeframe.
	Dentistry - Ranks 2 - 4	$21,212	$916	4.5%	$25,103	$1,081	4.5%			
Law	Law - JD/LLM	$18,169	$865	5.0%	$7,626	$0	0.0%	College expects marginal revenue growth to assist with increased faculty and staff costs, supplies and services and overhead inflation and projected decrease in base (GFA) funding resulting from impending changes to the university's budget model.	A student feedback session was hosted by the college with the Executive Board of the Student Bar Association on 1/15/25 resulting in questions regarding the timeline of the proposed increase and the communication plan to inform students. A student-wide email communication was also distributed.	OSU's Moritz College of Law currently ranks near the bottom of the list of institutional peers in terms of affordability. A few peers including George Mason and Arizona State are more affordable, while several peers including William & Mary, University of Wisconsin, University of Minnesota, Emory and Notre Dame are more expensive.
Medicine	Medicine - Ranks 1 - 2	$16,056	$542	3.5%	$12,460	$0	0.0%	College expects marginal revenue growth to assist with a portion of the expected inflationary increases in faculty and staff salaries.	A Qualtrics survey was also shared to collect student feedback.	Ohio State's MD program is the most affordable in the state of Ohio, and its tuition/fees are lower than the average charged by all Ohio public, Big Ten and national peers.
	Medicine - Rank 3	$15,900	$538	3.5%	$3,333	$0	0.0%			
	Medicine - Rank 4	$15,900	$538	3.5%	$3,333	$0	0.0%			
	Doctor of Occupational Therapy - Rank 1	$7,572	$361	5.0%	$12,402	$591	5.0%	Program expects marginal revenue growth to assist with meeting the goals of the Occupational Therapy Doctorate strategic plan.	Program leadership hosted consultations with students on 11/3/25 and 11/18/25 and conducted a survey to gather additional student feedback.	Among its Big Ten peers, Ohio State's program has one of the more affordable resident tuition rates ranking more affordable than Wisconsin, Michigan and Minnesota, but more costly than Illinois, Nebraska and Washington.
	Doctor of Occupational Therapy - Rank 2	$7,212	$574	8.6%	$200	$0	0.0%			
	Doctor of Occupational Therapy - Rank 3	$6,638	$0	0.0%	$200	$0	0.0%			
	Doctor of Physical Therapy - Rank 1	$9,888	$288	3.0%	$8,656	$256	3.0%	Program expects marginal revenue growth to assist with inflation for increased cost of faculty and operating expenses.	Although not required since the proposed fee increase only impacts incoming students, the program did host a feedback session for current students. Students currently being recruited for the 2026-2027 academic year were advised of the potential tuition increase during the admission interview process	Although more expensive than similar programs in Ohio, the program's resident tuition is the most affordable among Big Ten peers. The program's non-resident tuition is the median among Big Ten and other national peers.
	Doctor of Physical Therapy - Rank 2	$9,600	$2,680	38.7%	$400	-$2,680	-87.0%			
	Doctor of Physical Therapy - Ranks 3	$6,920	$0	0.0%	$3,080	$0	0.0%			
Nursing	Master of Healthcare Innovation (MHI) - online**	$8,169	$1,531	23.1%	$200	$0	0.0%	College expects marginal revenue growth to assist with increased faculty compensation, faculty development and educational opportunities for continued career growth, enhanced faculty-led curriculum innovation and design, faculty onboarding and new instructor mentoring, faculty engagement and inter-professional education initiatives, faculty contributions to academic governance and committee service and development of faculty authored instructional materials and case studies.	All graduate students were invited to complete a survey, and the Dean and college leadership held two student forums to discuss the proposed fee increases; students were mixed on the increase but understood the state of higher education finance as it relates to inflationary pressures.	While no direct cost comparisons exist for the DNE, MHI and MCR programs, among nationally ranked peers, OSU's college of Nursing has the second lowest cost for the GE and MSN programs (more expensive than U. of Cal San Francisco but less expensive than Johns Hopkins, Vanderbilt and Duke) and the lowest cost for the DNP program.
	Master of Clinical Research (MCR) - online**	$8,169	$1,531	23.1%	$200	$0	0.0%			
	Graduate Entry Master of Science	$8,169	$389	5.0%	$14,996	$0	0.0%			
	Traditional Master of Science in Nursing	$8,169	$389	5.0%	$14,996	$0	0.0%			
	Traditional Master of Science in Nursing - online	$8,169	$389	5.0%	$200	$0	0.0%			
	Doctor of Nursing Education - online	$8,169	$389	5.0%	$200	$0	0.0%			
	Doctor of Nursing Practice - online	$8,169	$389	5.0%	$200	$0	0.0%			

College	Fee Name	Instructional Fee (per semester)			Non-Resident Surcharge (per semester)			Reasons for Increase	Student Consultation	Peer Ranking
		Proposed Fee	Proposed $ Change	Proposed % Change	Proposed Fee	Proposed $ Change	Proposed % Change			
Optometry	Optometry - Rank 1	$15,310	$589	4.0%	$10,528	$0	0.0%	College expects marginal revenue growth to assist with anticipated increases in faculty/staff personnel costs and expenses related to utilities, maintenance and custodial needs.	College leadership hosted a virtual meeting on 12/8/25 that invited all currently enrolled students to participate and offer concerns or feedback regarding the proposed fee increase. A Qualtrics survey was also shared to collect student feedback.	Of the 24 schools and colleges of Optometry in the US, OSU's college of Optometry maintains its position as the fourth lowest total non-resident tuition (total over 4 years) coming in more cost-effective than institutions such as University of Houston, University of Kentucky and Indiana University.
	Optometry - Rank 2	$15,310	$589	4.0%	$5	$0	0.0%			
	Optometry - Ranks 3 - 4	$13,591	$523	4.0%	$5	$0	0.0%			
Pharmacy	Pharmacy - Rank 1	$14,380	$419	3.0%	$14,006	$0	0.0%	College expects marginal revenue growth to assist with anticipated increases in faculty/staff personnel costs, professional rotation expenses and new classroom construction/maintenance.	The college hosted a hybrid feedback session for students on 12/2/25 and emailed a recording of this session to all PharmD students. The session covered the student benefits, rationale and peer data associated with the proposed increase and a qualtrics survey was also shared to collect student feedback.	The proposed increase will retain the college's position at the median when compared to its Ohio peers, slightly above average when compared to its Big Ten peers and slightly below average when compared to its national peers (including the most expensive outlier, USC). College is currently ranked 4th (not cost rank, but US News) out of 144 colleges/schools of pharmacy.
	Pharmacy - Ranks 2 - 4	$14,380	$419	3.0%	$5	$0	0.0%			
Public Health	Executive Master of Health Administration (eMHA) program - online***	$8,560	N/A	N/A	$200	N/A	N/A	College expects newly generated revenue to assist with operational expenses including a program director, program manager, certification fees and faculty/lecturer costs.	Since this fee is new and will not impact anyone currently enrolled, student feedback was not required.	The proposed fee structure will make the total cost of the program (5 semesters) more cost effective than U of Illinois Chicago and U of Iowa, but more costly compared to George Mason, U of Cincinnati and Xavier.
	Master of Health Administration	$8,800	$400	4.8%	$12,976	$0	0.0%	College expects marginal revenue growth to assist with anticipated increases in program director costs, certification fees, student and career service manager costs and teaching assistant and lecturer costs.	Program Director hosted a feedback session for students on 12/4/25 and a qualtrics survey was shared to collect student feedback.	The proposed increase will retain the college's position as the lowest cost program among the nation's top 15 MHA programs (including Columbia, Cornell, Michigan, Minnesota and UNC Chapel Hill). College's MHA program is currently ranked 5th (not cost rank, but US News) nationally.
Veterinary Medicine	Vet Med - Rank 1	$19,382	$564	3.0%	$23,694	$690	3.0%	College expects marginal revenue growth to assist with increased personnel costs which have been outpacing historic tuition increases—additionally, the proposed increase will enable the college to maintain its robust and innovative educational programming.	College leadership met with students on 11/10/25 with approximately 60 participants in attendance and a qualtrics survey was shared to collect student feedback.	The college has the second highest resident tuition among the 8 schools in the Big Ten with Vet Med Colleges and the second lowest non-resident tuition among these same peer institutions. Among the top 20 Vet Med programs in the country, Ohio State's non-resident tuition is higher than only 6 of the 20, and the resident tuition rate is the 4th highest among these same peer institutions.
	Vet Med - Ranks 2 - 4	$19,382	$564	3.0%	$5	$0	0.0%			

The following table is a summary of the details for each Other Fee request.

College	Fee Type	Fee Name	Per Semester			Reasons for Increase	Student Consultation
			Proposed Fee	Proposed Increase	Proposed % Change		
Dentistry	Education Support Fee	Rank 1	$3,105	$330	12.0%	This increase will maintain OSU College of Dentistry's position near the bottom of the list of Big Ten peers in terms of affordability. College expects marginal revenue growth to assist with staff salary costs and costs of supplies.	A student feedback session was hosted by the college with student leaders on 11/20/25, and a follow-up survey was shared with currently enrolled students.
		Ranks 2 - 4	$2,170	$123	6.0%		
	Other Student Fee	Supplemental Application Fee	$80	$20	33.3%	These increases would bring the dental program into alignment with comparable programs while ensuring the dental admissions program remains competitive and fair.	Since these proposed fee increases will not impact anyone currently enrolled, student feedback was not required.
	Program Fee	Dentistry Program Fee	$500	$300	150.0%		
	Other Student Fee	Hand Piece (Pass through fee) - Dental student Rank 1 (Autumn)*	$2,416	$115	5.0%	This is a 'pass-through' fee paid by the student to the college then transferred to the equipment vendor—the previous 4-year fixed rate contract is expiring, and the college is anticipating up to a 5% increase in the new multi-year fixed rate contract.	A student feedback session was hosted by the college with student leaders on 11/20/25, and a follow-up survey was shared with currently enrolled students.
	Other Student Fee	Hand Piece (Pass through fee) - Dental student Rank 2 (Spring)*	$1,429	$68	5.0%		
	Other Student Fee	Hand Piece (Pass through fee) - Hygiene Student (Autumn)*	$310	$15	5.0%		
Engineering	Program Fee	Engineering Program Fee**	$500	N/A	N/A	College expects marginal revenue growth to assist with fellowship and research support, instructional support for graduate teaching associates, increased investment in research computing and IT support and enhanced advising, student success services and infrastructure.	Since this graduate program fee is new and will not impact anyone currently enrolled, student feedback was not required.
Medicine	Other Student Fee	Doctor of Physcial Therapy Admission Fee	$80	$20	33.3%	The increased revenue from the admission application fee will specifically cover the cost of reviewing 400 applications and interviewing 150 candidates annually.	Although not required since the proposed fee increase only impacts incoming students, the program did host a feedback session for current students. Students currently being recruited for the 2026-2027 academic year were advised of the potential fee increase during the admission interview process
Nursing	Distance Learning Fee	Distance Learning Fee - Graduate	$248	$20	8.8%	Additional revenue will be used to offset rising costs in IT staffing, hardware upgrades and software license expansion. The increased fees will keep OSU competitive with peer institutions including Illinois, Cincinnati, Minnesota and Maryland.	College leadership hosted two town halls (9/18/25 and 10/13/25) and shared a survey during AU 25 semester to explain the proposed fee increases and gather student feedback; most participants understood the proposal and a larger majority expressed a favorable rating of the current technology services being offered.
	Technology Fee	Technology Fee - Graduate	$259	$20	8.4%		
Veterinary Medicine	Education Support Fee	Rank 1	$309	$18	6.2%	The increased revenue from the education support fee will specifically cover the cost of practice sutures for practice outside of labs.	College leadership met with students on 11/10/25 with approximately 60 participants in attendance and a qualtrics survey was shared to collect student feedback.
		Rank 2	$231	$18	8.5%		
		Rank 3	$309	$18	6.2%		

College Finance Subcommittee

Membership:

John Buford, Chair 2025-26, Cathann Kress (Alternate: Terry Snoddy), Benjamin Bohrer, Shaurya Prakash, Kim Young, Kerry Schmidt, and Sharika Thaploo

Support Staff:

Financial Planning & Analysis: Katie Hensel, KJ Jariwala, Steve Pruchnicki, and Mackenzie Soviak

Guests:

Office of the Controller: Tom Ewing, Lisa Plaga, and Elizabeth Simon

Background:

The overhead rate is the mechanism The Ohio State University uses for charging earnings and auxiliary operations a proportionate share of the university's central facilities and administrative costs.

Process:

The College Finance Subcommittee of the Senate Fiscal Committee reviewed the proposed FY27 overhead rate at its meeting held on January 6, 2026, as presented jointly by Steve Pruchnicki and Tom Ewing. Total overhead costs to be recovered, based on the analysis of FY25 actual expenditures, increased $5.6 million, totaling $100.2 million, compared to the prior year actuals. The increase relates primarily to updates in allocation drivers (assignable square footage and modified total direct costs) previously held static since FY20, which shifted allocated costs to the Health System, reflecting its growth. Total overhead costs to be recovered through earnings overhead, regional campus service charges and central tax were relatively stable, declining $1.8 million, to $189.7 million (See full details of the calculation, as attached).

The FY27 overhead rate presentation began with a reminder that last year's Senate Fiscal Subcommittee recommended a holistic review of the overhead model, prompting a rigorous analysis of the methodology and activity-based allocators to ensure they were current and accurate. The following summary of the process, timeline, proposed calculation changes, and financial impact were shared with the subcommittee:**Review Process and Timeline**: Starting in June 2025, the workgroup, led by FP&A and the Controller's Office, conducted a review of historical actual, expense exclusions, and allocation drivers used as the basis of the overhead rate setting calculation. After completing the initial review, the team reconvened in December to finalize recommended changes based on updated FY25 data for use in establishing the FY27 rates.

- **Key Methodological Changes**: Significant updates included studying the primary allocators—assignable square footage (ASF) and modified total direct costs—using the most current data, and ensuring all exclusions and inclusions were appropriate, particularly in central administration and the property and liability insurance cost pools. Additionally, the model was updated to account for changes to Cost of Goods Sold (COGS) providing rate relief to Athletics previously approved.

- **Impact of Updated Allocators**: The updated allocators, especially the shift from assignable square footage to modified total direct costs for property and liability insurance cost pool, resulted in a major reallocation of costs, notably increasing the Health System's share due to its higher proportion of total direct costs.

The subcommittee reflected on the importance of using a defensible, activity-based methodology for calculating overhead rates and internal service charges. It was also noted that the updated overhead calculations and their fiscal implications, especially the property and liability insurance changes, have been communicated to the OSUWMC with additional discussion likely to occur before finalization of the FY27 overhead rates by leadership.

RECOMMENDATION: The members unanimously approved the FY27 overhead rates as presented to the College Finance Subcommittee noting the proposed changes represent a consistent, activity-based approach to allocating the institution’s overhead costs. Moreover, while rates fluctuate slightly year-over-year, the methodology ensures actual costs are recovered and provides transparency for planning.

FY27 Overhead Rate Recommendations:

Health System:	$75.4 million
Instructional Clinics:	3.00%
Regional Auxiliaries:	2.66%
All Other Earnings Units:	5.63%

The Ohio State University
Faculty Senate Fiscal

TOPIC:

Overhead Rates for FY 2027

CONTEXT:

This is the annual calculation of overhead rates charged by the University to non-General Fund (earnings) units for services such as purchasing, auditing, insurance, campus safety, etc.

CALCULATION SUMMARY:

Calculated and proposed rates for FY2027 are summarized below:

The Ohio State University
FY27 Earnings Overhead Rates

($ in millions)	Overhead Costs to be Recovered	Adjusted Revenues	Calculated FY2027 Rates	Proposed FY2027 Rates	FY2026 Rates	FY2025 Rates	FY2024 Rates	Notes
Health System	$ 75.4	$ 4,701.5	1.60%	$ 75.4	**$ 67.1**	**$ 62.6**	**$ 59.7**	**(A)**
Instructional Clinics	1.9	63.6	3.00%	3.00%	**3.61%**	3.60%	3.41%	
Regional Auxiliaries	0.2	7.5	2.66%	2.66%	**2.56%**	2.85%	2.93%	
All Other Earnings Units	22.6	402.2	5.63%	5.63%	**4.69%**	5.04%	4.95%	
Total	$ 100.1							

(A) - The Health System is charged a fixed dollar amount that is based on actual allocated costs, adjusted for inflation, in order to be compliant with federal

NOTES:

- Based on recommendations from Senate Fiscal, FP&A and the Office of the Controller reviewed the earnings overhead methodology, updated key drivers of cost allocations, updated revenue bases used to calculate the rates and performed a detailed analysis of cost pool expenditure detail.

- Total overhead costs to be recovered through earnings overhead rates increased $5.6 million, to $100.2 million, compared to the prior year. The increase relates primarily to updates in allocation drivers (assignable square footage and modified total direct costs), which shifted allocated costs to the Health System, reflecting its growth. Total overhead costs to be recovered through earnings overhead, regional campus service charges and central tax were relatively stable, declining $1.8 million, to $189.7 million (see Attachments B and E).

ADDITIONAL DETAIL:

- **Attachment A** – Notes on Methodology and Overhead Cost Pools
- **Attachment B** – Summary of Allocated Overhead Costs and Adjusted Revenues by Rate Group – FY2024 and FY2025
- **Attachment C** – Allocations of Central Support Costs – FY2023-FY2025
- **Attachment D** – Total Earnings Overhead Recoveries – FY2021-FY2025
- **Attachment E** – Summary of Overhead Cost Pools – FY2025

Attachment A – Notes on Methodology and Overhead Cost Pools

General Notes on Overhead Rate Calculation Methodology:

- An overhead rate is a mechanism for charging earnings operations a proportionate share of the university's central facilities and administrative costs. Allocated overhead costs are divided by adjusted revenues to determine the rates.
- Adjusted revenues are three-year averages for revenues in each rate category. These average revenue figures are used to smooth out the rate impact of year-to-year fluctuations in gross earnings revenues.
- In general, facility costs are allocated based on assignable square footage (ASF). Administrative costs are allocated based on modified total direct costs (MTDC). **Effective in FY27, property and liability insurance will be allocated based on MTDC, aligned with the recommendation from Risk Management. This represents the largest change driving OSUWMC's increase in overhead charges.**
- To maintain consistency with federal cost accounting rules, various unallowable and non-allocable costs have been excluded from the cost pools allocated to earnings operations.

Allocation of Indirect Overhead by Cost Pool and Participating Rate Group

		Participating Rate Groups			
Cost Pools	**Basis of Allocation**	**Earnings**	**Health System**	**Instructional Clinics**	**Regional Campuses, ATI, OARDC**
Facilities Support					
Plant Administration	ASF	x	x	x	
Property & Liability Ins	MTDC	x	x	x	x
O&M – Other Services	ASF	x	x	x	
Administrative Support					
Academic Administration	MTDC	x		x	x
Central Support	MTDC	x	x	x	x
Specialized Support					
Health Services Admin.	MTDC	x	x	x	
Student Services	MTDC	x			

Facilities Support Definitions:

- **Plant Administration** includes all expenditures associated with administering OSU operation and maintenance activities, including the University Architect's Office and Physical Facilities Administration.

- **Property & Liability Insurance,** *formerly Insurance,* includes property and liability insurance paid centrally by the University
- **O&M – Other Services** includes Roads and Grounds maintenance, solid waste/refuse disposal, University Police and security services, radiation safety and hazardous waste disposal.

Administrative Support Definition:

- **Academic Administration** includes all costs associated with the Office of the Provost and is allocated to all academic-oriented earnings units.
- **Central Support** includes costs for central support functions including the Office of Business & Finance (purchasing, receiving, mail, accounts payable, accounting, budget and internal audit), the Office of the Chief Information Officer, the Office of the President and the Board of Trustees.

Specialized Support Definitions:

- **Health Services Administration** includes administrative and support service costs for Health Services Administration, including the operations of the Office of the Vice President for Health Affairs.
- **Student Services** includes the operations of the Office of the Vice President for Student Affairs.

Attachment B -- Summary of Allocated Overhead Costs and Adjusted Revenues by Rate Group

The Ohio State University

Summary of Allocated Overhead Costs and Adjusted Revenues FY25
Activity driving FY27 Proposed Rates

	HEALTH SYSTEMS (9400 & 9450)		INSTRUCTIONAL CLINICS (9560)		REGIONAL AUX (9550)		EARNINGS (9500, 9510,9520 & 9600)		Total Costs to be Recovered through Earnings Overhead Rates	Total Costs to be Recovered through RCSC and Central Tax	Total Costs in Overhead Cost Pools
	2024	2025	2024	2025	2024	2025	2024	2025	2025	2025	2025
ADJUSTED REVENUE (Revenue less COGS for UNIV)	3,139,611,666	4,701,465,000	44,259,527	63,623,968	10,529,035	7,545,530	545,891,811	402,238,825			
OVERHEAD TO BE RECOVERED											
Operations & Maintenance (O&M)											
Plant Administration (1030&1035)	1,505,195	2,387,633	60,045	124,290		-	3,534,668	3,449,955	5,961,878	6,717,721	12,679,600
Insurance (1000)	633,751	6,558,006	25,281	94,352	42,979	115,871	1,488,245	742,929	7,511,159	4,075,975	11,587,133
O&M - Other Services (1045&1050)	4,021,077	5,222,597	208,361	378,036		-	10,416,451	8,417,075	14,017,708	21,356,243	35,373,951
Total O&M	6,160,023	14,168,237	293,688	596,679	42,979	115,871	15,439,365	12,609,958	27,490,745	32,149,939	59,640,684
Administration & General (A&G)											
Academic Administration (2200)	-	-	424,327	410,664	9,582	27,348	846,370	3,233,575	3,671,587	18,217,530	21,889,116
Central Support (2100)	57,948,643	58,852,631	833,788	846,729	216,533	56,387	8,827,858	6,667,168	66,422,915	37,561,929	103,984,845
Total AGN	57,948,643	58,852,631	1,258,115	1,257,393	226,115	83,735	9,674,228	9,900,743	70,094,502	55,779,459	125,873,961
College Administration (CA)											
Health Services (2450)	3,005,531	2,347,486	44,063	37,155	-	-	50,016	15,663	2,400,303	938,894	3,339,198
Total CAD	3,005,531	2,347,486	44,063	37,155		-	50,016	15,663	2,400,303	938,894	3,339,198
Student Services (7500)	-	-	-	15,503	-	1,032	462,430	122,071	138,606	687,730	826,336
TOTAL OVERHEAD TO BE RECOVERED	67,114,197	**75,368,354**	1,595,866	**1,906,729**	269,093	**200,638**	25,626,039	**22,648,435**	**100,124,157**	**89,556,022**	**189,680,179**
OVERHEAD RATES (as calculated)	2.1%	1.6%	3.6%	3.0%	2.6%	2.7%	4.7%	5.6%			
OVERHEAD RATES (as charged)											

Attachment C – Allocations of Central Support Costs

Central Support Costs (CPLs 2050 and 2100):	2023	2024	2025	Variance over (under) prior year
Government Affairs	2,598,528	3,115,483	3,149,018	33,535
Marketing and Communications	10,990,733	11,965,433	11,978,521	13,088
Board of Trustees	779,553	1,088,834	1,246,011	157,177
Office of the President	3,123,525	3,277,341	4,150,121	872,781
Legal Affairs Administration	10,166,332	10,875,032	17,868,316	6,993,284
Business & Finance	18,229,146	21,640,190	20,582,148	(995,795)
Office of Technology and Digital Infrastructure (OT	43,810,660	46,254,762	40,554,219	(5,700,544)
Diversity and Inclusion	666,516	686,692	674,919	(11,774)
Institutional Equity	5,781,444	6,242,857	-	(6,242,857)
Subtotal - Actual Central Support Costs	96,146,437	105,146,623	100,203,272	(4,881,104)
Projected Central Support Costs				
Incremental AMCP and Benefits	5,900,000	5,900,000	3,781,572	(2,118,413)
Total Central Support Costs	102,046,437	111,046,623	103,984,845	(6,999,517)

	2023		2024		2025	
Allocation of Central Support Costs	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Health System	53,251,980	52.2%	57,948,643	52.1%	58,852,631	56.6%
Other Earnings Operations	9,077,565	8.9%	9,878,179	8.9%	7,570,284	7.3%

Other University Functions	39,716,892	38.9%	43,219,801	38.9%	37,561,929	36.1%
Total	**102,046,437**		**111,046,623**		**103,984,845**	

Attachment D – Total Earnings Overhead Recoveries

The Ohio State University

Earnings Overhead Recoveries - FY2021 - FY2025

($ in millions)	2021	2022	2023	2024	2025
Health System	$ 51.7	$ 54.0	$ 62.3	$ 64.6	$ 67.7
Other Earnings Operations	9.0	23.3	27.7	25.4	28.7
Total	$ 60.7	$ 77.3	$ 90.0	$ 90.0	$ 96.4

Attachment E – Summary of Overhead Cost Pools Based on FY2025 Actual Costs

Cost Pool	Units with Expense in Cost Pool	Basis of Allocation	Total $ to be Allocated	University Share		Health System Share	
Central Administration & Services	B&F, OCIO, Legal Affairs, Communications, President, Government Affairs, Trustees, General University – Dues/Memberships	MTDC (except Affiliates, Depreciation, Interest, Non-Operating Expenses)	$ 103,984,845	$ 45,132,213	43%	$ 58,852,631	57%
Property & Liability Insurance	Risk Management (insurance expense and claims)	MTDC (except Affiliates, Depreciation, Interest, Non-Operating Expenses)	$ 11,587,133	$ 5,029,127	43%	$ 6,558,006	57%
Plant Administration	Administration & Planning – FOD Admin, A&P Admin	ASF - All Campus Buildings	$ 4,768,693	$ 3,870,724	81%	$ 897,969	19%
Facilities Design & Construction	Administration & Planning – Facilities Design & Construction, Physical Planning & Real Estate	ASF - All Campus Buildings	$ 7,910,906	$ 6,421,243	81%	$ 1,489,664	19%
Environmental Health & Safety	Administration & Planning – Environmental Health & Safety	ASF - space marked as Research Lab	$ 8,084,009	$ 8,000,247	99%	$ 83,762	1%
Facilities Services – Other	Administration & Planning – Public Safety, non-POM portion of FOD Operations	ASF - All Campus Buildings	$ 27,289,942	$ 22,151,107	81%	$ 5,138,835	19%
Health Sciences Administration	Health Sciences	MTDC - costs within Health Sciences colleges, Health Sciences, and WMC	$ 3,339,198	$ 991,712	30%	$ 2,347,486	70%
Academic Administration	Office of Academic Affairs	MTDC (except Affiliates, Depreciation, Interest, Non-Operating Expenses) Excludes Health System	$ 21,889,116	$ 21,889,116	100%	$ -	0%

Student Services Administration	Student Life	MTDC (except Affiliates, Depreciation, Interest, Non-Operating Expenses) Excludes Health System	$ 826,336	$ 826,336	100%	$ -	0%
		Total Allocable Costs	**$ 189,680,179**	**$ 114,311,825**	**60%**	**$ 75,368,354**	**40%**

College Finance Subcommittee

Membership:

John Buford, Chair 2025-26, Cathann Kress (Alternate: Terry Snoddy), Benjamin Bohrer, Shaurya Prakash, Kim Young, Kerry Schmidt, and Sharika Thaploo

Support Staff:

Financial Planning & Analysis: Katie Hensel, KJ Jariwala, Steve Pruchnicki, and Mackenzie Soviak

Guests:

Office of the Controller: Tom Ewing, Lisa Plaga, and Elizabeth Simon

Background:

The Regional Campus Service Charge (RCSC) is a mechanism for charging regional campuses a proportionate share of the university's central facilities and administrative costs.

Process:

The College Finance Subcommittee (CFS) reviewed the proposed FY27 Regional Campus Service Charge at its meeting held on January 6, 2026, as presented jointly by Steve Pruchnicki and Tom Ewing. The subcommittee's review of the annual rate calculation also addressed concerns from regional deans about perceived duplicative charges and ongoing financial pressures that exist at the regional campuses.

RECOMMENDATION: The College Finance Subcommittee unanimously supports the proposed FY27 Regional Campus Service Charge of 4.22%, supported by the attached calculation.

The Ohio State University
Regional Campus Service Charge Rate

TOPIC:

Proposed Regional Campus Service Charge (RCSC) Rate for FY2027

CONTEXT:

This is the annual calculation of the Regional Campus Service Charge (RCSC) rates charged by the University as a percentage of general fund revenues to the Regional campuses and ATI, for facilities and administration, student services, and library use.

RECOMMENDATION:

The proposed RCSC rate for FY2025 is **4.22%** (see comparison with current and prior-year rates below):

Proposed FY2027 Rate (based on FY25 costs)	Current FY2026 Rate (based on FY24 costs)	Prior-Year FY2025 Rate (based on FY23 costs)
4.22%	4.14%	4.45%

RATE SUMMARY:

Cost Pool	Cost Pool Description	Total Cost Pool Amount	Exclusions	Total Cost Pool, Net of Exclusions	Allocated ASF/MTDC %	Gross Allocated Amount	% Use	Net Allocated Amount
1000	Property & Liability Insurance	11,587,133	-	11,587,133	4.23%	490,178	100%	490,178
1035	Facilities Plan & Development	7,910,906	(13,557)	7,897,350	4.23%	334,087	100%	334,087
1045	Environmental Health & Safety	8,084,009	-	8,084,009	4.23%	341,983	100%	341,983
2100	Central Administration	103,984,845	(1,753,181)	102,231,664	1.01%	1,033,594	100%	1,033,594
2200	Academic Administration	21,889,116	(3,181,810)	18,707,306	2.12%	396,286	100%	396,286
7550	Student Services	23,861,285	-	23,861,285	2.06%	491,187	50%	245,593
8000	University Libraries	42,608,044	(16,498,092)	26,109,952	2.06%	537,476	33%	177,367
	Total Net Allocated Costs							**3,019,089**
	Total Regional Campus Revenue							**71,497,280**

Calculated RCSC Rate	**4.22%**
Proposed RCSC Rate	**4.22%**

Notes:

- The calculation allocated approximately 30% of its costs from the facilities cost pools and 70% of its costs from the general administration cost pools.
- The current year’s calculated rate employed a methodology similar to the one used for the internal overhead rate calculation.
- Increase in proposed rate relates primarily to an increase in allocated Property and Liability Insurance costs.
- A summary of the FY2023 - FY2025 rates and total regional campus service charge collections for each campus is provided in Appendix A.
- A summary of the FY2023 – FY2025 surcharge costs to be recovered and calculated rates is provided in Appendix B.

Appendix A – Total Regional Campus Service Charge Collections FY2023 - FY2025

Fiscal Year (Rate)	FY2023 (4.14%)	FY2024 (3.56%)	FY2025 (4.45%)
ATI	$ 125,640	$ 255,733	$ 320,288
Lima	405,404	346,408	413,429
Mansfield	419,569	381,506	425,894
Marion	455,848	408,966	491,297
Newark	1,089,098	1,002,921	1,302,131
Total	**$ 2,495,560**	**$ 2,395,534**	**$ 2,953,039**

Appendix B -- Summary of Regional Campus Surcharges to be Recovered, Base Years FY 2023 - FY 2025

	FY2023	FY2024	FY2025
Property & Liability Insurance	$ 379,818	$ 202,017	$ 490,178
Facilities Plan & Development	343,541	339,690	$ 334,087
Environmental Health & Safety	318,686	313,506	$ 341,983
Central Administration	1,016,517	1,101,018	$ 1,033,594
Academic Administration	423,227	436,168	$ 396,286
Student Services	467,659	245,593	$ 245,593
University Libraries	242,242	196,834	$ 177,367
Total Surcharge Costs to be Recovered	**$ 3,191,690**	**$ 2,834,826**	**$ 3,019,089**
Regional Campus Revenue	71,799,458	68,554,308	71,497,280
Calculated RCSC Rate	**4.45%**	**4.14%**	**4.22%**

Membership:

John Buford, Chair 2025-26, Cathann Kress (Alternate: Terry Snoddy), Benjamin Bohrer, Shaurya Prakash, Kim Young, Kerry Schmidt, and Sharika Thaploo

Support Staff:

Katie Hensel, KJ Jariwala

Guests:

Tom Ewing (Office of the Controller), Pam Doseck (Office of Human Resources)

Background:

The institution's composite benefit rates are used to recover the employer-paid portion of benefits (retirement, healthcare, tuition benefits etc.) from college and support units. Medical claims make up the largest share of the benefit cost pool, with a projected expense of $572 million in FY27. Rates across most employee groups within the university and OSU Health System are projected to increase with an exception noted for students.

Process:

The College Finance Subcommittee (CFS) initially reviewed the proposed composite benefit rates for September 1, 2026, through August 31, 2027, during their meeting on January 20, 2026.

As jointly presented by staff from the Office of the Controller and Human Resources, the proposed FY27 composite benefit rates are calculated using an assumed 3.0% Annual Merit Compensation Process (AMCP) base salary increase with an additional 1.0% for Health System employees. Also included in the rates is an annual 6.5% increase in medical plan expenses; see full Controller's presentation for cost drivers by benefit component, as attached.

Target reserve balances were also reviewed and discussed. As of December 31, 2025, the institution’s benefit plans have cash balances of $120 million, which is approximately **$101 million lower than the institution’s target balances**, adjusted for accrued salaries. As noted in the attached, this does not represent June 30, 2026, year-end projected cash balances.

Given current cash balances, which highlight the negative variance to target reserves, the Controller's Office presented two composite benefit rate proposals for possible implementation in FY27 based on the following scenarios:

- FY27 break even rate analysis
- Rates calculated to recover an additional $20 million to address 20% of the gap in the benefit plan's target reserves

After a discussion of the two options presented, the committee unanimously voted to recommend the inclusion of the additional $20 million recovery in the FY27 composite benefit rates, recognizing the need for a measured approach to avoid steeper increases in the future.

The committee notes that over-recovery may need to occur for several fiscal years to return reserves to target balances.

FY27 Recommendation: The College Finance Subcommittee unanimously supports the proposed FY27 composite benefit rates presented below:

6.5% Medical Trend, $20M Additional Recovery

	Current Rates (25-26)	*Proposed Rates (26-27)*	% Change	Projected Benefit Costs
General University				
Faculty	28.5%	***30.1%***	5.6%	$ 181,981,168
Combined Staff	36.5%	***38.8%***	6.3%	400,372,242
Specials	15.6%	***15.7%***	0.6%	23,322,435
Students	0.3%	***0.3%***	0.0%	216,491
Graduate Associates	12.6%	***13.2%***	4.8%	21,538,418
OSU Health System				
Faculty*	36.7%	***39.4%***	7.4%	$ 27,993,509
Combined Staff	35.7%	***37.7%***	5.6%	469,736,375
Specials	15.7%	***15.9%***	1.3%	39,418,976
Students	0.5%	***0.5%***	0.0%	28,596
Graduate Associates	12.8%	***13.4%***	4.7%	63,591
Faculty Group Practice				
Clinical Appointments**	4.8%	***4.9%***	2.1%	$ 25,822,264

** Faculty rate group for the Health System consists primarily of medical residents.*

*** Excludes retirement contributions*

Proposed Composite Benefit Rates with $20M Additional Recoveries
Updated January 16, 2026

Under-recoveries of benefit costs have reduced cash in the benefits funds well below their target balances (see page 8 in the rate document). The 2026-2027 composite rates in the current version of the rate document are ‘break-even’ rates (rates are set to equal projected costs).

To bring the cash balances in the benefits funds back up to their targets, the university will need to over-recover benefit costs (to offset the previous under-recoveries) over a period of several years. The proposed rates below have been adjusted to increase total recoveries of benefits costs by approximately $20 million (projected salaries were used to allocate these adjustments to university and Health System benefit rate groups).

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** Faculty rate group for the Health System consists primarily of medical residents.*

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ADDITIONAL DETAIL:

- Summary of Actual and Projected Benefit Costs by Component
- Methodology for Benefit Rate Calculations and Definitions for Rate Groups
- Trends in Actual Benefit Costs and Charges
- Ten-Year Trends in Composite Benefit Rates
- Target vs Actual Cash Balances in Benefits Funds
- Additional Detail on Medical Costs – FY2024 and FY2025
- Additional Detail on Benefit Administration Costs – FY2024 and FY2025

The Ohio State University
Summary of Key Assumptions
Used in Benefit Rate Calculations

Global Assumptions:

Headcount	Assume stable benefit-eligible FTE (9/30/2024 actual)
Average Pay Increase	For university, assume guideline increases of 3.5% in FY2026 and 3.0% in FY2027. For Health System, assume guideline increases of 4% in FY2026 and FY2027 for Faculty, Combined Staff and Specials (3% for other rate groups).
Structure of Benefit Rate Groups	Assume same rate groups as prior year
Composition of Benefit Package	Assume same components as prior year
Target for Benefit Cash Balances	Cash equal to fully funded benefit liabilities, plus $28 million Medical Plan Reserves

Summary of Actual and Projected Costs by Component:

	Primary Cost Driver	FY25 Total Actual Cost	FY25 Actual Rate/ Cost per FTE	FY26 Total Projected Cost	FY26 Projected Rate/ Cost per FTE	FY26 Forecast Total Cost	FY26 Forecast Rate/ Cost per FTE	FY27 Total Projected Cost	FY27 Projected Rate/ Cost per FTE	Notes
STRS	Salary$	159,986,062	14.94%	154,760,956	13.75%	157,012,025	13.95%	164,431,498	13.95%	(1)
OPERS	Salary$	387,658,459	13.87%	384,462,180	13.75%	390,054,357	13.95%	418,244,584	13.95%	(2)
Medicare	Salary$	55,287,914	1.43%	57,036,619	1.45%	56,868,719	1.45%	60,570,423	1.45%	
Group Life	Salary$	7,642,092	0.22%	9,909,146	0.28%	7,732,343	0.22%	8,263,283	0.22%	
Disability	Salary$	7,894,166	0.23%	8,276,559	0.24%	7,987,394	0.23%	8,535,847	0.23%	
Unemployment Comp	Salary$	565,066	0.01%	782,456	0.02%	573,206	0.01%	610,517	0.01%	
Workers Comp-UNIV/OSP	Salary$	2,559,312	0.10%	2,721,810	0.10%	2,037,724	0.08%	2,161,753	0.08%	
Workers Comp-Health System	Salary$	3,838,967	0.26%	3,904,327	0.26%	3,879,052	0.26%	4,151,915	0.26%	
Benefits Administration	Salary$	10,499,796	0.25%	10,149,949	0.24%	10,152,533	0.24%	10,804,936	0.24%	
Graduate Associate Health Insurance	Salary$	18,506,580	12.31%	19,249,350	12.29%	20,236,417	12.92%	21,076,859	12.92%	
Medical Plans	Headcount	504,681,830	14,174	495,069,793	14,389	537,486,149	15,096	572,422,749	16,077	(3)
Affordable Care Act Fees	Headcount	379,572	11	163,981	5	412,869	12	469,122	13	
Lifestyle Benefit	Headcount	11,196,098	314	10,998,721	320	10,631,364	309	11,000,000	309	
Vision	Headcount	1,509,418	42	1,238,903	36	1,513,851	44	1,632,586	46	
Dental	Headcount	16,770,128	471	17,828,181	518	16,686,769	485	17,791,428	500	
Employee Tuition	Headcount	27,678,808	777	27,806,275	808	27,524,567	800	29,364,447	825	
Dependent Tuition	Headcount	12,064,474	339	12,471,551	362	11,869,970	345	12,551,879	353	
Totals		**1,228,718,743**		**1,216,830,759**		**1,262,659,308**		**1,344,083,827**		

NOTES:

(1) - STRS rate to be applied to all Faculty and Specials salaries. Projected cost increases are primarily due to guideline salary increases.

(2) - OPERS rate to be applied to all Unclassified and CCS salaries. Projected cost increases are primarily due to guideline salary increases.

(3) - Reflects projected cost increases of 6.5% per year.

Methodology for Composite Rate Calculations:

- Cost projections are based on the actual costs of the last full fiscal year, incremented for known and/or anticipated changes in costs.

- A primary cost driver is identified for each component of the rate and is used consistently for allocation of actual and projected cost to benefit rate groups. There are two primary cost drivers – salary dollars and benefit-eligible headcounts, which are expressed in terms of full-time equivalents (FTEs). OPERS, STRS and most of the smaller benefit components are allocated to benefit-eligible rate groups based on salary dollars; health care costs and employee/dependent tuition are allocated based on benefit-eligible FTEs.

- To ensure consistency in the calculation of composite rates, we use FY2025 actual FTEs and FY2025 actual salaries, incremented across all rate groups for guideline wage increases. The costs to be recovered are variable costs (as covered salary dollars and benefit-eligible FTEs go up or down, the benefit costs and associated composite rate charges to the departments go up or down accordingly).

- Employee contribution rates for health coverage will not be set until Autumn Semester and are effective January 1, 2027. The current composite-rate calculations assume that the employee's share of projected costs will equal employee contributions. To the extent that employee contributions are set below their projected share of health care costs, the additional costs would need to be recovered via the composite rates charged to the departments.

- A complicating factor in the rate-setting process is the multiple "years" associated with employee benefits. University budgets and Office of Sponsored Programs rates are on a July-June fiscal year, salary increases and University/Health System composite benefit rates are on a September-August year, and medical benefit plan designs and employee contribution levels are on a calendar (January-December) year. We need to predict, by January 2026, what rates will be required to cover costs and provide sufficient benefit cash balances for the benefit "year" ending August 31, 2027.

University/Health System Rates vs. OSP Sponsored Program Rates:

- University/Health System rates are determined by OSU; OSP rates are proposed by OSU and are subject to negotiation with the federal government (DHHS).

- For University/Health System rates, OSU has discretion to pursue rate stability, particularly related to maintaining targeted cash balances and amortizing over/under-recoveries over multiple periods. For OSP rates, the federal government requires full amortization of over/under-recovery in next even/odd year (for example, all over/under-recoveries for FY2025 must be incorporated in the FY2027 rate calculation).

- The lock-step amortization of under/over-recoveries under the federal rate-setting rules increases the likelihood of abrupt increases or decreases in OSP benefit rates.

Definitions for Rate Groups:

University faculty and staff are divided into the following groups for benefit rates:

Faculty – Includes nine-month, 12-month and clinical faculty members eligible for full benefit package, including retirement, subsidized health care, life insurance, disability and tuition benefits. For Health System, the faculty rate group consists primarily of medical residents.

Combined Staff – Includes administrative and professional (Unclassified) staff, non-exempt (Classified Civil Service) staff and post-doctoral researchers eligible for full benefit package, including retirement, subsidized health care, life insurance, disability and tuition benefits.

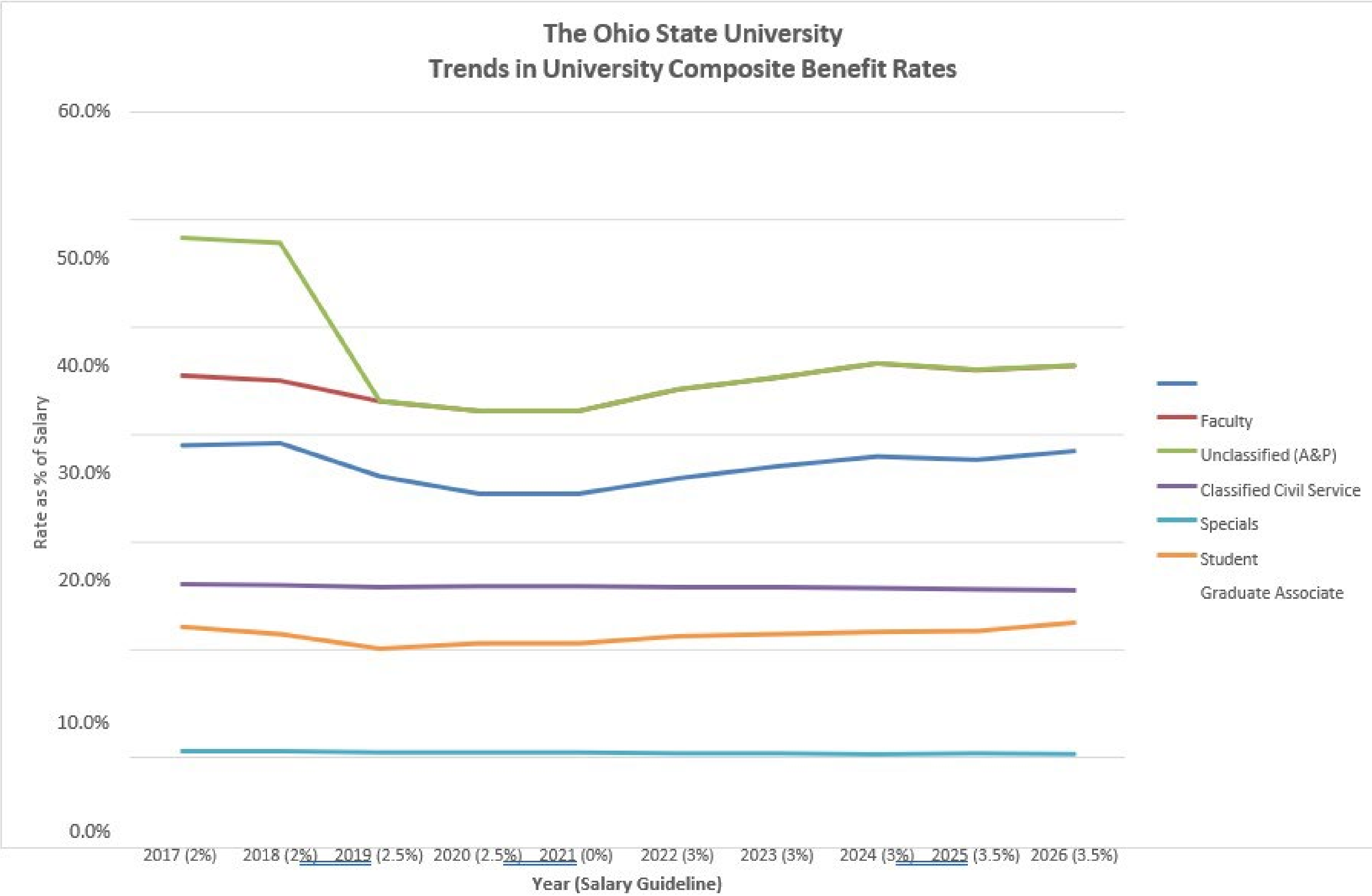
Non-Student Specials – Includes lecturers and part-time staff who are not eligible for full benefit package (rate consists primarily of retirement contributions). This rate is also applied to overtime pay for unclassified and CCS staff, supplemental compensation and off-duty quarter support.

Students – Includes hourly student employees who are not eligible for benefits (rate consists primarily of required Medicare, workers compensation and unemployment contributions). This rate is also applied to additional pay that is not eligible compensation for retirement contributions.

Graduate Associates – Includes graduate teaching, research and administrative associates eligible for an employer subsidy for student health insurance coverage (full-time students have the option to choose to be exempt from retirement contributions, and most choose to be exempt). The proposed rates reflect a 100% subsidy for graduate associates. Tuition benefits are provided to graduate associates through separate fee authorization charges to the departments.

The Ohio State University Trends in Actual Benefit Costs FY2021 - FY2025

	FY2021		FY2022		FY2023		FY2024		FY2025	
	Total Cost	Rate/Cost perFTE	Total Cost	Rate/Cost per FTE	Total Cost	Rate/Cost perFTE	Total Cost	Rate/Cost perFTE	Total Cost	Rate/Cost perFTE
Retirement	411,378,599	13.89%	442,879,875	14.96%	461,660,061	13.86%	506,540,962	14.09%	547,644,521	14.17%
Medicare	40,741,166	1.38%	45,431,901	1.53%	50,648,837	1.52%	54,459,325	1.51%	55,287,914	1.43%
Group Life	6,482,539	0.24%	6,414,866	0.24%	7,408,862	0.25%	9,085,398	0.28%	7,642,092	0.22%
Disability	6,842,486	0.25%	7,036,922	0.26%	7,503,818	0.25%	7,910,659	0.25%	7,894,166	0.23%
Unemployment Comp	1,762,002	0.06%	481,607	0.02%	477,180	0.01%	717,500	0.02%	565,066	0.01%
Workers Comp-UNIV/OSP	3,308,816	0.16%	2,943,277	0.14%	2,636,572	0.11%	2,540,839	0.10%	2,559,312	0.10%
Workers Comp-Health System	4,963,225	0.44%	4,414,915	0.37%	3,954,858	0.32%	3,811,258	0.28%	3,838,967	0.26%
Benefits Administration	6,710,363	0.21%	6,810,174	0.21%	8,714,981	0.25%	9,379,278	0.24%	10,499,796	0.25%
Graduate Associate Health Insurance	13,311,950	10.82%	12,883,911	10.47%	13,582,191	9.85%	17,064,321	11.93%	18,506,580	12.31%
Medical Plans	326,663,150	10,000	345,981,569	10,427	369,683,228	11,142	416,738,784	12,111	504,681,830	14,173
Affordable Care Act Fees	155,797	5	163,019	5	159,148	5	161,799	5	379,572	11
Lifestyle Benefit (effective January 2023)					4,430,971	134	10,517,389	306	11,196,098	314
Vision	1,374,929	42	1,242,716	37	1,322,950	40	1,145,569	33	1,509,418	42
Dental	13,944,520	427	14,468,504	436	15,869,023	478	16,806,725	488	16,770,128	471
Employee Tuition	27,890,009	854	23,551,934	710	23,834,051	718	25,711,453	747	27,678,808	777
Dependent Tuition	10,973,252	336	10,780,658	325	11,046,095	333	11,531,990	335	12,064,474	339
Totals	**876,502,801**		**925,485,848**		**982,932,826**		**1,094,123,250**		**1,228,718,743**	
Benefit Over (Under) Recoveries:										
Amounts Charged to Departments	828,741,384		905,933,330		1,004,610,063		1,111,957,634		1,175,333,905	
Actual Costs	876,502,801		925,485,848		982,932,826		1,094,123,250		1,228,718,743	
Over (Under) Recoveries	**(47,761,417)**		**(19,552,518)**		**21,677,237**		**17,834,383**		**(53,384,838)**	


The Ohio State University
Trends in University Composite Benefit Rates
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
Rate as % of Salary
2017 (2%)
2018 (2%)
2019 (2.5%)
2020 (2.5%)
2021 (0%)
2022 (3%)
2023 (3%)
2024 (3%)
2025 (3.5%)
2026 (3.5%)
Year (Salary Guideline)
Faculty
Unclassified (A&P)
Classified Civil Service
Specials
Student
Graduate Associate

Notes on Trends in Benefits Rates:

- Unclassified and CCS rates were combined into a single Combined Staff rate in the 2018-2019 salary year to simplify the rate structure and to facilitate classification and compensation redesign.
- Increases in benefit rates for faculty and combined staff are driven primarily by increases in medical costs.

Target vs Actual Cash Balances in Benefits Funds:

Cash Balances at 12/31/2025	Actual	Target/Reserve	Difference	Target/Reserve Methodology
Retirement	$ 62,889,206	$ 45,200,000	$ 17,689,206	Employer contributions paid 1-2 months in arrears
Medical	(3,682,475)	69,446,000	(73,128,475)	6/30/25 IBNR calculated by external actuarial consultant for year end financials.
Medical Plan Reserve	28,000,000	28,000,000	-	Medical plan reserve was originally established based on one month of average total claims.
Dental	4,477,976	2,510,000	1,967,976	One month estimated expense based on historical trend.
Vision	989,753	530,000	459,753	One month estimated expense based on historical trend.
Workers Comp	2,036,136	3,000,000	(963,864)	Estimated with data from OHR
Life	7,290,123	5,000,000	2,290,123	11/30/25 Maximum Claims Liability
Other	17,997,830	32,352,251	(14,354,421)	
Subtotal (before accruals)	119,998,549	186,038,251	(66,039,703)	
Less: Cash balances for salary/wage accruals*			(35,098,830)	
Total Below Target (including accruals)			**$ (101,138,532)**	

* The cash balances in the benefits funds include amounts collected on salary and wage accruals. Accrued benefit amounts are not reflected in the target balances.

Targets for Benefit Cash Balances:

- Benefit rate calculations are tied into an analysis of benefit cash balances.
- The absolute minimum/floor for benefit cash balances is an amount equal to the full-accrual liabilities for each component of the benefit rate.
- At November 30, 2025, the university's benefit plans had cash balances of $120 million, which is approximately $101 million lower than our target cash balances, adjusted for accrued benefits.

Additional Information on Medical Costs:

Additional detail on university medical plan costs for FY2024 and FY2025 are provided below:

	FY24 Actual	FY25 Actual
Medical Plans Detail:		
Claims, net of employee premiums	$ 381,176,273	$ 465,561,491
OSU Health Plan (including Care Coordination, Health Coaching)	12,949,607	13,597,349
Ethority (ACA Administration and Consulting)	252,855	-
First Capital (new ACA Consultant)	89,550	89,550
OPPOC (Network Access)	176,305	185,425
AllOneHealth (Employee Asst Provider)	830,639	848,610
Luminare (formerly NGS/Trustmark claims processing)	5,710,639	6,277,415
ESI (pharmacy benefit manager)	6,919,207	7,903,972
Zelis (former Global Care out-of state claims and medical evacuation)	1,956,944	3,306,788
Aon/Hewitt (Benefits consulting) (calendar year run out)	107,125	-
Alight (Dependent Certification)	82,335	70,858
Health Equity (HRA Admin vendor)	253,347	391,953
HRA payments	3,660,078	3,867,462
Medikeeper (New YP4H vendor)	-	78,600
Virgin Pulse (YP4H Fees)	1,165,173	955,757
Virgin Pulse (YP4H Incentives)	184,890	253,540
Mercer (New Benefit Plan Consultant & Medical IBNR)	657,455	637,386
Wellness Funding	550,000	616,522
Other medical admin costs	16,361	39,152
Total Medical Costs	**$ 416,738,784**	**$ 504,681,830**
Medical Costs per FTE	**$ 12,111**	**$ 14,174**

Additional Information on Benefits Administration Costs:

The composite benefit rates provide funding for certain salary, benefit, IT system and purchased services costs that are related to the provision of university employee benefit programs. Salaries, benefits, IT costs and other general expenses are allocated broadly to all rate groups based on salary dollars. Actual benefits administration costs are summarized below:

	FY24 Actual	FY25 Actual
Benefits Administration Detail:		
Salaries	$ 5,566,005	$ 5,816,735
Benefits	1,998,991	2,084,660
HR System & Ben Admin	977,235	1,356,588
Adoption	39,605	50,000
Appligent (Accessibility Services)	7,735	19,133
Design Agency (Forms Design)	14,950	16,000
Bright Horizons (Emergency Care)	426,246	746,803
Legal Fees (Retirement)	41,886	123,583
Health Equity (Lifestyle Benefit Admin)	234,971	242,268
Other Expenses	71,655	44,026
Total	**$ 9,379,278**	**$ 10,499,796**

College Finance Subcommittee

Membership:

John Buford, Chair 2025-26, Cathann Kress (Alternate: Terry Snoddy), Benjamin Bohrer, Shaurya Prakash, Kim Young, Kerry Schmidt, and Sharika Thaploo

Support Staff:

Katie Hensel, KJ Jariwala, Kayla Adams, Steve Pruchnicki

Guests: Scott Potter, Thomas (TJ) Wood, Adam Sharp, Kevin King, Peter Calamari, Lindsey McCann, Dan Brearley, Amy Burgess, and Mark Conselyea

Context: The academic campus provides funding for university building operations, including upkeep, and campus infrastructure through a Plant Operation Maintenance (POM) assessment.

The POM rates are set annually and charged to academic units. POM rates paid by contributing units, through either a General Funds Allocation (GFA) assessment or through an Earnings Physical Plant Assessment (PPA), cover maintenance of buildings including utilities, custodial staff; deferred maintenance (for GFA space) that addresses small emergency repairs (such as new chillers, roof repair, etc.); preventive maintenance that helps with existing upkeep and capital projects.

Subcommittee Discussion: The College Finance Subcommittee met on several occasions to review and consider the marginal FY27 POM funding increases that are charged on an assignable square footage (ASF) basis. The subcommittee's memo reflects the initial marginal FY27 funding requests by POM component which differs from the marginal funding recommended by the subcommittee to support the plant operation and facility maintenance for the Columbus campus.

The following provides details of the incremental FY27 POM funding requests as presented to CFS by leadership from the Energy Office and Facilities Operations and Development (FOD):

Energy Office's Utilities Funding Request FY27: +7.5% Annual Increase

FY27 Utility Increase = $6.6M
Budget Model Support Unit Guidelines: 3.0% AMCP Increase = $42K*
* Represents calculated support unit guidelines - FP&A to confirm appropriate increases based on final AMCP

Maintenance Funding Request FY27: +$1.3M + 3.0% AMCP Support Unit Guidelines:

FY24-25 CWA (Above AMCP) Contract Increase = $175K Distributed Antenna Systems (DAS) Contract = $155K FY27 New Buildings = $216K
One-Time Cash for BAS Equipment Replacement = $221K One-time Cash for New NFPA-B Code Requirements = $500K

Budget Model Support Unit Guidelines: 3.0% AMCP Increase = $1.2M*
* Represents calculated support unit guidelines - FP&A to confirm appropriate increases based on final AMCP

Custodial Funding Request FY26: +$0.9M + 3.0% AMCP Support Unit Guidelines:

FY24-25 Historical CWA (Above AMCP) Contract Increase = $ 345K FY26 CWA (Above AMCP) Contract Increase = $214K

FY27 CWA (Above AMCP) Contract Increase = $257K FY27 New Buildings = $129K

Budget Model Support Unit Guidelines: 3.0% AMCP Increase = $310K*
* Represents calculated support unit guidelines - FP&A to confirm appropriate increases based on final AMCP

Deferred Maintenance Request: FY27-FY29 +$1.8M Annual Increase

FY27-FY29 Annual Investment in Deferred Maintenance: $1.8M (3-Year Total: +$5.4M)

In total, the requested FY27 POM increase is $12.2M inclusive of the projected support unit guidelines based on an annual 3.0% Annual Merit Compensation Process (AMCP).

FY26 RECOMMENDATION:

The College Finance Subcommittee reviewed the FY27 funding requests and supporting documentation from the Energy Office and Administration and Planning FOD leadership. After careful review, not all components of the FY27 funding requests are recommended by the subcommittee for inclusion in the FY27 POM rates. Most notably, see below for more details of the discussion and rationale for the subcommittee's funding recommendation:

- **Utility Rate Increase**: The subcommittee debated the necessity of a 7.5% increase, ultimately recommending a lower increase (3.5%) until the impact of the new CHP plant and FY26 year-end actuals are finalized. While the subcommittee recognizes the annual changes in commodity costs are increasing beyond inflation, the impact of the opening of the Combined Heat and Power (CHP) plant alongside positive budget to actual variances noted in FY25 may mitigate the need for a 7.5% increase.
- **Maintenance and Custodial Rate Increases**: CFS members reviewed an analysis of FOD's maintenance and custodial rate increases as prepared by Financial Planning and Analysis. The analysis, focused on base salaries and annual changes in benefit rates, suggests that there is no quantifiable gap in the FY2026 CWA expenses after accounting for this year's marginal funding and internal efficiencies reported by A&P. Moreover, the subcommittee notes that POM-funded FOD departments have FY26 efficiency targets set by leadership that will provide additional expense savings that can be reinvested in FY27 CWA market adjustments and one-time equipment purchases.

- **Deferred Maintenance Rate Increase**: While emphasizing the need for investing in deferred maintenance across the university, the subcommittee recommends using central cash for the first year and requiring A&P to provide a project list for future requests to help track deferred maintenance projects. The request to delay the deferred maintenance rate increase provides funding relief in FY27 which the subcommittee believes are needed to support the supplemental

$20M composite benefit rate recovery.

The chart below includes the recommendations for FY27, on behalf of College Finance Subcommittee:

POM Components	Summary		FY27 A&P Request	Recommend (Yes/No)
POM - Utilities	FY27 Annual Increase: PENDING	Continuing GFA	7.5%	**3.5%**
POM - Utilities Subtotal	**Energy Office Request**	**Above Support Unit Guidelines**		
POM - Maintenance	FY24-25 Historical CWA Contract Increase	Continuing GFA	$ 175,000	No
POM - Maintenance	Distributed Antenna Systems (DAS) Contract	Continuing GFA	$ 155,000	No
POM - Maintenance	FY27 New Buildings	Continuing GFA	$ 216,000	No
POM - Maintenance	BAS Equipment Replacement	Cash	$ 221,000	No
POM - Maintenance	New NFPA-B Code Requirements	Cash	$ 500,000	No
POM - Maintenance Subtotal	**Administration & Planning Request**	**Above Support Unit Guidelines**	**$ 1,267,000**	
POM - Custodial	FY24-25 Historical CWA Contract Increase	Continuing GFA	$ 345,000	No
POM - Custodial	FY26 CWA Contract Increase	Continuing GFA	$ 214,000	No
POM - Custodial	FY27 CWA Contract Increase	Continuing GFA	$ 257,000	No
POM - Custodial	FY27 New Buildings	Continuing GFA	$ 129,000	No
POM - Custodial Subtotal	**Administration & Planning Request**	**Above Support Unit Guidelines**	**$ 945,000**	
POM - Deferred Maintenance	**FY27 Year 1 Increase**	**Continuing GFA**	**$ 1,798,670**	**No**
FY27 POM: Request	**Total Energy Office & FOD Funding**	**Above Support Unit Guidelines**	**$ 10,639,717**	
POM - Utilities	AMCP Increase - FY27	Budget Model GFA	$ 42,088	Yes
POM - Maintenance	AMCP Increase - FY27	Budget Model GFA	$ 1,217,462	Yes
POM - Custodial	AMCP Increase - FY27	Budget Model GFA	$ 309,762	Yes
FY27 POM: Budget Model	**Support Unit Guidelines**	**Marginal GFA**	**$ 1,569,312**	

The College Finance Subcommittee systematically reviewed each request and unanimously voted to recommend an increase in support unit guidelines alongside a smaller increase of 3.5% in utilities rate instead of the 7.5% requested.

See below for the FY27 recommended marginal increases for each POM component:

FY27 POM Rate Recommendation: Up to $ 4,697,626

Utilities Funding	$ 3,170,402
Maintenance Funding	$ 1,217,462
Custodial Funding	$ 309,762
Deferred Maintenance	Central Cash

COLLEGE FINANCE SUBCOMMITTEE UNIVERSITY SENATE

Membership:

John Buford, Chair 2025-26, Terry Snoddy (for Dean Cathann Kress); Kim Young; Shaurya Prakash; Kerry Schmidt; Benjamin Bohrer, and Vacant USG Seat.

FP&A Support Staff:

Katie Hensel, KJ Jariwala, and Kayla Adams

Guest:

Nicole Cochran (College of Arts & Sciences)

Background:

Ohio State University maintains a modified RCM budget model that distributes marginal general funds to colleges and support units. The university's budget model is traditionally reviewed by Senate Fiscal's College Finance Subcommittee every five (5) years with the goal of evaluating the revenue allocations and assessments to ensure alignment with the institution's goal of distributing net tuition and state operating support to colleges as earned. While the last budget model review was completed in fiscal year 2016, the 2021 review was delayed because of COVID with the desire to better understand the impact of OSU's new general education requirements, implemented in Autumn 2022.

Process:

The College Finance Subcommittee (CFS) began its comprehensive review of the budget model on October 14, 2025, with subsequent meetings held throughout December 2025 as detailed below:

- October 25, 2025 – Review the Graduate Budget Model Components

- November 18, 2025 – Review of Undergraduate Budget Model Components
- December 4, 2025 – Review of Fiscal Impacts of Budget Model Refinements
- December 8, 2025 – Finalize FY27 Budget Model Recommendation

As presented by staff from Financial Planning & Analysis, the budget model's undergraduate and graduate tuition allocation methodologies are not currently distributed in alignment with how the institution assesses tuition, with additional concerns regarding the equitable distribution of student services assessments across colleges and academic programs. The following budget model changes were reviewed with the subcommittee, including the fiscal impact of each change:

- **Undergraduate Budget Model**
  - Adoption of two separate effective rates, with the non-resident surcharge revenues included in the on-campus effective rate ONLY
  - Rebase the undergraduate student services assessment (SSA1) and effective rate to ensure the commitment for institutional aid for professional programs is separated from the undergraduate commitment
- **Graduate Budget Model**
  - Exclude tagged masters' programs with separate tuition assessments from the traditional graduate pool tuition allocation
  - Adoption of two separate effective rates, with the non-resident surcharge revenues included in the on-campus effective rate ONLY
  - Adopt alternative graduate student services assessments (SSA2) by creating separate pools for each of the following components: (1) Non-Resident Fee AUTH's – GAs/GTAs/GRAs; (2) Fellowships; and (3) Operational Support
- **Provost's Student Success Initiative Framework**
  - Include majors in undergraduate net tuition allocation, reserving 10% for the Office of Academic Affairs' newly proposed incentive pool
  - Creation of an incentive pool that facilitates budget model reallocations based on college specific student retention and persistence targets, as established by the provost and OAA leadership

FY27 RECOMMENDATION: The College Finance Subcommittee unanimously recommends that University leadership accept the revised budget model as presented to the subcommittee by FP&A, with the following considerations:

- This would be a large change in the incentive system for fully online

  programs. The university may want to consider strategic investments to smooth these impacts to the extent that online programs are a strategic priority.

- Professional colleges may have difficulty providing financial aid to their neediest students without access to the funds currently drawn from SSA1. The university may wish to explore funding streams to support these needs.
- Colleges that experience large losses may need help to weather the transition.

Senate Fiscal Committee Meeting Minutes

Date: September 16, 2025
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members:
Justin Kieffer, Kris Devine, John Buford, Mark Foster, Anna Zaitseva, Kim Kinsel, David Horn, Kim Young, Shaurya Prakash, Karla Zadnik, Derrick Wyman, Blaise Tayse, Matt Smith, Scott Schricker, Scott Levi, Derek Hansford, Gretchen Gombos, Bobby Srivastava, Terry Snoddy (on behalf of Dean Kress), James Woods.

Guests and Staff Support:
Katie Hensel, Lily Langley, Chad Foust, Steve Pruchnicki, KJ Jariwala, Brian Clark, Henry Ferris, Beth Tucker.

Welcome and Approval of Previous Minutes: Presenter: Justin Kieffer, Chair

Justin Kieffer called the meeting to order at 2:30 PM. The session opened with a roll call and introductions, welcoming both new and returning members. Faculty representatives from multiple colleges, student representatives, and administrative leaders were in attendance

Bylaws Review: Presenter: Justin Kieffer, Chair

Justin Kieffer began by welcoming everyone and emphasizing the critical role the SFC plays in shared governance at Ohio State. He reviewed the committee's bylaws and responsibilities, stressing that SFC's work ensures transparency and accountability in the university's fiscal decisions. The committee is responsible for reviewing fiscal policies, revenue streams, and expenditure plans, and for making formal recommendations to the President and Provost on tuition, fees, overhead, and budget priorities. Kieffer noted the importance of the **subcommittees—College Finance, Support Office Finance, and Student Fee Review**—and encouraged members to actively participate in subcommittee meetings throughout the year to ensure a thorough review of the recommendations that are used in development of the annual budget.

Senate Fiscal Debrief of FY25 Overview and FY26 Financial Plan: Presenters: Kris Devine, VP for Ops & Deputy CFO and Katie Hensel, Associate Vice President, Financial Planning & Analysis

The core of the meeting consisted of a detailed financial presentation led by Katie Hensel from Financial Planning & Analysis (FP&A). The FY25 debrief provided a summary of the committee's prior year recommendations and the extent to which they were accepted by university leadership and incorporated in the FY26 Financial Plan.

FY2026 Rate Summary

FY2026 Senate Fiscal Committee: Final Recommendations

Topic		Recommendation	Acceptance
POM Rate, per ASF by component	**$21.84**	**Recommended Annual Increase of $9.4M**	**$9.4M Aggregate Increase (+5.4%) Accepted**
Utility	$11.93	Fixed 7.5% increase in utility rate charge, per ASF ($6.2M)	Affirmation as recommended
Maintenance	$5.57	Recommended an increase $2.3M	Affirmation as recommended
Custodial	$3.27	Recommended an increase of $0.9M	Affirmation as recommended
Deferred Maintenance	$1.07	Cash funding up-to $2.0M for the Building Demolition Fund	Affirmation as recommended
Earnings Overhead Rates			
Health System	$67.1M	Recommended Fixed Overhead $67.1M, annual +$4.5M	$67.1M, as recommended
Instructional Clinics	3.61%	Increase from 3.60% to 3.61%	3.61%, as recommended
Regional / Auxiliaries	2.56%	Decrease rate from 2.85% to 2.56%	2.56%, as recommended
All Other	5.04%	No rate change	5.04%, as recommended
Regional Campus Service Charge	4.15%	Decrease rate 0.30%, from 4.45% to 4.15%	Affirmation as recommended
Composite Benefit Rates	Variable	3.5% AMCP, 9% Medical Trend	Affirmation as recommended (AMCP 3.5%)

The plant operations and maintenance (POM) rate was set **at $21.84 per assignable square foot, representing a $9.4 million aggregate increase (5.4%),** which leadership affirmed. **Utilities** were increased by **7.5%, generating $6.2 million in additional funding,** though the increase will apply only for **one** fiscal year rather than the **three years requested by the Energy Office**. **Maintenance and custodial budgets** were also **increased by $2.3 million and $0.9 million, respectively, and $2 million was allocated** as cash funding for building demolition under deferred maintenance.

Overhead and service charge adjustments included a fixed health system overhead of **$67.1 million (up $4.5 million from the prior year)**, a slight increase in instructional clinic rates, a reduction in regional and auxiliary overhead rates, and no change in earnings overhead (which remains at **5.04%).** The composite benefit rate was updated to reflect a **9%** medical trend and **a 3.5%** annual merit compensation pool (AMCP).

Service Excellence Investment	FY26 Plan
Public Safety	$600,000
A&P - Lyft Ride Smart (continued investment)	$2,000,000
OTDI - Workday Success Plan	$332,000
Total	**$2,932,000**

FP&A then outlined the university's **$2.9 million** in targeted FY26 strategic investments, **including $2 million for the A&P Lyft RideSmart program, $600,000 for Public Safety initiatives, and $332,000 for OTDI's Workday Success Plan.**

FY 2026 University Sources & Uses

Total Sources ($ thousands)	FY21 Actuals	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Forecast	FY26 Plan	FY25-FY26 $ Diff	FY25-FY26 % Diff
Tuition & Fees (gross)	$1,104,466	$1,271,606	$1,310,009	$1,374,390	$1,473,897	$1,533,838	$59,941	4.1%
State Share of Instruction	$401,420	$403,957	$417,224	$428,599	$437,373	$453,309	$15,935	3.6%
Other Operating Appropriations	$84,696	$89,685	$91,480	$99,937	$103,312	$105,418	$2,107	2.0%
Exchange Grants & Contracts	$784,021	$814,074	$917,371	$1,016,551	$1,030,222	$966,813	($63,409)	-6.2%
Non-Exchange Grants & Contracts	$218,838	$253,603	$120,650	$116,078	$150,296	$154,003	$3,706	2.5%
Sales & Services - Auxiliaries	$202,336	$407,181	$436,183	$450,352	$492,416	$484,281	($8,135)	-1.7%
Sales & Services - Departmental	$168,707	$197,121	$191,910	$205,271	$212,780	$219,455	$6,675	3.1%
Current Use Gifts	$129,603	$174,362	$126,538	$172,581	$190,000	$197,000	$7,000	3.7%
Endowment Distributions	$290,330	$323,532	$348,466	$371,294	$423,929	$458,549	$34,619	8.2%
Interest Income	$37,230	$43,111	$50,024	$122,643	$149,942	$100,355	($49,587)	-33.1%
Other Revenues	$49,693	$53,829	$104,695	$66,869	$85,561	$47,827	($37,733)	-44.1%
Total External Sources	**$3,471,341**	**$4,032,060**	**$4,114,550**	**$4,424,565**	**$4,749,727**	**$4,720,847**	**($28,881)**	**-0.6%**
Net Transfers from OSU Health System	$183,960	$195,432	$183,046	$204,756	$231,633	$283,086	$51,453	22.2%
Total Sources	**$3,655,301**	**$4,227,492**	**$4,297,596**	**$4,629,321**	**$4,981,361**	**$5,003,932**	**$22,572**	**0.5%**

Total Uses ($ thousands)	FY21 Actuals	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Forecast	FY26 Plan	FY25-FY26 $ Diff	FY25-FY26 % Diff
Salaries	$1,555,797	$1,638,825	$1,742,926	$1,898,102	$2,001,463	$2,119,906	$118,443	5.9%
Benefits	$455,054	$471,656	$497,468	$545,244	$568,402	$613,457	$45,054	7.9%
Total Personnel Expense	**$2,010,851**	**$2,110,481**	**$2,240,394**	**$2,443,346**	**$2,569,865**	**$2,733,363**	**$163,497**	**6.4%**
Fee Authorizations	$110,545	$130,040	$124,373	$140,316	$147,807	$149,250	$1,443	1.0%
Student Aid	$420,303	$489,745	$428,697	$468,315	$524,279	$527,001	$2,722	0.5%
Supplies, Services & Other	$960,210	$1,039,801	$1,023,167	$1,238,061	$1,315,573	$1,373,420	$57,848	4.4%
Debt Service	$88,802	$103,772	$86,322	$86,443	$78,645	$68,048	($10,597)	-13.5%
Total Non-Personnel Expense	**$1,579,860**	**$1,763,358**	**$1,662,559**	**$1,933,135**	**$2,066,304**	**$2,117,719**	**$51,416**	**2.5%**
Total Uses	**$3,590,711**	**$3,873,838**	**$3,902,952**	**$4,376,481**	**$4,636,169**	**$4,851,082**	**$214,913**	**4.6%**
Sources Less Uses, Operating	**$64,590**	**$353,654**	**$394,644**	**$252,840**	**$345,192**	**$152,850**		

Capital Sources and Uses ($ thousands)	FY21 Actuals	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Forecast	FY26 Plan
Total Capital-Related Sources	**$168,112**	**$418,522**	**$797,101**	**$219,193**	**$277,280**	**$230,304**
Total Capital-Related Uses	**$482,237**	**$576,265**	**$965,533**	**$337,282**	**$519,897**	**$480,210**
Sources Less Uses, Capital	**($314,126)**	**($157,743)**	**($168,433)**	**($118,089)**	**($242,617)**	**($249,905)**
Sources Less Uses, Capital and Operating	**($249,536)**	**$195,911**	**$226,211**	**$134,751**	**$102,574**	**($97,055)**

The Ohio State University

The tuition and fee discussion highlighted Ohio State's continued commitment to affordability. Returning in-state undergraduates will see **no tuition increase**, while the **incoming 2025 cohort will experience a one-time 3% increase**, which will be locked for **four** years under the Ohio Tuition Guarantee. The non-resident surcharge will **rise by 7.5%, and the international surcharge by 6%.** Graduate and professional students will see **a 3% increase in base tuition and a 4% increase in the non-resident surcharge. Nine** programs sought fee adjustments, and **five** proposed entirely new fees, including new differential fees for the Master of Applied Aeronautics and Master of Systems Engineering programs.

FY26 Budget Assumptions: University Sources

REVENUE DRIVER	DETAIL	FY26 BUDGET PLAN
NEW FIRST-YEAR STUDENTS	▪ Target used for Autumn 2025 Enrollment	▪ 8,220 (Columbus)
TUITION & FEES (Including Housing, Dining)	▪ Undergraduate Tuition (Non-Guarantee/ TG 2026) ▪ Undergraduate Non-Resident Surcharge ▪ Graduate Base Fees ▪ Graduate Non-Resident Surcharge ▪ Increase in Housing and Dining for new Tuition Guarantee & Non-Residents	▪ Non-Guarantee 0.0% / TG 2026 3.0% ▪ 7.5% ($25.3M) ▪ 3.0% ($3.4M) ▪ 4.0% ($5.0M) ▪ 3.0%
STATE SHARE OF INSTRUCTION (SSI)	▪ State of Ohio Subsidy, based on Final FY26-27 Operating Budget ▪ Includes of Salmon P. Chase Center earmark, reallocated from state line item	▪ +$7.4M marginal formula driven SSI ▪ +$3.5M marginal funding for Chase
RESEARCH & GRANTS	▪ Federal research (reflects 30% cap on IDCs) and private grants ▪ State and local grants and contracts	▪ -16.4% Federal; 5.5% Private grants ▪ 2.0% State; 4.6% Local grants
FUNDRAISING	▪ Current Use Gifts – the Change from $190.0M Base in FY25 ▪ *New Fundraising Activity (NFA) measurement basis – the Change from $663M Base in FY25*	▪ +$7M current use gifts ($197.0M) ▪ *+43M NFA activity (FY26: $706M)*
ENDOWMENT DISTRIBUTION	▪ LTIP return and endowment distributions based on a 5-year average	▪ 8% LTIP; 4.5% distribution
AUXILIARIES	▪ Athletics: 7 home football games in Autumn 2025 ▪ Student Life	▪ +$9.3M due to sponsorships and conference distributions ▪ -$5.3M driven by Autumn 2025 NYFS Cohort

THE OHIO STATE UNIVERSITY

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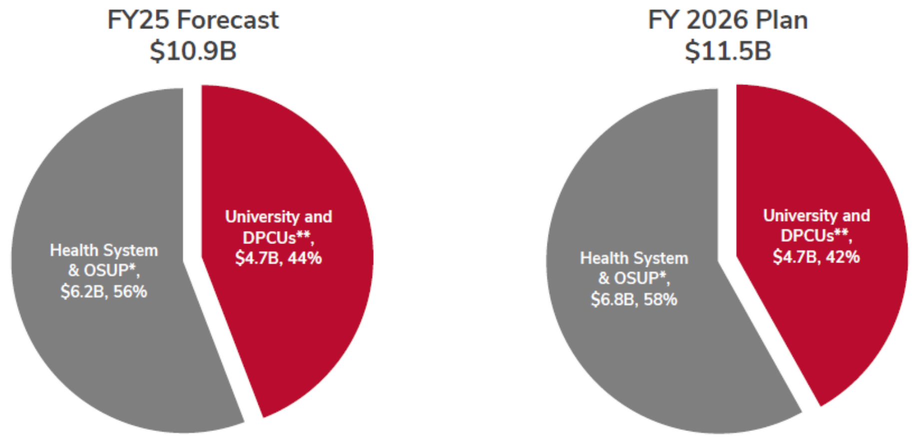
After reviewing the Senate Fiscal Committee's recommendations adopted by Executive Leadership, Katie shared the consolidated financial plan for FY26. Total sources across the university and health system amount to **$11.5 billion**, with the university portion comprising **$5.0 billion**. The university is projecting a $152.8 million margin, bolstered by **approximately $26 million in one-time funds** from the unusually large Autumn 2024 incoming class. Personnel costs remain the largest expense category, **increasing 5.9% year-over-year**. The committee discussed how this margin will largely be reinvested in capital projects and operating reserves.

OSU Budget Model Summary – Presenter: Katie Hensel
Katie Hensel presented an overview of Ohio State University's FY26 budget model, highlighting a projected **$11.5 billion in external sources**. Of this, **58%** is expected from the Health System and OSU Physicians, while **42%** will come from university operations and component units. Academic and support units are allocated **$4.2 billion**, with **Columbus Colleges** receiving the largest share at **$2.3 billion**.

Consolidated Financials – Total External Sources



** The Ohio State University Physicians, Inc.*
*** Discretely Presented Component Units (DPCUs) include Campus Partners, Transportation Research Center, Dental Faculty Practice, and SciTech.*

The Ohio State University 4

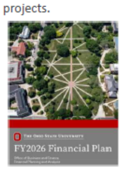
The university's funding sources are led by:

- **Tuition & Fees** (31%)
- **Grants & Contracts** (22%)
- **Government Appropriations** (11%)

FY 2026 Plan - University Sources & Uses, by Fund Group

For the FY 2026 Plan:

- Unrestricted General and Designated funds are projected to generate a margin of $96.2M, which is mainly used for operating reserves and strategic investments.
- Earnings operations are planned to generate a slightly positive margin of $2.7M.
- Endowment and Development funds are planned to generate a margin of $35.8M mainly due to anticipated timing differences between gift receipt or endowment distribution and spend.
- Restricted Grants and Contracts generate a margin of $18.2M due to the timing of reimbursements on research projects.



View or download the FY26 Plan

Total Sources ($ thousands)	General and Designated (Unrestricted)	Earnings	Endowment and Development	Grants and Contracts (Restricted)	Total FY2026 University
Tuition and Fees (gross)	$1,531,204	$1,976	$-	$657	$1,533,838
State Share of Instruction	$453,309	$-	$-	$-	$453,309
Other Operating Appropriations	$-	$-	$-	$105,418	$105,418
Exchange Grants & Contracts	$38,049	$1,680	$2,370	$924,714	$966,813
Non-Exchange Grants & Contracts	$-	$300	$-	$153,703	$154,003
Sales and Services - Auxiliaries	$-	$484,281	$-	$-	$484,281
Sales and Services - Departmental	$59,366	$159,268	$821	$-	$219,455
Current Use Gifts	$600	$-	$196,400	$-	$197,000
Endowment Distributions	$262,559	$-	$195,990	$-	$458,549
Interest Income	$97,944	$2,325	$35	$51	$100,355
Other Revenue	$30,980	$15,124	$107	$1,616	$47,827
Total External Sources	**$2,474,011**	**$664,953**	**$395,723**	**$1,186,159**	**$4,720,847**
Net Transfers In (Out)	$303,700	$40,728	($61,342)	$0	$283,086
Total Internal Sources	**$303,700**	**$40,728**	**($61,342)**	**$0**	**$283,086**
Total Sources	**$2,777,711**	**$705,681**	**$334,381**	**$1,186,159**	**$5,003,932**

Total Uses ($ thousands)	General and Designated (Unrestricted)	Earnings	Endowment and Development	Grants and Contracts (Restricted)	Total FY2026 University
Salaries	$1,280,783	$379,596	$53,538	$405,988	$2,119,906
Benefits	$376,972	$117,477	$14,573	$104,434	$613,457
Total Personnel Expense	**$1,657,755**	**$497,074**	**$68,112**	**$510,422**	**$2,733,363**
Fee Authorizations	$125,046	$1,710	$4,453	$18,042	$149,250
Student Aid	$284,674	$34,068	$64,074	$144,185	$527,001
Supplies, Services & Other	$546,032	$170,120	$161,977	$495,291	$1,373,420
Debt Service	$68,048	$-	$-	$-	$68,048
Total Non-Personnel Expense	**$1,023,800**	**$205,898**	**$230,503**	**$657,518**	**$2,117,719**
Total Uses	**$2,681,556**	**$702,972**	**$298,615**	**$1,167,940**	**$4,851,082**
Sources Less Uses, Operating	**$96,154**	**$2,710**	**$35,766**	**$18,218**	**$152,850**

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Projected expenditures total **$4.9 billion**, with:

- **Personnel costs** make up 56%
- **Student Aid** at 11%
- **Supplies & Services** at 28%

University Operating Plan: Fund Types & Restrictions

Fund Group	Fund Type	Typical Funding Sources	Restrictions
Unrestricted	General Funds	Tuition and student fees, state share of instruction, short term interest income, grant facilities and administrative cost allowances, cost allocations from earnings funds and Health System	None
	Designated	Originally from General Funds or unrestricted gifts, internally designated for a specific purpose	Not legally restricted but internally restricted for stated purposes
Earnings	Auxiliary Earnings	User fees, e.g., housing, dining, athletics ticket revenue	Not legally restricted, but customer/user may expect specific fees to only support specific goods or services
	Departmental Earnings	User fees, including internal billings, e.g., instructional clinic revenue, lab services revenue, etc.	Not legally restricted, but customer/user may expect specific fees to only support specific goods or services
Restricted Endowment and Development	Current Use Gifts	Donor gifts without either a requirement to be deposited into an endowment or used for a capital project	Restricted based on donor intent, may be governed by a gift agreement
	Endowment Income/Expense	Income from investment of donor gifts in the endowment	Restricted based on donor intent as memorialized in fund description
Restricted Grants and Contracts	Grants and Contracts	Grant or contract dollars received from external entities; includes specific line-item appropriations from the State of Ohio	Restricted based on grant agreement, contract, or line-item appropriation description

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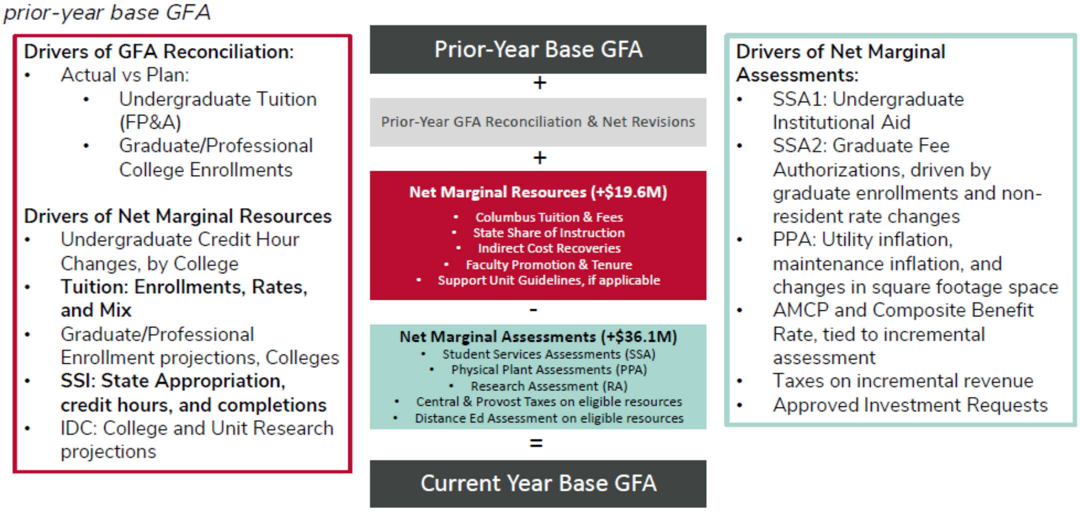
Fund group margins are positive across all categories:

- **Unrestricted (General/Designated):** +$96.2M noting that $26M is one-time from the TG25 undergraduate student cohort
- **Earnings:** +$2.7M
- **Endowment/Development:** +$35.8M
- **Restricted Grants/Contracts:** +$18.2M

Unit-Specific General Funds Allocation (GFA)

Marginal model applies incremental changes to both resources and assessments against prior-year base GFA



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The General Funds Allocation (GFA) model continues to adjust unit budgets based on credit hour production and marginal changes in tuition, state share of instruction (SSI), and internal assessments. Strategic priorities for FY26 include expanding online programs, managing inflationary pressures, and optimizing enrollment mix.

2025-2026 Committee Planning: Presenter: Justin Kieffer, Chair

Following the financial presentation, Kieffer reviewed the SFC calendar for the year and discussed subcommittee assignments. Final rosters and chairs will be confirmed shortly. Kieffer emphasized the need for timely subcommittee work so that utilities, overhead, and support office requests can be reviewed well in advance of the FY27 planning cycle.

New Business: Presenter: Justin Kieffer, Chair

In the final segment of the meeting, members discussed several forward-looking issues. **Leadership from Strategic Enrollment will present to SFC in December and January** to provide insight into enrollment trends and their impact on revenue forecasts. The committee also discussed anticipated declines in federal research funding and the **importance of monitoring this trend closely. FP&A highlighted ongoing efficiency initiatives,** including Lean Six Sigma projects, hybrid workspace guidelines, and reviews of low-enrollment courses, as part of a larger effort to optimize university spending.

The committee agreed on **several follow-up actions: finalizing subcommittee rosters and chair appointments.** The next meeting of the Senate Fiscal Committee is scheduled for Tuesday, September 23, 2025; topics include an update from ERIK on the status of federal research and proposed changes to indirect cost recoveries (IDCs) as well as an update from the Energy Office.

The meeting was adjourned at 4:29 pm.

Senate Fiscal Committee Meeting Minutes

Date: September 23, 2025
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members:
Justin Kieffer, John Buford, Mark Foster, Kris Devine, Anna Zaitseva, Kim Kinsel (on behalf of David Horn), Kim Young, Shaurya Prakash, Karla Zadnik, Derrick Wyman, Blaise Tayse, Matt Smith, Scott Schricker, Derek Hansford, Gretchen Gombos, Bobby Srivastava, Terry Snoddy (on behalf of Dean Kress), James Woods, Catherine Quatman-Yates.

Guests and Staff Support:
Lorri Fowler (Guest), Dr Cynthia Carnes (Guest), Scott Potter (Guest), TJ Wood (Guest), Adam Sharp (Guest), Katie Hensel, Lily Langley, Chad Foust, Steve Pruchnicki, KJ Jariwala, Brian Clark, Beth Tucker.

Welcome and Approval of Previous Minutes: Presenter: Justin Kieffer, Chair

The Senate Fiscal Committee convened virtually for its first meeting of the 2025–2026 academic year. Chair Justin Kieffer welcomed attendees and acknowledged scheduling conflicts among several members. Quorum was confirmed with eleven members present, allowing the meeting to proceed. The committee reviewed and approved the minutes from the previous meeting. Minor attendance corrections were noted, and the motion to approve passed unanimously.

ERIK: Federal Research Update Presenters: Cynthia Carnes, Senior AVP for Research & Lorri Fowler, AVP for Finance and Business Administration

Federal Administration Transition

- ❑ Facilities and Administrative (F&A) Flat Rate Notice *(initial 2/7/2025)*
  - ❑ *Appeals filed by numerous organizations*
  - ❑ *Continuing resolution filed in early March – Current negotiated rates in effect until Sept 30, 2025*
- ❑ Stop Work Orders
  - ❑ *Notices directly from the respective agency*
- ❑ Notice of Awards (NOA)
  - ❑ Revised terms and conditions in federal contracts

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ENTERPRISE FOR RESEARCH, INNOVATION AND KNOWLEDGE

Dr. Cynthia Carnes, Senior Vice President for the Enterprise for Research, Innovation, and Knowledge (ERIK), and Dr. Lorri Fowler, Vice President for Finance, delivered an extensive presentation on the current federal funding environment and its implications for the university's research enterprise. Carnes provided an update on ongoing litigation related to the federally imposed 15% F&A cap, noting that the university continues to operate under its negotiated F&A rate while legal challenges proceed. She explained that although several diversity, equity, and inclusion projects were initially halted by stop-work orders, many of these awards have since been reinstated. Overall, approximately 30 awards remain affected — a relatively small portion of the total research portfolio. The financial impact of these orders is approximately $30 million, which is considered manageable given the institution's size. Greater concern lies in the volatility of federal award terms and conditions. Sponsored Programs and Legal Affairs are actively reviewing each change to ensure compliance and protect the university's interests.

Risk Mitigating Strategies

- Increase F&A rate on industry sponsored clinical trials to 35% from 26% (FN)
  (Effective 3/1/2025)

- Use of full cost recovery rate of 68.2% for industry sponsored research (FN)
  (Effective 3/15/2025)

- Updated Letter of Offer Verbiage *(9/1/2025)* (FN/HR)
  - Verbiage in letters of offer to reflect funding availability
  - Utilization of "term" vs. "regular" status for grant-funded positions

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*FN = Financial / HR = Human Resources

Fowler followed with a financial perspective, detailing the magnitude of exposure created by external economic factors. She cited an example of tariffs on imported research equipment that could have cost $7 million on just two projects. To safeguard the university's fiscal health, the administration implemented risk mitigation strategies: raising the F&A rate for industry-sponsored clinical trials from 26% to 35%, requiring full cost recovery (68.2%) on industry research contracts effective March 1, and reviewing exceptions case by case. Fowler also noted HR policy changes that explicitly tie grant-funded positions to the availability of funds, thereby minimizing the risk of unfunded salary obligations in future years.

INFORMATION AND RESOURCES

2025 Federal Administration Transition

Proposal Development And Submissi

The Ohio State University is committed to providing our faculty and staff the most up-to-date information to ensure alignment with current federal and state regulatory requirements. Working with our Office of Government Affairs and others, this webpage contains updates and resources related to federal actions impacting federally-funded research. We will update regularly as new developments arise. If you have any specific questions please contact your sponsored program officer or email erik@osu.edu.

ERIK Updates

Posted September 22, 2025

There are no new updates at this time.

Posted September 20, 2025

On Sept. 19, 2025, an executive order requiring an additional $100,000 fee for H-1b workers entering the United States was signed. It is effective at midnight between Sunday, Sept. 21, and Monday, Sept. 22. This would impact those workers on H-1b visas and would not affect those on student visas, including F-1 and J-1 students and F-2 and J-2 dependents. The U.S. Citizenship and Immigration Services shared additional information over the weekend stating that the order only applies to new petitions that have not yet been filed. For more information please visit the university's Legislative and Executive Actions webpage under Immigration.

2025 Federal Administration Transition Information and Resources | Ohio State Office of Research

A robust discussion followed. Committee members expressed concern that higher F&A rates might strain relationships with smaller industry partners. Carnes reassured members that pre-March 1 agreements would be honored and emphasized a shift toward negotiating based on total project cost, which provides transparency and fairness. Members also discussed the proposed $100,000 annual H-1B visa fee per employee, with HR currently assessing the impact on talent acquisition.

Energy Office: Utilities Update and Discussion Presenters: Scott Potter, Senior Director of Comprehensive Energy Management & TJ Wood, Strategic Planning Consultant

FY25 Utility Costs – Budget to Actuals

- FY25 Budget: $206.2M
- FY25 Actuals: $202.9M
- Under budget by: $ 3.3M
  - Commodity spend: $3.4M over budget
    - No CHP savings, favorable market pricing
  - Utility fee spend: $6.1M under budget
    - Reduced operational costs and lower capital investment than forecasted

Scott Potter and TJ Wood from Comprehensive Energy Management presented a look back at FY25 and a forecast for FY26 utility spending**. FY25 closed $3.3M** under budget, but this was largely due to delayed capital spending rather than commodity savings. The university actually experienced higher-than-expected commodity costs due to increased transmission and capacity charges, partially offset by favorable price hedges.

FY26 Utility Budget

- FY25 utility budget: $206.2M
- FY26 utility budget: $233.5M
  - 13% increase
  - Factors include:
    - Delayed CHP savings
    - Significant electricity market increases (i.e. capacity)

Looking

ahead, the FY26 budget reflects a significant increase, rising to nearly **$234M**. Capacity costs for electricity alone are expected to **add $12–15M annually**, with further increases projected next year due to regional market constraints driven by industrial and data center growth. The combined heat and power (CHP) plant, originally expected to generate savings in FY25, will **not** come online until early **FY27**, when it is projected to save **$10–15M** annually once fully operational.

Questions from the group centered on the financial impact of escalating utility costs on college budgets and whether additional renewable energy investments, such as solar, could offset costs. Potter explained that on-campus solar remains cost-prohibitive but that large-scale utility projects may become more attractive as energy prices rise.

Subcommittee Updates: Presenter: Justin Kieffer, Chair

Chair Kieffer announced subcommittee leadership assignments. Members were encouraged to review their assignments in Teams and coordinate with their chairs. FP&A will assign liaisons to support subcommittee work. The committee reviewed updated subcommittee chair assignments, thanking members who volunteered to lead efforts in College Finance, Student Fee Review, and Support Office Finance. The discussion then turned to HR Service Delivery (HRSD), which continues to run a $**6-$8M** structural deficit. Members debated whether HRSD has achieved the intended efficiencies since centralization and how costs should be balanced between central HR and college-level staffing.

Several members stressed that cost-reduction targets must be clearly defined and phased in over time to avoid disruptions to hiring, payroll, and employee services. The committee plans to revisit this topic in the coming weeks when HR leadership provides an updated financial model and proposed funding distribution. A follow-up presentation from HRSD is scheduled for the next Senate Fiscal Committee meeting.

New Business: Presenter: Justin Kieffer

The meeting concluded with a brief discussion on custodial costs such as chalk removal and whether data exists to quantify these expenses. The latter question will be shared with facilities for follow-up. The committee adjourned with a reminder that the next session will include updates on HRSD financial modeling and sustainable funding proposals.

The meeting adjourned with no further business. The next session is scheduled in two weeks, on October 7th.

Senate Fiscal Committee Meeting Minutes

Date: October 21, 2025
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members, Guests, and Staff Support: Justin Kieffer, Mark Foster, Anna Zaitseva, Derek Hansford, Bobby Srivastava, Scott Schricker, Kim Young, Matt Smith, James Woods, John Buford, Kristine Devine, Derrick Wyman, Gretchen Gombos, Shaurya Prakash, Kerry Schmidt, Kimberly Kinsel, Karla Zadnik, Catherine Quatman-Yates, Blaise Tayese, Scott Levi

Guests and Staff Support:
Lily Langley, Katie Hensel, Lisa Plaga, Katie Hall, Julie Grubb, Kayla Adams, Chad Foust, Steve Pruchnicki, KJ Jariwala, Brian Clark, Beth Tucker.

Welcome and Approval of Previous Minutes:
Quorum was confirmed. The committee approved September 23, 2025, minutes by unanimous consent with no objections raised.

HR Service Delivery (HRSD) Update Presenters: Katie Hall (Talent, Culture & Human Resources), Lisa Plaga (Business & Finance)

Overview

Reviewed the current plan as compared to the original model and EAB benchmarking. Gaps from the original model:

- Staffing size and career level balancing never occurred in some cases, due to ongoing service exceptions and needs.
- In some cases, standardized service levels, processes, and expectations were never created.

	Benchmarking		Total - Adj Model		FY26 Plan		Difference	
Department	University	EAB	FTE	Salaries	FTE	Salaries	FTE	Salaries
Administration	1%	N/A	7	1,577,105	6	1,435,040	(1)	(142,065)
Marketing and Communications	1%	4%	3	428,468	3	342,379	-	(86,089)
Employee and Labor Relations	5%	13%	22	1,953,313	18	1,735,437	(4)	(217,876)
HR Technology and Service Operations	4%	10%	20	2,075,933	22	2,528,476	2	452,543
Core Services Shared Services			29	1,662,985	20	1,020,801	(9)	(642,184)
Strategic Initiatives	32%	9%	98	8,477,782	110	10,504,403	12	2,026,621
Compensation	6%	7%	23	2,258,637	22	2,596,254	(1)	337,617
Talent Management and Special Events			20	2,039,536	12	1,570,012	(8)	(469,524)
Executive Recruitment, Talent Acquisition, and Talent Management	28%	12%	28	1,236,138	62	4,398,893	34	3,162,755
Payroll	7%	11%	38	2,634,857	35	2,514,351	(3)	(120,506)
Unmapped Positions	N/A	N/A	9	432,266			(9)	(432,266)
Total			296	24,777,020	310	28,646,046	13	3,869,026

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The HRSD review proceeded under a zero-based budgeting (ZBB) framework jointly led by OHR and Business & Finance. The project plan included educating OHR leadership on ZBB, applying ZBB techniques across departments, and reviewing results with a governance group comprising college and support-unit leaders.

Opportunities Identified During the ZBB Process

OHR Recommendation - Opportunities were identified during the ZBB process for potential cost savings and efficiencies.

- We anticipate identifying $1 million in savings across these concepts in FY26.
- Further conversations with executive leadership will help to confirm future cost savings.
- An analysis of how to streamline and enhance services should be performed, with a commitment to report to Executive Leadership on results.

Standardized service delivery model

There are significant inconsistencies in services provided by college/unit teams and the level of support received by each college/unit. This results in large discrepancies in support and potentially higher staffing levels when performing non-HR support.

Appropriate career leveling

During the original consolidation, employees were classified based on their current salaries and classifications and an assessment was to be performed to determine the appropriate classification based on work performed in the new organization. That leveling analysis has not been performed in all cases and should be completed.

Process efficiencies

Many of the current processes were designed with the implementation of Workday over 5 years ago. At that time, there were many unknowns associated with how the centralized HR model would function. Those processes should be revisited with redundancies removed.

Staffing levels and support

Since the implementation of HRSD, the university has continued to enhance its service center support across all functions. OHR should investigate the consolidation of IT functions under the OTDI MITS service center and explore consolidation. Further staffing sizes were built during a significant system conversion, as we have progressed to a steady state environment those staff size should be evaluated for need, using other university departments and the projects and priorities expected of OHR as benchmarks.

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Key Findings & Opportunities (from ZBB)

- Standard service delivery: Significant inconsistencies exist across colleges/units in HR services and levels of support, including instances where HR staff perform non-HR tasks. Standardization is recommended to align scope and expectations.
- Career leveling: Initial post-consolidation leveling was not completed in all areas; a comprehensive leveling analysis is needed to align roles with work performed.
- Process efficiencies: Many processes reflect early Workday-era design; redundancy reduction and streamlining are recommended. Consolidation opportunities (e.g., IT under OTDI MITS) should be assessed.
- Savings outlook: OHR anticipates **$1M** in FY26 savings from these concepts, with additional efficiencies to be refined with executive leadership.

Funding Model Concepts & FY26 View

HRSD Funding Model Review

Alternative funding models have been reviewed and discussed using the FY26 Financial Plan expenses alongside the model concepts detailed below. –

- Allocation of pooled costs based on where services are provided.
- Direct costs billed to the unit using the direct Strategic Initiatives and Talent Acquisition team members assigned to that unit.

Summary	FY26 HRSD Billing	FY26 - Separate Pools	FY26 - One Combined Pool
Pooled Costs			
Central Cash Infusion	977,811	-	-
Direct Bill - WMC, including payroll	13,866,014	11,431,624	13,503,799
Direct Bill - Univ (excludes payroll)	8,851,270	10,800,925	8,728,750
B&F Payroll Costs	-	1,462,545	1,462,545
Total Pooled Costs	*23,695,095*	*23,695,095*	*23,695,095*
Direct Costs			
Unit Fee Revenue	13,303,916	18,493,292	18,493,292
Central Cash Infusion	5,189,376	-	-
Total Direct Costs	*18,493,292*	*18,493,292*	*18,493,292*
Grand Total Costs	**42,188,387**	**42,188,387**	**42,188,387**

THE OHIO STATE UNIVERSITY

Department	FY26 Plan Expenses
Pooled Costs - University & WMC	
Administration	1,436,970
Compliance	404,951
Marketing and Communications	474,431
Employee and Labor Relations	396,013
Employee and Labor Relations - Union Activity	662,664
Employee and Labor Relations -Policy Activity	132,832
Compensation	3,904,443
Special Events	137,016
HR Technology and Service Operations	4,673,055
Core Services Shared Services (HR Connection)	987,629
Talent Management Shared Services - I9/VISA	419,550
Talent Acquisition - Background Check Activity	750,415
Executive Recruitment	865,860
Training	383,803
Total	15,629,632
Pooled Costs - University Only	
Employee and Labor Relations	1,188,038
Talent Management	2,579,553
Total	3,767,591
Pooled Costs - WMC Only	
WMC Administration	641,509
Payroll	2,193,818
Total	2,835,327
Direct Costs - University Only	
Strategic Initiatives (HRBPs/HRCs)	14,247,928
Talent Acquisition (Recruiters)	4,245,364
Total	18,493,292
Pooled Costs - B&F Only	
Payroll	1,462,545
Total Expense	42,188,387

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- Pooled vs. Direct Costs: The model differentiates costs shared across the University and Wexner Medical Center (pooled) from unit-specific services (direct), especially HRBPs/HRCs (Strategic Initiatives) and Talent Acquisition assigned to units.
- FY26 plan totals: Planned HRSD expenses are **$42,188,387**, with pooled cost categories and direct college/unit costs delineated in the deck. Alternative funding distributions were modeled (separate vs. combined pools) with the same grand total.

Committee Discussion Highlights

- Structural gap & efficiency target: The current structural deficit is ~**$6M**. HR has an FY26 efficiency target of **$1M**, *which reduces—but does not eliminate*—the gap. Efficiency savings remain with HR to close the deficit rather than continuing to support gap with central cash.
- Direct billing & transparency: Members discussed separating pooled services from direct services and billing the latter to the consuming units for transparency and equity.
- Manager self-service adoption: Lower adoption of Workday manager self-service in academic units shifted transactional work to HR staff, complicating headcount reductions envisioned at model launch.

- Centralization rationale: Some functions were centralized to manage risk, compliance, and equity; moving them back locally would likely shift costs rather than reduce expenses.
- Benchmarking & staffing density: Members requested clearer "service density" benchmarks and ratios, leveraging EAB data cited in the deck.
- Glide path & timing: Strong interest in a phased, two- to three-year plan combining internal HR efficiencies, potential central cash smoothing, and incremental assessments to units—delivered early (**target**: **January**) to align with FY27 budget planning assumptions.
- Model inception vs. Workday cost: The deficit originated when the HRSD model launched with planned future savings/attrition that did not fully materialize; it was not attributed to incremental staff commitment with the transition to Workday.
- Recent assessments: For the past two fiscal years, the campus HRSD assessment increased to address compensation inflation for existing staff resulting from AMCP and benefit increases. While incremental campus assessment was helpful, these increments did not resolve any portion of the structural deficit.

Next Actions
Complete the ZBB outcomes review, confirm priority efficiency moves, and finalize the funding model recommendation (pooled vs. direct billing). Prepare a targeted, time-phased deficit reduction plan for executive review and for Senate Fiscal consideration to set planning assumptions for FY27.

Subcommittee Updates
- College Finance Subcommittee — John Buford (Chair): Held its first meeting; will review the budget model and tuition flows across program types this year; membership additions are in progress.

- **Student Fee Review Subcommittee** — Scott Schricker (Chair): Organizational meeting next week; detailed reviews will start after requests are received later in the year.

- **Support Office Finance Subcommittee** — Mark Foster (Chair): Will begin work on HRSD recommendations; call for SOFS requests due Nov 21; *emphasis on requestors first exhausting internal funds before seeking central support*.

New Business:

Salmon P Chase Center reporting to the provost (discussion): Members asked how the center fits within the budget model. It presently operates on a state line-item (**approx. $8.5M in FY26**) and will begin earning funding from the OSU model as for-credit offerings scale; any future structural gap should state funding be reduced, or expenses outpaced by available funding sources, would follow the Office of Academic Affairs process before coming to Senate Fiscal. Faculty with tenure would continue under applicable faculty rules.

Adjournment:

With no further business, the meeting was adjourned. Next meeting is November 4. 2025.

Senate Fiscal Committee Meeting Minutes

Date: November 4, 2025
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members, Guests, and Staff Support: Justin Kieffer, Mark Foster, Anna Zaitseva, Derek Hansford, Bobby Srivastava, Scott Schricker, Kim Young, Matt Smith, James Woods, John Buford, Kristine Devine, Derrick Wyman, Gretchen Gombos, Shaurya Prakash, Kerry Schmidt, Kimberly Kinsel, Karla Zadnik, Catherine Quatman-Yates, Scott Levi, Norman Jones, and David Horn.

Guests and Staff Support:
Lily Langley, Katie Hensel, Kayla Adams, Chad Foust, Steve Pruchnicki, KJ Jariwala, Brian Clark, Beth Tucker, Henry Ferris, Kelly Hamilton, Robert Cooper, Richard Silveria, Pam Doseck, Dave Magee, and Arick Forrest

Welcome and Approval of Previous Minutes:

Quorum was confirmed. The committee approved the October 28, 2025 meeting minutes by unanimous consent, with no objections raised.

Health Plan Results & 2025 Update

Presenters: Kelly Hamilton, Executive Director of the OSU Health Plan and Dr. Rob Cooper, Medical Director of the OSU Health Plan

Kelly introduced the Wexner Medical Center's new chief financial officer, Richard Silveria prior to providing an overview of the 2024 medical trends. As noted on slide 3, the 2024 medical and prescription spend totaling $579 million dollars (net pay) represents the actual financial obligation of the health plan which must be paid. She explained that the PMPY metric is used to standardize costs relative to membership size, after accounting for a **3% increase in membership in 2024**. She provided a breakdown of spending which included the out-of-pocket costs, allowed amount and the net pay per employee.

Excerpted slides and discussion highlights are noted below:

2024 Trend Summary

Health Benefit Spend/Per Member Per Year (PMPY) – Incurred	2023	2024	% Change
Net Pay Medical	$353,782,535	$393,621,750	11.3%
Net Pay Rx	$143,476,554	$185,281,284	29.1%
Net Pay Medical and Rx	**$497,259,089**	**$578,903,034**	**16.4%**
Net Pay PMPY Medical	$5,049	$5,455	8.0%
Net Pay PMPY Rx	$2,048	$2,568	25.4%
Net Pay PMPY Medical and Rx Adjusted	**$7,234**	**$8,148**	12.6%
Adjusted PMPY with Rx Rebates	$6,555	$7,446	13.6%
Out of Pocket Total *(Member Responsibility)*	$928	$1,019	9.8%
Allowed PMPY – Total Plan and Member Obligation	$8,237	$9,259	12.4%
Net Pay Per Employee Per Year (PEPY) Medical & Rx	$15,515	$17,315	11.6%
Members Avg	70,070	72,161	3.0%

- Medical trend (8.0%) primarily due to increases in outpatient services costs, hospital and physician rate increases, and high-cost cancer cases.
- Pharmacy trend (25.4%) primarily due to increases in both cost and utilization of non-specialty drugs. Pharmacy trend without GLP-1 for weight management is 11.9%.
- Net pay PMPY trend with rebates and adjustments is 13.6%; trend without GLP-1s for weight management is 9.1%. Milliman benchmark is 6.9%

Measure	Definition
Adjusted PMPY with Rx Rebates	**Per member per year costs** (PMPY) are based on the sum of all medical/pharmacy costs, including 90 day runout and IBNR (incurred but not reported) factors as well as any value-based payments, capitated payments and other adjustments divided by the number of members with medical coverage. It is the sum of Net Pay PMPY for medical claims and Net Pay PMPY for pharmacy claims. Includes pharmacy rebates.
Incurred Data	Incurred data is based on the service date of the claim and typically includes 3 months of claims lag.
Net Pay	Total amount paid by Health Plan for medical and Pharmacy Benefit Management (PBM)(RX) dollars. **Does not include member cost share.**
Allowed	Total amount allowed by Health Plan for medical and PBM (RX) dollars. **Includes payments and cost sharing by member as well as any third party payers.**

The Ohio State University
HEALTH PLAN

Key 2024 Health Plan Financials & Trends include:

- Membership increased by 3% in 2024.
- Overall spend trend: 13.6% increase, primarily driven by GLP-1 medications for weight management. Without GLP-1 impact, trend would be ~9.2%.
- Medical trend: 8% increase, driven by outpatient services and provider rate increases.

High-Cost Members >$100,000

Although high-cost spend was not a key driver of overall trend, high-cost members increased 15.2%

	2022	2023	2024	% Change
Patients	629	702	809	15.2%
Net Pay Med	102,759,483	$117,794,421	$127,200,326	8.0%
Net Pay Rx	35,206,065	$42,658,675	$52,180,111	22.3%
Net Pay Med and Rx	$137,965,549	$160,453,095	$179,380,438	11.8%
% of Total Net Payments	31.7%	32.3%	31.0%	-4.0%
High-Cost Children	105	104	103	-1.0%
Admits	345	359	378	5.3%

Top Eight Episode Conditions

Condition	# Patients*	Plan Cost
Cancer	295	$42,384,628
Cardio	268	$9,186,658
Musculoskeletal	437	$8,781,067
Neonatal	74	$8,178,244
Neurological	232	$7,980,586
Gastro	266	$6,225,360
Endocrine	216	$5,584,282
Renal	183	$5,224,409
Total	809	$179,380,438

*Members are counted in more than one condition

- Percentage of total spend for high-cost in 2024 is similar to that in 2023.
- Cancer, GI/GU, Immune consistently stay as the top 3 condition categories for first-time and repeat high-cost members.
- Cancer spend is up 19% over last year's episode total.
- Third party audit savings of $2,679,444, a 59% increase over savings in 2023.

The Ohio State University
HEALTH PLAN

- High-cost members ($100k+): 15% increase in 2024, with cancer as the top condition (19% increase in high-cost cancer cases).
- Outpatient and prescription drugs are the largest service categories.

GLP-1 Weight Management Medications

Plan cost increased $21.5M in 2024

Description	2023	2024	% Change
Plan Cost	$11,622,600	$33,163,947	185.3%
Rx Count	9,723	30,167	210.3%
Rx Utilizers*	1,764	4,481	154.0%
Average Plan Cost/Rx	$1,195	$1,099	-8.0%

*Unique utilizers of GLP-1 for weight management

- Based on December 2024 spend and utilization, projected costs for 2025 $46.6M. As members utilizing the medication grow, so will the expense.
- To help manage costs EncircleRx Program implemented March 1, 2025.
  - Higher BMI requirements than current FDA guidelines (32 vs. 30 BMI)
  - Consideration of documented comorbidities—two along with a BMI under 32
  - Member requirement to enroll in Omada, a lifestyle modification program

Pharmacy Spend & GLP-1 Impact:

- Prescription drug spending is up 25%, GLP-1 medications are a major driver.
- GLP-1 spend on weight management increased by $21M to $33M in 2024; utilization went up 150%.

Outpatient Prescription Drug Spend

Description	Overall	Non-Specialty	Specialty
Total	25.4%	43.6%	8.4%
Utilization*	6.7%	6.7%	1.8%
Member Cost Share	2.2%	1.7%	2.6%
Unit Cost	16.3%	35.2%	3.8%

*Utilization based on changes in days PMPM

- Rebate guarantees paid were **$50.6M** for 2024.
- SaveOnSP net plan savings of **$7.4M** and member savings of **$612K** in 2024.
- **Medication Therapy Management** – OSUHP pharmacists working with members and their providers to ensure safety and effectiveness of their medications.
- ESI reported clinical savings and impact for 2024 is **$55.8M**, which includes the work of our on-site pharmacy staff.
- **ESI Pricing Guarantees** not met resulting in payment of **$1.3M.**

- Encircle RX program implemented in March 2025 to manage costs, but utilization continued to rise.
- Rebates and savings programs (Save on SP, Medication Therapy Management) provided significant offsets.

Utilization Management (Dr. Rob Cooper)

Utilization Management (UM)

Utilization remains stable while complexity of case reviews has increased.

Utilization Management	2021	2022	2023*	2024*	% Change
Total Reviews	18,138	17,375	19,174	18,960	-1%
Medical Director Reviews	1,650	1,614	2,109	1,999	-5%
Peer to Peer Reviews	73	60	60	59	-2%
Percent Reviewed	10.5%	10.7%	12.8%	12.2%	-5%

*Identified and corrected reporting issues in Epic Tapestry, resulting in more accurate reporting of UM review volumes

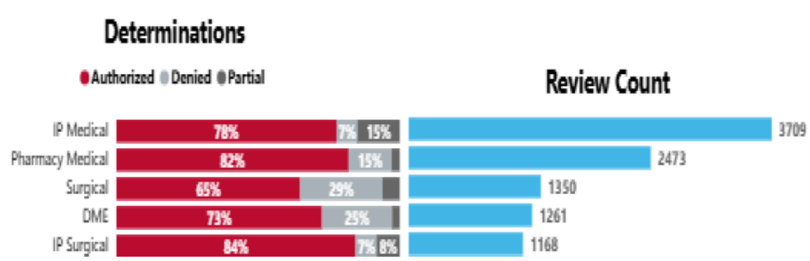
- Evaluated the UM/ECM process flow and designed new structure to promote efficiency and maximize expertise in transitional care.
- Finalized compliance activities with Mental Health Parity.
- Quarterly update meetings with Harding continue. Implemented use of IHIS/Tapestry with Harding to streamline review process.
- Implemented OSUMC Value Based contract for 2025 with at risk dollars tied to utilization metrics. Metrics include high-tech imaging, readmissions, avoidable admissions, length of stay and moving medications to lower cost biosimilars.
- Transfer of patients at non-network hospitals in Franklin County to OSUWMC to achieve lower pricing
- Transitioning of adult members at Nationwide Childrens Hospital to OSUWMC to achieve lower pricing

The Ohio State University Health Plan

- 12.2% of claims reviewed; ~19,000 reviews conducted.
- Enhanced case management for high-risk members.

Utilization Management Reviews

Top 5 categories for UM



- Inpatient Medical denials are typically for prior-authorizations ahead of time when the reason for admission does not meet inpatient criteria.

The Ohio State University Health Plan

- Mental health parity finalized; streamlined reviews with OSU Psychiatry.

- Value-based contract with OSU Medical Center ties payment to performance.

Jan-June 2025 Trend Summary

Health Benefit Spend/Per Member Per Year (PMPY) – Jan-Jun Incurred	2024	2025	% Change
Net Pay Medical	$188,861,041	$212,363,789	12.4%
Net Pay Rx	$82,526,676	$102,132,288	23.8%
Net Pay Medical and Rx	$271,387,717	$314,496,077	**15.9%**
Net Pay PMPY Medical	$5,272	$5,737	8.8%
Net Pay PMPY Rx	$2,304	$2,759	19.8%
Net Pay PMPY Medical and Rx Adjusted	**$7,720**	**$8,587**	**11.2%**
Out of Pocket Total *(Member Responsibility)*	$1,181	$1,256	6.3%
Allowed PMPY – Total Plan and Member Obligation	$9,040	$10,033	13.0%
Net Pay Per Employee Per Year (PEPY) Medical & Rx	$16,397	$18,176	10.8%
Members Avg	71,652	74,031	3.3%

- Medical trend (8.8%) is primarily due to increases in outpatient services costs as well as hospital and physician rate increases.
- Pharmacy trend (19.8%) is primarily due to increases in both cost and utilization of non-specialty drugs, specifically GLP-1s for weight management. PMPY trend for non-specialty drugs is 25.1% and specialty drugs is 13.2%.
- Pharmacy trend without GLP-1's for weight management is 16.8%.

Measure	Definition
Adjusted PMPY	**Per member per year costs** (PMPY) are based on the sum of all medical/pharmacy costs, including 90 day runout and IBNR (incurred but not reported) factors as well as any value-based payments, capitated payments and other adjustments divided by the number of members with medical coverage. It is the sum of Net Pay PMPY for medical claims and Net Pay PMPY for pharmacy claims. Does not include pharmacy rebates.
Incurred Data	Incurred data is based on the service date of the claim and typically includes 3 months of claims lag.
Net Pay	Total amount paid by Health Plan for medical and Pharmacy Benefit Management (PBM)(RX) dollars. **Does not include member cost share.**
Allowed	Total amount allowed by Health Plan for medical and PBM (RX) dollars. **Includes payments and cost sharing by member as well as any third party payers.**

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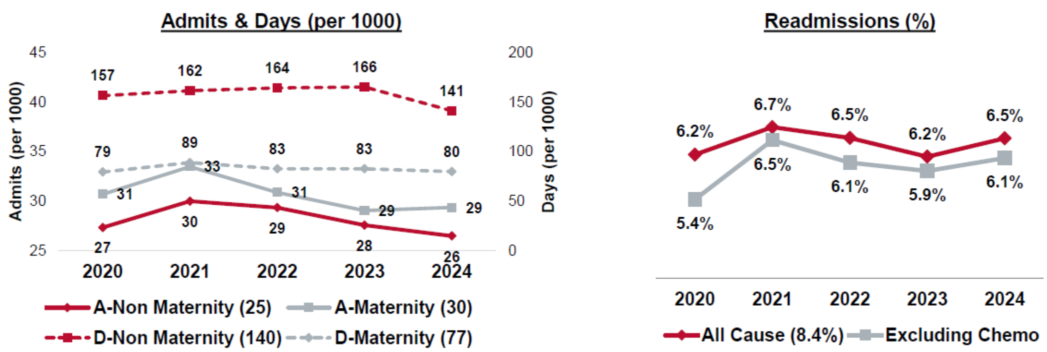
Health Plan

- Efforts were made to transfer prolonged non-network hospital stays to OSU medical centers.

Five-Year Utilization: IP

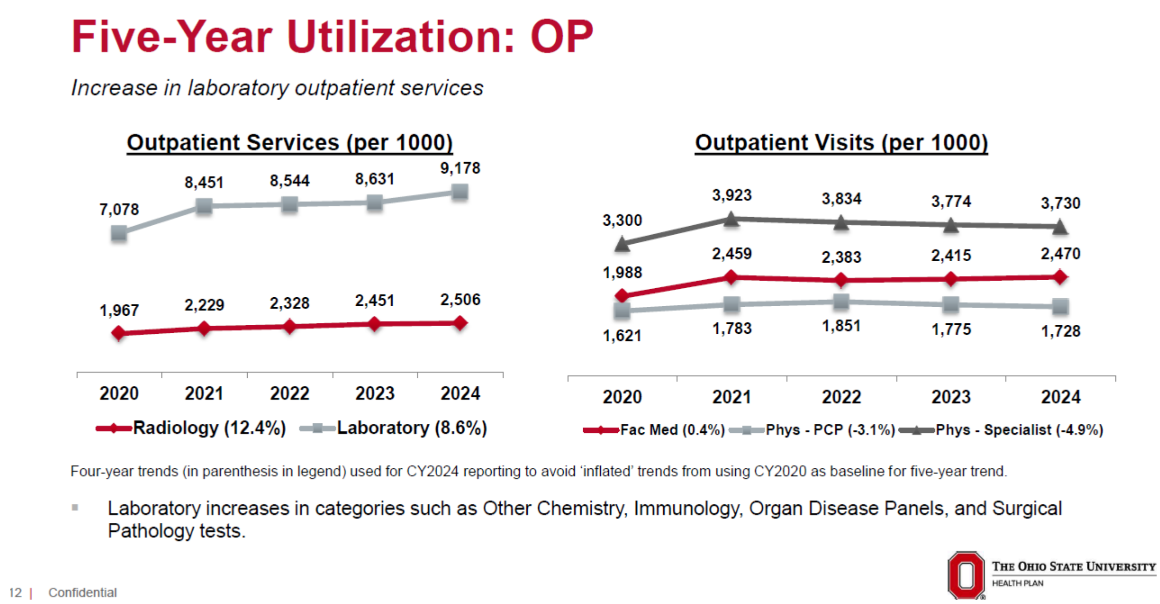
Admits and Days are down as more services move to outpatient



Benchmarks in parenthesis in legend

- Inpatient days and admissions decreased, meeting national benchmarks.

- Readmission rates are below national benchmarks.



- Outpatient utilization (radiology, laboratory) increased, reflecting industry trends.
- OSU ER visits promoted due to lower costs compared to non-OSU ERs.
- Community health worker outreach for frequent ER users.

Committee Discussion Highlights

- Scott Schricker asked about specialist wait times and long-term GLP-1 benefits; Kelly Hamilton replied that wait times vary and benefits may take 5+ years.
- Derrick Wyman raised concerns over demographic impact of GLP-1 coverage removal; Kelly Hamilton confirmed that the demographic data was reviewed, and proactive communication was provided.
- Catherine Quatman-Yates asked about provider feedback and broader implications of GLP-1 drugs; Kelly Hamilton encouraged feedback through herself and obesity specialists and noted ongoing review of literature and market trends.
- Justin Kieffer inquired if new clinics increased physician headcount; Kelly Hamilton confirmed clinics are now staffed by new providers.
- Legal basis for compounding GLP-1 drugs discussed; Kelly Hamilton stated compounding is no longer permitted due to regulatory changes.

2026 Benefits Update

Presenter: Pam Doseck, Associate Vice President of Total Awards

Market Trend Drivers

Expected medical and Rx combined trend for 2026 is estimated to remain between 7-10%*

Market Inflators

- **Unit cost impact from health plans unable to negotiate favorable contracts with providers**
  - Declining provider profit margins in high inflationary environment due to rising wages and expenses
  - Provider consolidation increases provider leverage and possibly higher utilization, leading to higher costs for non-Medicare plans
- **Declining population health**
  - Increase in high-cost claimant spend
  - Higher cancer prevalence and cost
  - Mental health utilization continues to escalate, trending faster than most other care categories
- **Gene and cell therapies**
  - Ongoing FDA approval of new therapies, and increased utilization for some previously approved therapies
- **GLP-1**
  - Usage solely for weight loss contributing more to the trend; risk from new FDA approved indications

Market Deflators

- **Shifts in site of care**
  - From expensive settings to less costly outpatient settings, such as home and ambulatory surgery centers
  - Higher adoption rates of virtual care enabled by new technologies
- **Availability of biosimilar drugs**
  - Expected to drive more competition through lower prices vs. reference products
  - Potential improvement in rebates as Rx manufacturers attempt to maintain market share
- **Carriers and providers continue to embrace the need for value-based care**
  - Shift in provider reimbursement from payments based on volume of services to paying for quality of care & outcomes achieved

*Carrier reported

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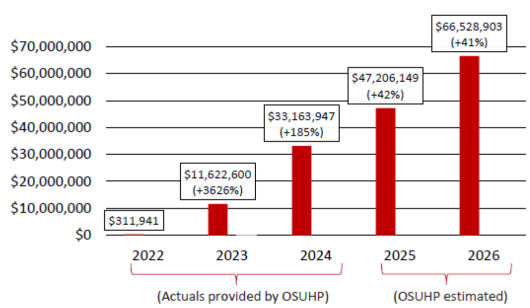
HUMAN RESOURCES

- National trend projected at 7-10%; OSU projected at 17% for 2026 without intervention.

Trend Driver: GLP-1s for Weight Loss

GLP-1 Weight Loss Cost*



Plan cost (after member cost sharing and before rebates)

- 2025 implementation of EncircleRx moderately impact cost growth (~ 8%)
  - Stricter clinical requirements for authorization
  - Required participation in education and lifestyle modification support program for plan coverage
- 2025 total plan cost is expected to be ~ $47M with projections for 2026 estimated to exceed $66 million
- After careful consideration of multiple options, leadership ultimately determined these costs to be unsustainable

- GLP-1 weight loss drug spend projected at $47M for 2025; would reach $66M in 2026.
- Coverage for GLP-1 weight loss drugs eliminated to contain costs.

2026 Medical/Rx Budget Projection Summary

	Total Cost	Employee Contributions	Ohio State Subsidy
2025	**$584,165,000**	**$115,200,000**	**$468,965,000**
2026 w/ Cost Pressures	**$683,673,000**	**$133,751,000**	**$549,922,000**
Change from 2025 - $	*$99,508,000*	*$18,551,000*	*$80,957,000*
Change from 2025 - %	*17.0%*	*16.1%*	*17.3%*
2026 w/ Cost Reductions	**$621,628,000**	**$122,104,000**	**$499,524,000**
Change from 2025 - $	*$37,463,000*	*$6,904,000*	*$30,559,000*
Change from 2025 - %	*6.4%*	*6.0%*	*6.5%*

- Total plan cost with cost pressures was projected to increase by 17.0% ($100M)
- Cost reductions have moderated increase projections to 6.4%
  - A reduction from 12.1% to 6.4% was solely attributable to the elimination of coverage for GLP-1 medications used for any indication other than treatment of Type 2 diabetes
- Percentage of (premium-equivalent) cost-share subsidized by Ohio State remains unchanged
- Plan design cost-share (copays, coinsurance, deductibles) remain unchanged

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HUMAN RESOURCES

Table revised based on final budget projection as of 8/12/2025 6

- Projected $100M increase reduced to 6.4% through cost containment.
- No increases in co-pays, coinsurance, or deductibles for 2026.

Subcommittee Updates:

College Finance Subcommittee Update — John Buford (Chair)

- The subcommittee last met on October 28, 2025, with meetings planned through early December.
- The autumn meetings are focused on understanding the university's budget model, particularly:
  - How do the budget model allocation and assessment methodologies align to the university's as-earned and as-expended principles?
  - The subcommittee is starting its review of what colleges/units pay and who benefits from the various student services assessments including SSA1 and SSA2.
  - As part of the October 28th meeting, the subcommittee reviewed the graduate student services assessment (SSA2). The review of SSA2 focused on understanding cost drivers for the three GFA components

    - (operating costs, non-resident fee authorizations, fellowships) and reviewing who pays the assessments versus those colleges that benefit.
- Additional budget model analysis will include a review of the following:
    - The historical decision to allocate non-resident surcharge revenues to online credit hours (acknowledging that online students do not pay the non-resident surcharge).
    - OAA's student success initiative and request to establish a new budget model component that provides incentives for improved retention and persistence of Columbus undergraduate students.
- The goal of the subcommittee is to develop budget model recommendations for consideration of the full committee in early January.

Support Office Finance Subcommittee Update — Mark Foster (Chair)

- The subcommittee is working at a fast pace.
- Recently held a meeting to debrief from the HRSD presentation.
- Set a goal to deliver a recommendation to the Senate Fiscal Committee before the end of the calendar year.
- Mark Foster is also participating in the OTDI Advisory Committee, which recently met to discuss:
    - Fiscal sustainability and spending of OTDI.
    - The new OTDI head and several stakeholders, including Faculty Senate chairs, attended.
    - The committee is working to improve transparency and fiscal management, moving away from large annual support office finance requests.

Student Fee Review Subcommittee Update — Scott Schricker (Chair)

- The subcommittee held its first (organizational) meeting last week.
- No further meetings are scheduled until the first of the year, once all student fee requests are due.
- Meetings for detailed review will begin after requests are received.
- Undergraduate attendance at meetings has been lacking due to USG (Undergraduate Student Government) reorganization.
    - Some students have been contacted; one may be able to attend; another is unsure due to class schedule.

- The committee values undergraduate representation and hopes for improved attendance in the new year.

Adjournment

With no further business, the meeting was adjourned. Next meeting is December 2, 2025.

Senate Fiscal Committee Meeting Minutes

Date: December 2, 2025
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members, Guests, and Staff Support: Justin Kieffer, Mark Foster, Derek Hansford, Bobby Srivastava, Scott Schricker, Kim Young, Matt Smith, James Woods, John Buford, Terry Snoddy, Kristine Devine, Derrick Wyman, Shaurya Prakash, Kerry Schmidt, Kimberly Kinsel, Karla Zadnik, Catherine Quatman-Yates, Scott Levi, Blaise Tayese, Norman Jones, and David Horn.

Guests and Staff Support:
Lily Langley, Katie Hensel, Kayla Adams, Chad Foust, Steve Pruchnicki, Brian Clark, Beth Tucker, Henry Ferris, Beth Wiser, Amy Wheeler, Damon Jaggers, Robyn Morton

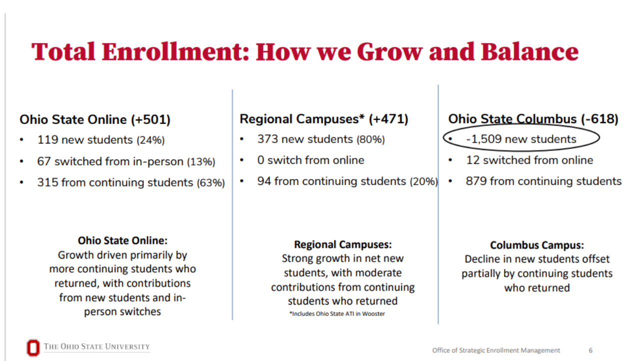
Welcome and Approval of Previous Minutes:

Quorum was confirmed. The committee approved the November 4, 2025, meeting minutes by unanimous consent, with no objections raised.

Autumn 2025 Enrollment Update/ Student Financial Aid Update

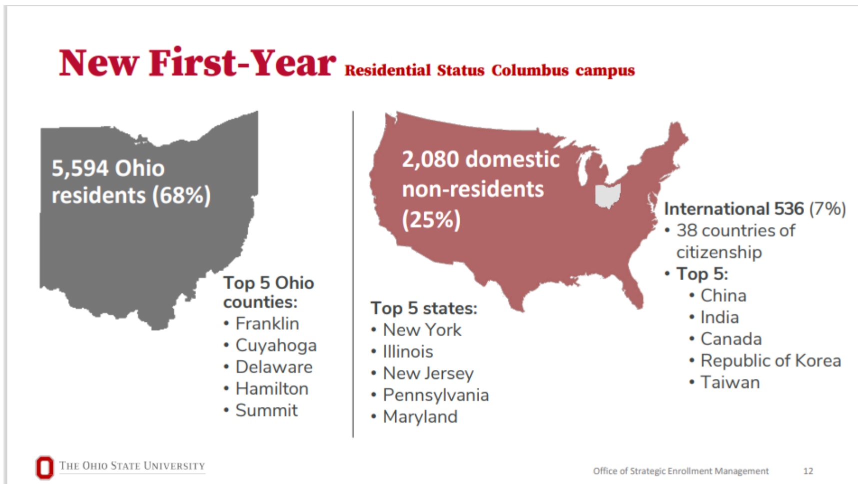
Presenters: Damon Jaggers, Interim Vice Provost for Strategic Enrollment Management; Beth Wiser, Assistant Vice Provost for University Admissions; Amy Wheeler, Assistant Vice Provost for Student Financial Success; Robyn Morton, Assistant Vice Provost for Marketing, Analytics, and Student Records

Robyn Morton reported that total university enrollment for 2025 is **67,255**, **up 0.5%** from the prior year. All student groups (undergraduate, graduate, professional) increased; graduate enrollment reached a record high.

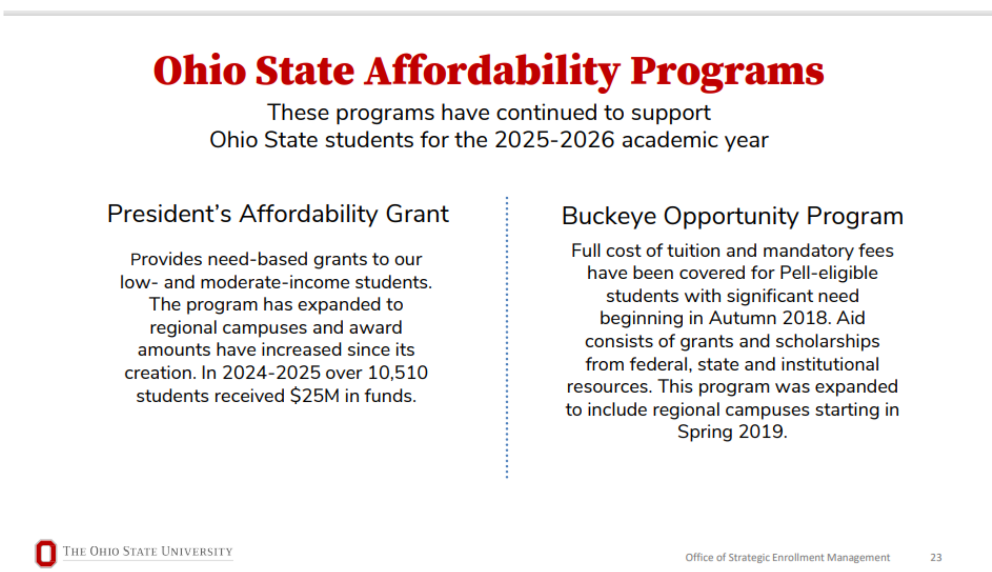


- Regional campuses grew **8.6%** for the third consecutive year. Ohio State Online saw **24%** new student growth, mainly from continuing students. Columbus campus in-person enrollment declined due to a planned reduction in first-year class size (from 9,530 to 8,210).

- Ohio resident and domestic non-resident enrollment increased, while international student numbers declined, largely due to visa issues. The decrease in new international students was offset by retention of continuing international students.



Beth Wiser highlighted the first-year class was intentionally smaller (target: 8,200–8,500), with a record of over **81,000 applications. 68%** of first-year students are Ohio residents; representation from **86 of 88** counties. **73%** of first-year students ranked in the top **10%** of their high school class, an **all-time high**. Regional campuses and transfer student enrollment continue to grow; graduate/professional enrollment is steady, limited by program size and funding.



Student Financial Aid and Buckeye Link merged for better support. Aid awards **rose** from **$22M to $33.6M**, helped by Scholarship Universe. Amy noted, however, that the Big Beautiful Bill will result in upcoming federal changes including new Pell Grant rules, parent loan caps, and Graduate PLUS loan eliminated.

Amy reminded the committee that she and other financial aid staff from across the institution would be returning in late January to discuss the pending federal changes.

Retention & Graduation Rates NFYS 5-year trend Columbus Campus

Rates	AU21	AU22	AU23	AU24	AU25
1-year retention	94.0%	93.4%	94.2%	94.2%	**93.5%**
4-year graduation	70.8%	72.3%	71.1%	72.8%	**74.1%**
6-year graduation	88.0%	88.1%	87.7%	87.7%	**86.6%**

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Office of Strategic Enrollment Management 32

Retention rates remain steady at **93–94%,** with graduation rates improving. Regional campuses show similar, though slightly lower, trends. Enrollment planning for the next class targets **8,200–8,400** students, focusing on class size, residency, academic preparedness, and first-generation student access.

FY27 HRSD Funding Recommendation & VOTE Support Office Finance Subcommittee

Presenter: Mark Foster, Chair SOFS

The subcommittee presented its final recommendation to address the ongoing structural deficit in Human Resources Service Delivery (HRSD), which has **persisted since centralization in 2021**. The current deficit is approximately **$6.5M,** driven by unrealized efficiencies and increased staffing and salary costs. A zero-based budget review and task force analysis informed the proposal.

Recommendation for FY27 and Beyond:

The subcommittee recommends closing the HRSD structural deficit—currently approximately **$6.5M**—through a shared-responsibility model that includes a permanent HRSD budget reduction of about **$3.4M,** increased assessments to colleges and support units totaling **$1.5M**, and central university funding of **$1M**, with phased reduction **through FY31**. If central funding is unavailable, bridging will occur with central cash, and any unfunded portion will be assigned back to HRSD. Implementation will begin immediately, **with full phase-in by FY31**.

The recommendation calls for clear service level agreements and metrics to measure HRSD services, aligns annual assessments with support unit guidelines, moves assessment collection earlier to prevent cash deficits, and ensures cost reductions are shared across both college-level and central administration for greater efficiency.

Members agreed that shared responsibility is essential and that the proposed split (**roughly 50% HRSD, 25% units, 25% central**) is fair and sustainable. Several members stressed the importance of transparency, collaboration, and ongoing engagement with units to identify duplications and efficiencies. **The need for regular financial reporting and a customer service survey was noted** to ensure accountability and continuous improvement. Questions were raised about the timing and permanence of central funding, the impact of AMCP and other cost pressures, and the separation of Workday software costs (funded through OTDI). The subcommittee clarified that the **$3.4M reduction** is informed by, but not strictly tied to, the **$5.8M in potential savings** identified in the zero-based budget analysis; **HRSD will determine the specific distribution of reductions**.

Motion to Approve:
A motion to approve and forward the recommendation to university leadership was made by Scott Schricker, seconded by Matt Smith, and passed unanimously by a series of raised hands, after noting a delayed approval. The final recommendation will be transmitted promptly to leadership, with HRSD expected to return in future cycles with updates on financial performance, service level agreements, and progress toward deficit resolution.

Subcommittee Updates:

College Finance Subcommittee: The College Finance Subcommittee is actively working on a review of the OSU budget model alongside proposed refinements to improve allocation and assessment mechanisms for colleges and support units aligned with institutional principles. Expected deliverables include updated budget models, revised assessment formulas, and new guidelines for distributing costs aligned to a review of net revenues using "as-earned" principle. The subcommittee is scheduled to present its final recommendations in early January, after a series of meetings in December.

Student Fee Review Subcommittee:

The Student Fee Review Subcommittee is awaiting final college submissions with respect to proposed fee increases to be implemented in Autumn 2026. The fee requests are due by the end of December 2025. Once the submissions have been reviewed, each college/department will present their proposed fee increases for consideration by the subcommittee. Scott Shricker, Chair, indicated the subcommittee would be interested in understanding how each college is evaluating their rate increases given recent changes to the federal calculations of unmet need as well as new federal loan limits. When Amy Wheeler returns to the committee in January 2026 to present a financial aid update, it was recommended that the subcommittee inquire about metrics and findings to ensure financial aid policies address student needs and minimize adverse effects from federal changes.

New Business

Next meeting is January 13, 2026.

Senate Fiscal Committee Meeting Minutes

Date: January 13, 2026
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members, Guests, and Staff Support: Justin Kieffer, Ben Bohrer, Mark Foster, Derek Hansford, Bobby Srivastava, Scott Schricker, Kim Young, Matt Smith, James Woods, John Buford, Terry Snoddy, Kristine Devine, Derrick Wyman, Shaurya Prakash, Kerry Schmidt, Kimberly Kinsel, Gretchen Gombos, Karla Zadnik, Catherine Quatman-Yates, Scott Levi, Kenny Saephan, Norman Jones, Joe Malinger (on behalf of Blaise Tayese) and David Horn.

Guests and Staff Support:
Lily Langley, Katie Hensel, KJ Jariwala, Kayla Adams, Chad Foust, Steve Pruchnicki, Brian Clark, Beth Tucker, Henry Ferris, and Mackenzie Soviak.

Welcome and Approval of Previous Minutes:

Quorum was confirmed. The committee approved the December 2, 2025, meeting minutes by unanimous consent, with no objections raised.

FY26 Forecast and FY27 Financial Outlook Presenter: Katie Hensel, Financial Planning & Analysis (FP&A)

Katie Hensel presented a comprehensive financial briefing covering current-year performance, reconciliation risks, and forward-looking margin capacity. Since the FY26 Financial Plan adjusted the undergraduate enrollment assumptions, after the preliminary college budget allocations were established (FY26 Preliminary Schedule A), FP&A is tracking the following to Columbus tuition and SSI variances:

- FY26 Forecast Vs. FY26 Preliminary Schedule A
- FY26 Forecast Vs. FY26 Financial Plan

FY26 Forecast Vs. FY26 Preliminary Schedule A

FP&A's FY26 forecast indicates that undergraduate tuition revenue is expected to show a significant negative variance relative to Schedule A. This shortfall is driven by several factors, including lower-than-assumed new first-year students (NFYS), a larger percentage of in-state students, a smaller share of non-resident students (domestic and international), and lower-than-planned retention among returning cohorts.

Current projections estimate an undergraduate tuition shortfall of approximately **$17 million** compared to Schedule A. Additionally, the total Columbus campus tuition variance is projected to be about **$18 million**, though an incremental $8.4M in State Share of Instruction (SSI) partially offsets the negative tuition variance. Graduate enrollment has exceeded expectations and helps to mitigate overall tuition loss in undergraduate and professional programs; however, it does not fully eliminate the net revenue decline. **Currently, FP&A is forecasting a -$9.6M FY26 Reconciliation.**

FY26 Forecast Vs. FY26 Financial Plan

Prior to reviewing the forecast to plan variances for FY26, Katie reminded the committee members that the enrollment assumptions were revised downward prior to the August 2025 approval of the FY26 Financial Plan. See below for details of the most significant planning assumption changes adopted in the board approved budget for FY26:

- -130 undergraduate TG26 NFYS enrollments resulting in a -$9.8M change in undergraduate tuition
- +$8.4M increase in FY26 SSI

Based on the changes noted above, the forecasted budget variances differ from the projected FY26 reconciliation. See below for net tuition and SSI variances currently forecasted for the Columbus campus:

Net Tuition: FY26 Forecast	FY26 Plan	FY26 Forecast	Forecasted Variance FY26 Financial Plan
Columbus Undergraduate: Tuition	$ 890,013,911	$ 882,820,252	$ (7,193,659)
Student Financial Aid - SSA1 & Cash Funded	*$ (206,158,677)*	*$ (214,803,653)*	*$ (8,644,976)*
Undergraduate: Net Tuition	**$ 683,855,234**	**$ 668,016,599**	**$ (15,838,635)**
Columbus Graduate: Tuition	$ 296,316,402	$ 297,152,295	$ 835,892
SSA2: Non-Resident Fee Auths	*$ (111,583,842)*	*$ (111,583,842)*	*$ -*
Graduate: Net Tuition	**$ 184,732,560**	**$ 185,568,453**	**$ 835,892**
Columbus Professional: Tuition	**$ 144,397,011**	**$ 142,576,526**	**$ (1,820,484)**
FY26 Columbus: Net Tuition	**$ 1,012,984,805**	**$ 996,161,577**	**$ (16,823,227)**
State Share of Instruction (SSI) - Columbus	**$ 425,024,040**	**$ 425,024,040**	**$ -**
Columbus	**FY26 Plan**	**FY26 Forecast**	**Forecasted Variance FY26 Financial Plan**
Net Tuition & SSI	**$ 1,438,008,845**	**$ 1,421,185,618**	**$ (16,823,227)**

When comparing the forecasted Columbus tuition and SSI revenues to the FY26 Financial Plan, the overall budget variance becomes more negative when accounting for unplanned financial aid expenses, growing from the forecasted Schedule A variance of -$9.6M to -$16.8M. It was noted that the unplanned undergraduate financial aid expenses will be funded with cash in FY26.

FY27 Financial Outlook – Preliminary Modeling

Looking ahead, the university's central margin for FY27 is estimated at $53.9 million, with a 19% central tax applied, covering AMCP increases, promotion and tenure support. Katie noted that the initial FY27 overhead calculation (shared with College Finance) is forecasted to provide a one-time increase from OSUWMC to support incremental property and liability insurance expenses; note that overhead calculation is still under review and may change. Based on the projected margin, FP&A does not forecast sufficient incremental central funding for continuing SOFS requests unless incremental assessments are imposed on colleges. See summary below of the FY27 margin and general fund outlook, as reviewed with the committee:

FY27 Marginal Sources: General Funds Allocation (GFA)

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Marginal GFA: Central Tax, Provost Tax & Overhead

- Central Tax: Forecasted to generate marginal +$9.9M, prior to accounting for overhead.
- Provost Tax: $2.0M designated for academic investment.
- Marginal OSUWMC Overhead: +$8.3M represents a one-time adjustment to account for an increase in property and liability insurance costs, with funding earmarked for the university's Risk Management GFA.
- Taxable support unit AMCP and Strategic Assessment (Promotion & Tenure, other) forecasted to cost up to $12.9M.
- **There is no central capacity for marginal revenue to support the FY27 Senate Fiscal Committee funding requests.**

Marginal GFA: Columbus Colleges

- Growth in GFA is not uniformly distributed to colleges.
- Marginal GFA distributes incremental shares to colleges with credit hour growth with budget model changes being recommended in FY27 that will further impact college margins.
- Colleges must balance allocation of marginal GFA across its own strategic initiatives including college AMCP, faculty compensation initiatives, start-up, academic investments, capital projects, and deferred maintenance.
- **At current planned spending levels, not all colleges have the capacity to absorb college investments in faculty/staff AND new university assessments.**

General Fund Outlook

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Marginal GFA:

The University, Colleges, and Support Units need to collectively balance investments against available sources:

- Marginal Tuition and State Subsidy is projected to generate approximately $46.5M to $53.6M annually with growth dependent on enrollments and rate increases.
- **At current planned spending levels, marginal tuition and state subsidy is not forecasted to keep pace with AMCP and benefit rate increases.**
- As a reminder, efficiency targets have been used historically to balance general fund sources and uses. Efficiency targets are currently established through FY26.

8

The committee engaged in a discussion regarding several broader structural concerns. Members noted the presence of persistent marginal deficits, as well as the limited capacity for strategic investment without corresponding offsetting reductions. They emphasized the continued need to prioritize efficiencies and maintain focus on areas where operational improvements can be achieved. The committee also acknowledged ongoing tension between fiscal constraints and the institution's academic mission. No formal motions were introduced during this discussion.

FY27 OSU Budget Model Recommendation Presenter: John Buford, Chair, College Finance Subcommittee

John Buford presented the subcommittee's FY27 OSU Budget Model recommendation, emphasizing the need to realign tuition allocations, address structural misalignments, and adopt the full package of revisions to improve transparency and sustainability in budget model GFA. As part of their review, the subcommittee noted significant variances in the fiscal impacts across colleges. In response to the projected budget model impacts, the subcommittee noted the need for a transition (or smoothing) as part of a phased implementation to avoid destabilizing colleges.

The committee discussed timing, smoothing strategies, and effects across different enrollment mixes. FP&A confirmed readiness to implement the budget model recommendations pending leadership approval as soon as FY27. The subcommittee approved the budget model recommendations by majority vote with no opposition and voted to forward them to senior leadership for final review and consideration.

See full SFC recommendation, linked here:

2. College Finance Budget Model Recommendation - Unanimously approved by SFC January 2026.pdf

Subcommittee Updates

Chair: Justin Kieffer

College Finance Subcommittee

With the finalization of the budget model recommendation, the subcommittee is continuing its annual review of the FY27 Overhead, FY27 Plant Operation and Maintenance (POM) rates, and FY27 Composite Benefit Rates. On January 6th, FP&A and the Controller's Office jointly presented preliminary overhead rates for FY27 with follow-up anticipated based on OSUWMC's review of the methodology. Each of the subcommittee's remaining FY27 recommendations will be forwarded to the full committee as they are finalized. The subcommittee has a goal of completing its work by the end of February 2026.

Support Office Funding Subcommittee

The subcommittee is currently reviewing three major support office funding requests submitted by Administration and Planning. The three requests total just under **$23 million** in continuing FY27 GFA which will be difficult to fund given the FY27 margin presented earlier in the discussion. Unit presentations related to these requests are scheduled for mid-to-late February. The subcommittee's target is to deliver final recommendations to the Senate Fiscal Committee no later than **March 24**.

Student Fee Review Subcommittee

The subcommittee is currently evaluating eight student fee requests. It is awaiting the final submissions of student feedback associated with those proposals. Following receipt of that information, the subcommittee will hear unit presentations, deliberate, and return formal recommendations to the Senate Fiscal Committee in March 2026.

Senate Fiscal Committee Meeting Minutes

Date: January 27, 2026
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members, Guests, and Staff Support: John Buford, Kenny Saephan, Justin Kieffer, John Buford, Karla Zadnik, Terry Snoddy, Derrick Wyman, Derek Hansford, David Horn, Mark Foster, Scott Schricker, Kerry Schmidt, Benjamin Bohrer, Bobby Srivastava, Norman Jones, Matt Smith, Kimberly Kinsel, Kim Young, Scott Levi, Shaurya Prakash, James Woods, Kristine Devine, and Blaise Tayese.

Guests: Amy Wheeler, Beth Wiser

Staff Support: Lily Langley, Katie Hensel, KJ Jariwala, Chad Foust, Mackenzie Soviak, Beth Tucker, Henry Ferris, and Brian Clark.

Welcome and Approval of Previous Minutes

Quorum was confirmed. The committee approved the January 13, 2026, meeting minutes by unanimous consent, with no objections raised.

Student Financial Aid Update & Federal Policy Briefing

Presenters: Amy Wheeler, Assistant Vice Provost for Student Financial Success; Beth Wiser, Assistant Vice Provost for University Admissions

Amy Wheeler and Beth Wiser presented the committee with a comprehensive update on the current financial aid forecast and the fiscal implications of newly announced undergraduate aid programs. The FY25–26 aid budget was set at **$206.8M**, but current projections estimate expenditures are approximately **$214.7M**, primarily due to an **underestimation of returning recruitment costs**. This resulted in a downstream overallocation of institutional need-based grant funding, due to the standard award “funnel,” in which new recruitment, returning recruitment, and need based grants are sequenced. A cash source has been identified to cover the short-term variance, and updated projections following the spring census are expected to reduce the projected spend of $214.7M.

2025-2026 Financial Aid Forecast

Total Aid	
Columbus	$198.9 M
Other	$8.5 M
Regional	$7.3 M
Total	$214.7 M

2026 SFA Budget $206.8

Regional and ATI/Wooster Need Based Aid	
Lima	$710,375
Mansfield	$1,252,777
Marion	$829,956
Newark	$3,941,242
ATI/Wooster	$617,352
Total	$7.3 M

- Totals as of 12/10, amounts will reduce after spring census
- Budget exceeded because of underestimation of returning recruitment costs which led to an over award in need based aid.
- Amounts that exceed 2026 budget will be covered by cash.

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A review of regional campus aid expenditures showed a combined total of approximately **$7.3M**, with **Newark** reflecting the largest share at **$3.9M**, followed by Mansfield (**$1.2M**), Marion (**$829K**), Lima (**$710K**), and ATI/Wooster (**$617K**). All regional campus funding is categorized as need-based aid under the SFA budget.

New Ohio Student Aid Programs – Cost Modeling and Fiscal Outlook

Three new financial aid programs for Ohio residents were presented, each scheduled to launch in the Autumn 2026 as part of the 2026-2027 academic year:

Regional Enrichment Program

Regional Enrichment

5-Year Funding Projections For Regional Expansion

Academic Year		Cohort		
		Total Cost	Potential Funding	Remaining Cost
2026-2027	Expected Cost	$828,740	$690,035	$138,705
2027-2028	Expected Cost	$1,566,319	$690,035	$876,284
2028-2029	Expected Cost	$2,204,697	$690,035	$1,514,662
2029-2030	Expected Cost	$2,786,436	$690,035	$2,096,401
2030-2031	Expected Cost	$2,842,165	$690,035	$2,152,130
Total Remaining Expense Over 5 Years				$6,778,182

POTENTIAL FUNDING

The unspent balance of regional need-based aid could assist in funding this initiative:

- The unspent amount is based on 2025-2026 expenditures
- Once the program is fully up and running with 4 cohorts, the annual costs are expected to be $2.8M and potential available annual funding would be $690K.

The Ohio State University 4

An extension of the Buckeye Opportunity Program for regional campus students, this initiative guarantees tuition and fee coverage for new first-year regional students with **AGI ≤ $100,000**.

Based on historical patterns, steady state annual costs are projected at **~$2.8M**, with potential offsets of **~$690K** from historical underspending compared to available regional need-based aid sources. The benefit follows eligible students who later transition to the Columbus campus (a.k.a., campus change).

President's Scholars Program

President's Scholars Program

5-Year Funding Projections For President's Scholar Program				
Academic Year		Cohort		
		Total Cost	Potential Funding	Remaining Cost
2026-2027	Expected Cost	$2,407,066	$670,140	$1,736,926
2027-2028	Expected Cost	$4,378,079	$2,260,088	$2,117,991
2028-2029	Expected Cost	$6,304,591	$3,986,620	$2,317,971
2029-2030	Expected Cost	$8,157,739	$5,821,146	$2,336,593
2029-2030	Expected Cost	$8,313,594	$7,322,947	$990,647
Total Remaining Expense Over 5 Years				$9,500,128

POTENTIAL FUNDING

Adjustments to existing aid programs could assist in funding this initiative:

- Limiting offers to existing programs could provide $670,140 year one
- Further reducing in year two would free approximately $1.75M annually per cohort
- Once the program is fully up and running with 4 cohorts, the annual costs are expected to be $8.31M and current available annual funding would be $7.32M

THE OHIO STATE UNIVERSITY 5

The President's Scholars Program will provide full cost award for Ohio students earning a perfect ACT score. First year costs are estimated at **~$2.4M**, with a **net Year1 cost of ~1.7M** after reductions in overlapping aid programs. At maturity (four cohorts enrolled), anticipated annual recurring costs are approximately **$0.9M**. Funding is supported partly by planned adjustments to the Land Grant Scholarship, including reducing offers from **176 to ~134** this cycle and moving from two awards per county to one in future years.

Buckeye Bridge Program (Columbus State Transfer Pathway)

Buckeye Bridge

5-Year Cost for CSCC AGI=$100,000 Expansion							
Academic Year		Cohort					
		AU26	AU27	AU28	AU29	AU30	Total
2026-2027	Expected Cost	$246,572					$246,572
2027-2028	Expected Cost	$231,778	$251,604				$483,382
2028-2029	Expected Cost	$223,148	$236,508	$256,739			$716,395
2029-2030	Expected Cost	$209,586	$227,702	$241,335	$261,979		$940,602
2030-2031	Expected Cost		$213,863	$232,349	$246,260	$267,326	$959,798
Total Cost over 5 Years							$3,346,749

POTENTIAL FUNDING

At present, no funding source has been identified for this program

THE OHIO STATE UNIVERSITY 6

The new Buckeye Bridge program supports Columbus State graduates with AGI ≤ $100,000 who enroll at OSU within three semesters. First year program costs are **~$250K**, with projected annual cost after full implementation totaling **~$3.3M**. The program functions as a last dollar award, covering tuition and fees after federal and state aid.

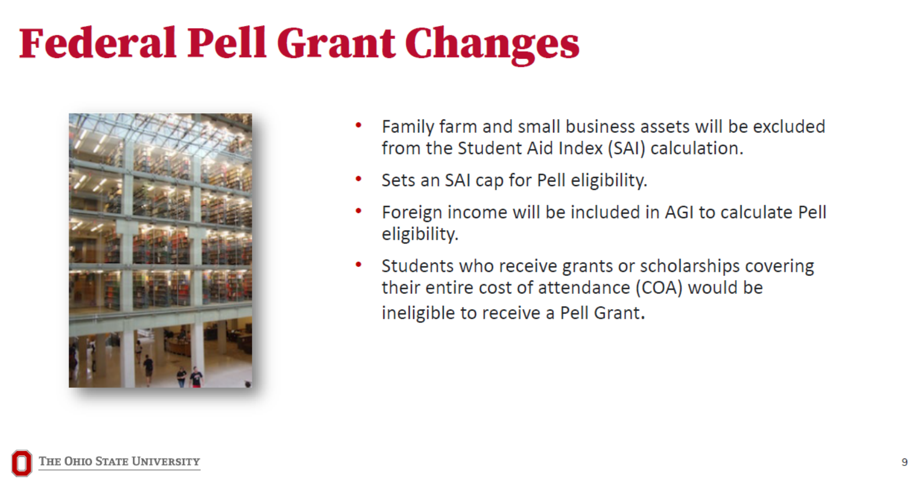
Funding Strategy Discussion

Committee discussion acknowledged that not all funding sources for these programs are fully designated within the SFA budget. Leadership emphasized a **holistic, multiyear reevaluation** of the aid portfolio, with an expectation of cash bridging, internal program repurposing, and philanthropic support as sustainable funding pathways are identified to ensure student affordability.

Federal "One Big Beautiful Bill" (OB3) – Regulatory and Financial Impacts

The committee received an extensive briefing on the federal changes taking effect **July 1, 2026**.

Pell Grant Adjustments



Changes include exclusion of family farm and small business assets from the SAI calculation, new caps on Pell eligibility, inclusion of foreign income in AGI, and restrictions preventing Pell awards from exceeding the cost of attendance. OSU's current "award after Pell" practice is expected to mitigate major impacts.

Federal Loan Program Overhaul

New loan changes will directly affect parent loans and graduate and professional students as follows:

- **Parent PLUS** capped at **$20,000/year**, with a **$65,000 aggregate** per student. Currently, parents may borrow up to the student's cost of attendance each year.

- **Graduate PLUS** eliminated for **new borrowers** beginning July 1, 2026. Currently, graduate and professional students are eligible to borrow up to their cost of attendance each year
- **Graduate Unsubsidized** remains capped at **$20,500/year**, but the **aggregate maximum for graduate students** becomes **$100,000**, not including undergraduate loans. The current borrowing limit is $138,500, including undergraduate loans.
- **Professional Program** students may borrow up to **$50,000/year in unsubsidized loans**, with an aggregate of **$200,000**. Currently, professional students can borrow $20,500/year with an aggregate cap of $138,500 (including undergraduate loans). Current Health Professions loans are no longer being offered after July 1, 2026. The increase in the annual borrowing limit from $20,500 to $50,000/ year will help fill the loan gap for professional students.
- **Total lifetime federal borrowing** rises from **$224,000 to $257,500**.
- 

These policies may push many families, particularly those of graduate and professional students, toward private lenders where credit requirements could limit their ability to enroll. Programs that are not on the federal list of designated “professional” programs might be affected even more significantly.

Legacy (Grandfathering) Provisions

- Students who have borrowed **any federal Direct Loan (Parent PLUS, Graduate PLUS, or Graduate/Professional loan)** prior to July 1, 2026, while enrolled in their current program, may continue under existing borrowing limits for up to **three academic years** or until program completion, whichever comes first.

- Repayment plans will also be changing. The current income-contingent repayment plan will sunset in 2028 and two new plans (tiered standard and income-driven) will be implemented.
- Loan disbursements will be prorated for students who attend less than full-time on an annual basis.
- Federal guidance is forthcoming, but these changes will come with federal and institutional systems updates as well.
- Final rules must be posted by June 1, 2026, which is very late for institutions.

Institutional Challenges

- Final rules and guidance are still pending, making advising students and families challenging.
- Many outstanding questions including details of grandfathering provisions, specifics of loan proration, etc.
- Major systems updates are required, which are dependent in part on vendors delivering updates.
- Short timeframe to incorporate changes in time for 2026-2027 awarding cycle.

Operational Readiness

What we are doing now

- Continuing to monitor updates.
- OBBA committee meeting weekly to discuss, review and prepare.
- Developing webpage focused on OBBA changes including a Q & A to address questions.
- Developing a resource sheet for university partners to assist with educating staff and students.
- Creating staff trainings.

The Ohio State University 18

University teams meet weekly to prepare for compliance, build internal tools, and coordinate communication. A new financial aid website with resources will be shared broadly once guidance is finalized for students and families.

Recruiting Impacts

- Professional schools are fundraising to offset impacts of loan changes.
- Loan caps may make it hard to recruit some students.
- OSU does not currently have a "preferred lender" list of alternative loan vendors but rather uses a 3rd party to provide a list of lenders the students can review. The Student Financial Success Office is switching vendors to create a more user-friendly tool for students and parents as they are selecting an outside lender.

Subcommittee Updates

Chair: Justin Kieffer

Support Office Finance Subcommittee (SOFS)

Presentations from administrative units regarding SOFS funding requests will begin in late February, with recommendations expected in March. The committee noted a recent student government resolution proposing a substantial increase to the Lyft subsidy. In total, the SOFS funding requests significantly exceed available marginal resources from the central tax.

College Finance Subcommittee

The subcommittee continues its review of OSU's annual funding recommendations including the FY27 Overhead rates, FY27 Composite Benefit Rates, and FY27 Plant Operation & Maintenance (POM) rates. As part of the February 3rd meeting, CFS will receive an update from the Energy Office, FY27 utility rates, and an update regarding the completion of the combined heat and power plant and energy efficiency initiatives.

Student Fee Review Subcommittee

Three fee proposals were reviewed last week, with two additional proposals expected next week. Student feedback remains limited but expresses strong concern regarding tuition increases.

New Business

The committee chair briefed members on discussions with the Senate Cabinet, noting strong cross committee interest in Senate Fiscal's HRSD and budget model recommendations. The President will attend the next Cabinet meeting, where the HRSD recommendations will be shared and discussed at the Cabinet's request.

Adjournment

With no further business, the meeting was adjourned. The committee will reconvene at its next regularly scheduled session.

Senate Fiscal Committee Meeting Minutes

Date: March 3, 2026
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members:
Scott Schricker, Justin Kieffer, Matt Smith, Terry Snoddy, Kimberly Kinsel, John Buford, Derrick Wyman, Scott Levi, Bobby Srivastava, Mark Foster, Shaurya Prakash, Kristine Devine, Derek Hansford, Armaan Chaudhary, Gretchen Gombos, Catherine Quatman-Yates, Kenny Saephan, Norman Jones, David Horn, James Woods, Kim Young, and Blaise Tayese.

Guests and Staff Support:
Lily Langley, Katie Hensel, KJ Jariwala, Henry Ferris, Chad Foust, Steve Pruchnicki, Kayla Adams, Beth Tucker, Brian Clark, and Mackenzie Soviak.

Welcome and Approval of Previous Minutes
Quorum was confirmed. The committee approved the January 27, 2026, meeting minutes by unanimous consent, with no objections raised.

HRSD Budget Recommendations – Final Approval and Next Steps

Chair Justin Kieffer reported that the Senate Fiscal Committee's HRSD budget recommendations were formally transmitted to Katie Hall, with Ravi and Mike (Provost and CFO) copied. Both senior leaders approved the recommendations for implementation beginning in FY27.

The Chair thanked committee members and task force participants for their multi-year efforts to address HRSD structural budget issues and noted that next steps now shift to FP&A and budget staff to develop implementation plans.

FY2027 Graduate Differential, Course and Program Fee Recommendation

Presenter: Scott Schricker

Scott Schricker reviewed the Student Fee Review Subcommittee's evaluation framework, emphasizing alignment with peer institutions, budget impacts, and structured consideration of student feedback. He clarified that student feedback is intended to inform deliberation rather than serve as an up-or-down vote, and that requirements differ depending on whether a proposal affects current or incoming cohorts.

The subcommittee reported unanimous (**5–0**) support for the full slate of proposals presented.

Summary of College Proposals Reviewed

Dentistry
Proposals included differential tuition increases of **8.5%** for first-year students and **4.5%** for continuing cohorts; education support fee increases of **12%** for rank one and **6%** for other ranks; a **5%** increase to a pass-through electric handpiece fee; an application fee increase from **$60** to **$80**; and an increase in the dentistry program fee from **$200** to **$500** for future cohorts only.

Law
A **5%** tuition increase for JD and Master of Law programs to support faculty, staff, and operating costs.

Medicine
A **3.5%** differential tuition increase for the MD program across all ranks; a **3%** rank-one increase for Physical Therapy and an application fee increase from **$60** to **$80**; and a **5%** rank-one tuition increase for Occupational Therapy, including a non-resident surcharge request.

Nursing
A **5%** tuition increase across multiple programs; a **23.1%** rank-one increase for select programs to align absolute tuition levels; and increases of **$20** per semester to graduate nursing technology and distance education fees.

Optometry
A **4%** tuition increase across ranks to address personnel, utilities, and custodial cost pressures.

Pharmacy
A **3%** tuition increase across ranks, consistent with peer positioning and prior student expectations of annual adjustments.

Public Health
A **4.5%** tuition increase for the Master of Health Administration and establishment of a new Executive Master’s program charge of **1070** per credit hour with a **$200** non-resident surcharge beginning Autumn **26**.

Veterinary Medicine
A **3%** tuition increase across ranks, a **3%** non-resident surcharge for incoming students, and an education support fee increase of **$18** per term.

Affordability and Trend Considerations
Committee discussion acknowledged concerns regarding cumulative year-over-year increases, long-term affordability, and the interaction with declining federal loan limits. Members emphasized

the importance of contextualizing proposals within historical trend data and suggested that future submissions include **5–10** years of prior increases to support informed evaluation.

Engineering Graduate Program Fee – Stakeholder Feedback and Process Considerations
The committee discussed a proposed Engineering graduate program fee for MS and PhD students beginning Autumn **26**, described as a program fee rather than a tuition increase. The proposal establishes a **$1,000** annual fee (**$500** per semester) to support instructional infrastructure, research computing, IT services, and graduate student support.

It was clarified that the request is limited to a single year, with no multi-year approval implied, and that any future increases would require returning through the same review process. Discussion focused on communication expectations for informing accepted students, transparency regarding use of fee revenue, and broader stakeholder engagement—particularly for proposals affecting PhD-level programs and the research enterprise.

The committee noted that this proposal generated more external feedback than typical and identified an opportunity to revisit feedback expectations and communication standards in future cycles.

Vote on Student Fee Slate
After discussion, the committee considered whether to vote on proposals individually or as a block. An informal poll favored a single slate vote. The committee approved the full slate of student fee and tuition proposals as presented, with one abstention recorded and one member voting against the recommendation.

College Finance Subcommittee – FY27 Methodology and Rate Recommendations
Presenters: John Buford and Katie Hensel

FY2027 Overhead Rate Methodology
Aligned with the FY26 Overhead Rate recommendation, FP&A completed a wholistic review the overhead rate methodology and submitted potential changes as part of the FY27 Overhead Rate calculation. The subcommittee recommended adopting the changes, as by FP&A and the Controller's Office, including the most significant change that transitions the allocation of property and liability insurance costs from assignable square footage (ASF) to modified total direct costs (MTDCs). The recommendation received unanimous subcommittee support with an acknowledgement that the final FY27 Overhead Rates, detailed below, are subject to final review by Executive Leadership inclusive of the OSUWMC's CFO and budget staff:

FY27 Overhead Rate Recommendations:

Health System:	$75.4 million
Instructional Clinics:	3.00%
Regional Auxiliaries:	2.66%
All Other Earnings Units:	5.63%

FY2027 Regional Campus Service Charge
A revised service charge of **4.22%** was recommended, reflecting updated cost allocations.

FY2027 Composite Benefit Rates
The subcommittee reported a projected benefits reserve shortfall of approximately **$100M** and recommended recovering approximately **$20M** in **FY27 to address the benefits shortfall**, based on a projected **3%** salary increase and **6.5%** medical inflation. Rates as recommended are excerpted below:

6.5% Medical Trend, $20M Additional Recovery

	Current Rates (25-26)	*Proposed Rates (26-27)*	% Change	Projected Benefit Costs
General University				
Faculty	28.5%	***30.1%***	5.6%	$ 181,981,168
Combined Staff	36.5%	***38.8%***	6.3%	400,372,242
Specials	15.6%	***15.7%***	0.6%	23,322,435
Students	0.3%	***0.3%***	0.0%	216,491
Graduate Associates	12.6%	***13.2%***	4.8%	21,538,418
OSU Health System				
Faculty*	36.7%	***39.4%***	7.4%	$ 27,993,509
Combined Staff	35.7%	***37.7%***	5.6%	469,736,375
Specials	15.7%	***15.9%***	1.3%	39,418,976
Students	0.5%	***0.5%***	0.0%	28,596
Graduate Associates	12.8%	***13.4%***	4.7%	63,591
Faculty Group Practice				
Clinical Appointments**	4.8%	***4.9%***	2.1%	$ 25,822,264

** Faculty rate group for the Health System consists primarily of medical residents.*

*** Excludes retirement contributions*

FY2027 Plant Operation and Maintenance (POM) Rates
The subcommittee recommended restraint on above-baseline requests, approving only inflationary adjustments where justified. A **3.5%** utilities increase was recommended in place of a **7.5%** request. Additional requests were denied where analysis indicated sufficient existing margins or insufficient project-level justification to warrant a base increase in POM funding.

The committee emphasized the need for future submissions to include specific, prioritized project lists to support deferred maintenance funding requests. See below for the final FY2027 POM Rate recommendation:

The College Finance Subcommittee systematically reviewed each request and unanimously voted to recommend an increase in support unit guidelines alongside a smaller increase of 3.5% in utilities rate instead of the 7.5% requested.

See below for the FY27 recommended marginal increases for each POM component:

FY27 POM Rate Recommendation: Up to $ 4,697,626

Utilities Funding	$ 3,170,402
Maintenance Funding	$ 1,217,462
Custodial Funding	$ 309,762
Deferred Maintenance	Central Cash

Vote

The committee unanimously approved all four (4) of the College Finance Subcommittee's recommendations as presented.

Support Office Finance Subcommittee – Interim Update

In Mark Foster's absence, Steve Pruchnicki reported that Administration and Planning requests totaled approximately **$27M in permanent GFA over 5 years**. The subcommittee presentations were completed in February and SOFS is finalizing the FY2027 funding recommendations for presentation to the full committee on March 24, 2026.

New Business

The committee revisited stakeholder engagement concerns raised during the Engineering fee discussion, including perceived barriers to provide candid feedback. Members supported a holistic review of student feedback processes to improve clarity, consistency, and trust.

The Chair noted upcoming committee rotations and the need to elect a new chair, emphasizing continuity through records maintained in Teams.

Adjournment

With no further business, the meeting was adjourned.

Senate Fiscal Committee Meeting Minutes

Date: March 24, 2026
Location: Microsoft Teams
Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members

Scott Schricker, Justin Kieffer, Matt Smith, Terry Snoddy, Kimberly Kinsel, John Buford, Derrick Wyman, Scott Levi, Bobby Srivastava, Mark Foster, Shaurya Prakash, Kristine Devine, Derek Hansford, Armaan Chaudhary, Gretchen Gombos, Catherine Quatman-Yates, Kenny Saephan, Norman Jones, David Horn, James Woods, Kim Young, and Blaise Tayese.

Guests and Staff Support

Lily Langley, Katie Hensel, KJ Jariwala, Henry Ferris, Chad Foust, Steve Pruchnicki, Kayla Adams, Beth Tucker, Brian Clark, and Mackenzie Soviak.

Welcome and Approval of Previous Minutes

Presenter: Justin Kieffer, Chair

Quorum was confirmed. Chair Kieffer called the meeting to order and welcomed committee members, guests, and staff support. The Committee reviewed the meeting minutes from March 3, 2026, as posted in Teams. With no objections raised, the minutes were approved by acclamation.

Committee Business and Agenda Overview

Presenter: Justin Kieffer, Chair

Chair Kieffer noted that the Committee is entering the latter part of the spring semester. Remaining agenda items for the term include endowment reports on behalf of parking, and energy. The Chair also noted that selection of the next Committee Chair for the upcoming academic year will be required, as the current Chair will be rotating off.

SOFS Subcommittee Report – OTDI Cost Share and Annual SOFS Recommendations

Presenter: Mark Foster, SOFS Subcommittee

Request	Description	FY27 Amount Requested	FY28-31 Requested	Total Request	Funding Type Requested	Priority
Deferred Maintenance	Increase PBA Set-Aside from $10.8M to $17M for increased debt service on deferred maintenance loans	6,200,000	-	6,200,000	Continuing Funds (GFA)	Low
OTDI One Network	Centralize university networking services to OTDI "One Network" and eliminate current earnings operation, funded by central-tax-supported GFA	12,134,067	2,975,650	15,109,717	Continuing Funds (GFA)	N/A
Pulic Safety Enhancements	Enhance campus public safety via investments in officers, drone technology, cameras, lighting, and real-time Crime Center	3,797,000	3,568,036	7,365,036	Continuing Funds (GFA)	Low
TOTALS		***22,131,067***	***6,543,686***	***28,674,753***		

Mark Foster presented the SOFS Subcommittee's review of funding requests from the Office of Technology and Digital Innovation (OTDI), including site license software cost share, managed services, the OTDI One Network proposal, A&P Deferred Maintenance, and Department of Public Safety investment requests.

Site License Software Cost Share

The Subcommittee reviewed approximately $4 million in cost-share site license software, including Microsoft 365, Adobe products, SPSS, SQL Server, and Qualtrics, equating to roughly $180 per FTE. OTDI reported that centralized volume purchasing and sustained vendor negotiations have constrained costs below market rates and below CPI growth. Committee members asked questions regarding the assumptions underlying projected savings. Based on the information provided, SOFS did not issue a formal recommendation but accepted the report as submitted.

Managed Services Cost Share

The Subcommittee reviewed OTDI's managed services portfolio totaling approximately $2 million. Discussion included questions regarding benchmarking metrics, including CPI and overall university revenue trends. SOFS did not issue a formal recommendation but accepted the report as submitted.

OTDI One Network Proposal

The Committee discussed OTDI's revised One Network proposal. Committee members raised questions regarding accountability, use of existing resources, and implications for the RCM funding model. While the Committee expressed conceptual support for the goal of a single unified network, SOFS did not issue a recommendation due to unresolved concerns regarding the supporting documentation to justify the increased expenses tied to Campus Wi-Fi, authority/governance to approve a new shared service, and overall support for the existing earnings policy that allows OTDI to manage the activity as an earnings operation.

Deferred Maintenance – Administration and Planning (A&P)

Presenter: Administration and Planning

The Committee reviewed a request for an additional $6.2 million in continuing funds to augment the deferred maintenance set-aside program. Discussion included questions regarding uncommitted balances, project prioritization, and alignment with a comprehensive campus-wide strategy. SOFS assigned the request a low priority based on poor justification for diverting funds from other university priorities.

Department of Public Safety (DPS) Funding Request

Presenter: Administration and Planning / Department of Public Safety

The Committee reviewed DPS funding requests related to personnel, equipment, and technology investments. Committee members asked questions regarding staffing levels, safety metrics, equipment justification, and the availability of existing balances. While the Committee reaffirmed the importance of public safety, SOFS assigned the request a low priority due to insufficient documentation supporting the scale of the request and poor justification for diverting funds from other university priorities.

Approval of SOFS Recommendations

Chair Kieffer asked whether Committee members had any proposed changes to the SOFS recommendations, including the reported outcomes for OTDI site license software, managed services, the OTDI One Network proposal, Deferred Maintenance, and the Department of Public Safety requests. With no changes proposed, a motion was made and seconded to approve the SOFS recommendations as presented. The motion carried.

New Business

The Chair noted that three meetings remain in the semester and encouraged members interested in serving as the next Committee Chair to contact him. No additional new business was raised.

Adjournment

The meeting was adjourned.

Senate Fiscal Committee
Date: April 7, 2026
Location: Ohio Union Senate Chambers, Microsoft Teams
Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Committee Members

Scott Schricker, Justin Kieffer, Matt Smith, Terry Snoddy, Kimberly Kinsel, John Buford, Derrick Wyman, Scott Levi, Mark Foster, Shaurya Prakash, Kristine Devine, Derek Hansford, Armaan Chaudhary, Catherine Quatman-Yates, Kenny Saephan, Norman Jones, David Horn, James Woods, Kim Young.

Guests and Staff Support

Lily Langley, Katie Hensel, KJ Jariwala, Henry Ferris, Chad Foust, Steve Pruchnicki, Kayla Adams, Beth Tucker, Brian Clark, and Mackenzie Soviak.

Welcome and Approval of Previous Minutes

Presenter: Justin Kieffer, Chair

Quorum was confirmed. Chair Kieffer called the meeting to order and welcomed committee members, guests, and staff support. The Committee reviewed the prior meeting minutes, which had been updated with minor edits submitted in advance. With no objections raised, the minutes were approved by acclamation.

Annual Parking Concession and Endowment Update

Presenters: Tom Holman (Director, TTM) & Susan Boiarski-Markle (Assistant Director, TTM))

The Ohio State University

Parking – Where does the money go?

		Original Endowment	12/31/2024 Market Value	Actual Distributions FYs 13 – 24	FY Distributions FY25	Total Distributions FYs 13 - 25
Total Parking Proceeds Endowment Funds		$483,000,000	$705,043,783	$278,372,869	$27,586,154	$305,959,023
Expenditures	Faculty Initiatives & Research Discovery			$113,008,456	*$6,055,774	$119,064,230
	Eminent Scholarship & Student Support			**$34,734,772	$8,175,111	$42,909,883
	OSU Arts District Support Fund			$28,815,438	$2,857,747	$31,673,186
	Transportation, Parking & Sustainability			$86,451,130	$8,567,082	$95,018,212
	Total Parking Expenditures			**$263,009,798**	**$25,655,713**	**$288,665,511**

*Not processed until year-end. Will be approximately $11M.
**FY24 Financial Aid reimbursement did not get processed until FY25. Will likely be another $3M+ entry later this year.

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Transportation & Traffic Management (TTM), in coordination with CampusParc, presented the annual update on the Parking Concession and associated endowment funds. The presenters reviewed the financial status of the parking endowment, noting that the original endowment totaled approximately $483 million, with a market value of approximately $705 million as of December 31, 2024. Fiscal year 2025 distributions exceeded $27 million, bringing cumulative distributions from FY2013 to approximately $306 million.

The Ohio State University

Expenditures from Parking Endowment Distributions

$200M Faculty and Research
- Recruitment of Discovery Theme faculty
- In FY25, funds continue to support faculty hires with 50% salary, benefit support, and start-up costs

$83M Student Scholarships
- Eminence Fellowships - New Fellows: 40 in AU25
- Graduate Fellowships – In FY25, 22 Fellowships were awarded. Supported through stipends of $31,500 per year and Fee Authorizations
- Undergrad Research Apprenticeship Program – FY25 = 121 students (Paid salary up to $6K max per student.)
- Undergraduate Library Fellowships – FY25, transferred $24K to Libraries to support 4 Undergraduate Fellowships
- FY25 continued funding for the Academic Success and Enrichment Specialist (48% on this fund)

$50M Arts District Development
- FY25 distribution was used to pay a total of $2,039,210 on internal loan principal and interest. Funds in the amount of $116,533 were transferred to the College of Arts & Sciences for Arts District Capital projects as identified by ASC. The remainder of the funding was the annual support provided to the Vice Provost of the Arts for programming and various arts initiatives.

$150M Transportation and Sustainability
- Maintenance of CABS transportation system

5

The presenters outlined the use of endowment distributions in support of faculty and research initiatives, including Discovery Theme faculty salary, benefit, and startup funding, as well as student support. Student-related investments included the addition of 40 new Eminence Fellows, 22 new Graduate Fellows, 121 Undergraduate Research Apprentices, and four Undergraduate Library

Fellows. Endowment funds also supported Arts District needs, including internal loan repayment, capital projects, and programming administered through the Office of the Vice Provost for the Arts. Transportation, parking, and sustainability initiatives, including support for the CABS transit system, were also reviewed. Transportation, Parking, and Sustainability endowment activity reflected approximately $8.27 million in sources and expenses, with additional concession-related operational costs incurred.

Operational performance metrics were reviewed, including customer service call volumes, wait times, citation activity, and permit sales. Monthly call volumes and average wait times remained consistent with prior years. An increase in abandoned calls was attributed to the recent implementation of automated messaging designed to address frequently asked questions prior to live connection with staff. Citation volumes remained comparable to prior years; however, average citation revenue declined due to increased issuance of first-time, no-cost warning citations and expanded use of license plate recognition technology within garages, reducing reliance on surface lot enforcement.

Permit sales increased approximately three percent year over year, though total volumes remain below pre-COVID levels, historically estimated at approximately 40,000 annual permits. The presenters noted continued gradual recovery and increased reliance on daily and temporary parking options reflecting hybrid work patterns across the campus community.

The presenters highlighted capital investments totaling approximately $6.5 million, including improvements across six parking garages, sixteen elevators, forty-nine surface lots, and digital marquee signage. Lighting upgrades across garages and surface lots resulted in an estimated 46 percent reduction in energy consumption. Additional operational enhancements included the transition from scratch-off permits to fully digital daily parking, expansion of student ambassador programming, and ongoing outreach and engagement efforts.

TTM also provided clarifications regarding concession structure and policy constraints. Parking rate increases are governed by the terms of the concession agreement and an indexed formula with annual caps; permit declines during the COVID period did not trigger university subsidies. CampusParc financial losses are recoverable from the university only under limited contractual circumstances tied to university-directed policy changes and must be substantiated. Parking facilities remain university-owned, with CampusParc managing capacity through a contractual “bucket” model tracking net gains and losses in parking spaces, up to 2,200 spaces. On designated Global Event Days, the university assumes control of parking operations and revenue while reimbursing CampusParc for operational costs.

Committee discussion addressed staff parking affordability, particularly for employees working hybrid schedules, and the lack of a mid-cost option for two-to-three-day-per-week campus attendance. Members noted ongoing misalignment between pricing structures and hybrid work realities. Long-term parking strategy considerations were discussed, including trade-offs between centrally located, higher-cost garages and remote lot options that are more time-intensive for users.

Salary-based, prorated, zonal, or proximity-based pricing models have been analyzed but remain constrained by concession terms, financial balancing requirements, land availability, and infrastructure costs.

New Business

Presenter: Justin Kieffer, Chair

Chair Kieffer reminded members that selection of the next Senate Fiscal Committee Chair will be required. One candidate has expressed interest, and additional nominations are welcome, with an election anticipated at the next meeting on April 21, 2026.

The Chair further noted that Senate leadership has requested the Committee develop a formal conflict-of-interest policy to govern voting on proposals originating from Committee members or their colleges or units. Initial discussion occurred regarding governance and procedural risk associated with the absence of such a policy. More structured deliberation and policy development were deferred to a future meeting.

Adjournment

With no additional business raised, the meeting was adjourned.

Senate Fiscal Committee Meeting Minutes
Date: April 21, 2026
Location: Microsoft Teams
Meeting Called by: Justin Kieffer, Chair
Type of Meeting: Full Senate Fiscal Committee

Welcome and Approval of Previous Minutes

Chair Justin Kieffer called the meeting to order and confirmed that a quorum was present. Committee members reviewed the minutes from the previous meeting. No substantive edits were raised. The committee approved the minutes by unanimous consent.

Ohio State Energy Partners – Annual Report (FY25)

Presenter: Scott Potter, Senior Director of Comprehensive Energy Management

Scott Potter presented the FY25 annual report for the Ohio State Energy Partners concession, noting that he serves in a university role overseeing the contract on behalf of Ohio State. The presentation focused on operational performance, capital investment, and fulfillment of concession obligations.

Mr. Potter reported that operational reliability across electricity, steam, and chilled water systems continues to meet or exceed historical university benchmarks. He noted that performance has remained strong throughout the life of the concession, supported in part by continuity of experienced staff. Campus energy efficiency has improved by approximately 16.6 percent compared to the 2017 baseline, achieved through energy conservation measures such as lighting upgrades, insulation improvements, and optimization of chillers and distribution systems. He noted that future efficiency gains will likely be incremental, as lower-cost projects have largely been completed.

Capital investment activity under the concession was also reviewed. Mr. Potter explained that earlier years emphasized expansion projects associated with major campus development, while recent years have shifted toward lifecycle renewal and infrastructure replacement. Since inception, nearly three-quarters of a billion dollars in capital projects have been approved, with the clarification that approved amounts may differ from final project expenditures.

The academic collaboration component of the concession was discussed next. Approximately $810,000 is allocated annually to support non-utility academic and strategic initiatives and is administered through the Provost's Office. Mr. Potter confirmed compliance with internship requirements, reporting eleven paid internships during FY25.

Discussion then focused on the Combined Heat and Power (CHP) facility under construction on the Midwest Campus. Mr. Potter acknowledged that the project remains significantly delayed and over budget, largely due to contractor performance issues that led to terminations and extended legal proceedings. He emphasized that most cost overruns are being absorbed by the concessionaire and that the university's financial exposure is capped. The facility is currently in final testing and is expected to come online during summer 2026 following completion of required certifications.

Committee members asked questions regarding endowment distributions versus expenditures, the projected breakeven period for the CHP facility, renewable energy feasibility, and applicability of the concession to regional campuses. Mr. Potter explained that unexpended endowment distributions remain invested, estimated CHP breakeven ranges from 12 to 17 years depending on market conditions, and space constraints limit renewable options on the Columbus campus. He confirmed that the concession applies only to the Columbus campus, though regional campuses may benefit indirectly through student aid and other funding mechanisms. COVID-related legal expenses charged against endowment funds were described as university-wide legal costs rather than energy-specific expenses.

Proposed Senate Fiscal Committee Conflict of Interest Policy

Presenter: Justin Kieffer, Chair

Chair Kieffer introduced a proposed conflict of interest policy developed at the request of Senate leadership and in consultation with subcommittee chairs. The policy is intended to clarify expectations when committee members hold fiscal or administrative roles related to proposals under review.

Committee discussion focused on the scope of potential conflicts, historical practice regarding presentations by senior fiscal officers, and procedures for recusal during deliberation and voting. Members generally agreed that individuals with a conflict may present information and respond to factual questions but should recuse themselves from deliberation and voting. The policy also addresses circumstances in which additional information must be requested after a conflicted party has been recused.

A motion was made and seconded to adopt the policy as presented. The motion passed unanimously. The policy was adopted as a living document subject to future refinement.

Election of Senate Fiscal Committee Chair for the Upcoming Academic Year

Chair Kieffer reported that one nomination had been submitted for the role of Senate Fiscal Committee Chair for the upcoming academic year: Scott Schricker. No additional nominations were received.

Members expressed support for the nomination, citing Mr. Schricker's leadership on subcommittees and his experience managing complex fiscal discussions.

A motion was made and seconded to elect Scott Schricker as the next Chair of the Senate Fiscal Committee. The motion carried unanimously.

Closing Remarks and Adjournment

Chair Kieffer noted that he will prepare the committee's annual report summarizing subcommittee work and actions taken during the year, along with a brief summary for Faculty Senate leadership. Committee members expressed appreciation for Chair Kieffer's service and leadership over the past two years.

The meeting was adjourned. The final scheduled meeting of the academic year was canceled.