

**THURSDAY, AUGUST 29, 2019
FINANCE COMMITTEE MEETING**

Timothy P. Smucker
Gary R. Heminger
Erin P. Hoeflinger
Alexander R. Fischer
John W. Zeiger
Lewis Von Thaeer
Janice M. Bonsu
James D. Klingbeil
Lawrence A. Hilsheimer

Location: Longaberger Alumni House
Sanders Grand Lounge

Time: 12:30-2:15pm

ITEMS FOR DISCUSSION

- | | |
|--|---------------|
| 1. <i>Annual University Financial Overview – Michael Papadakis</i> | 12:30-12:45pm |
| 2. <i>FY19 Internal Bank Update – Jake Wozniak</i> | 12:45-12:50pm |

ITEMS FOR ACTION

- | | |
|--|--------------|
| 3. Approval of FY20 Financial Plan – Michael Papadakis, Kristine Devine,
Mark Larmore | 12:50-1:05pm |
| 4. Approval of FY20 Capital Investment Plan – Michael Papadakis, Jay Kasey | 1:05-1:20pm |
| 5. Approval of FY20 Ohio State Energy Partners Capital Plan – Scott Potter | 1:20-1:30pm |
| 6. Approval to Enter Into/Increase Professional Services and Construction Contracts
– Jay Kasey, Mark Conselyea | 1:30-1:35pm |
| 7. Approval for Ground Lease of Unimproved Real Property – Keith Myers | 1:35-1:40pm |
| 8. Authorization to Enter into a Long-Term Lease and Purchase Option (Building A) –
Keith Myers | 1:40-1:45pm |
| 9. Authorization to Enter into a Long-Term Lease and Purchase Option (Building B) –
Keith Myers | |

Written Reports

- a. Major Project Updates*
- b. Efficiency Scorecard*

Executive Session

1:45-2:15pm



THE OHIO STATE UNIVERSITY

University Financial Overview

Senior Vice President and CFO Michael Papadakis

Finance Committee | Aug. 29, 2019



Financial overview – Fiscal 2019

Our budget demonstrates our diversity of operations

- **Education:** Funded by tuition and state support (SSI)
- **Research:** Supported through grants (federal, state and private)
- **Patient care:** Self-funded by services
- **Auxiliaries (Athletics, Student Life, etc.):** Self-funded through services

Stability ensures access to financial markets

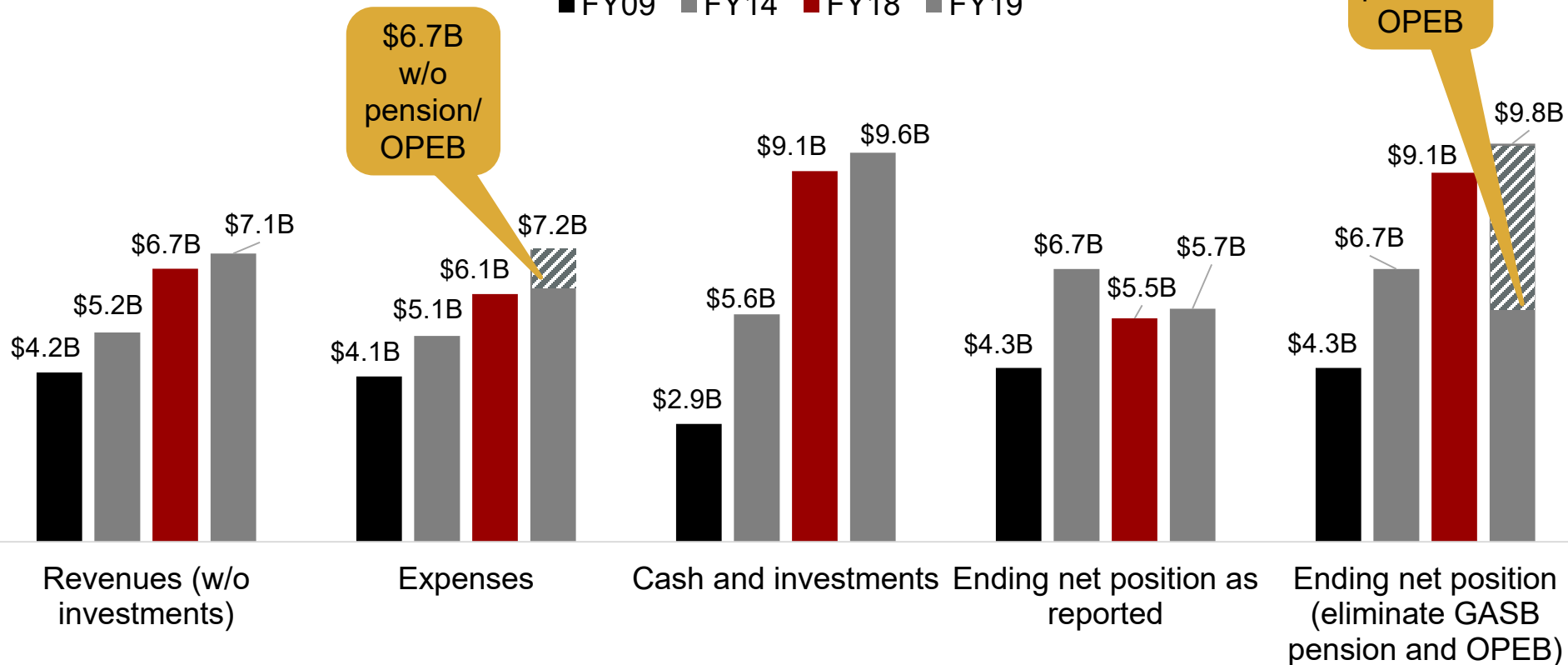
- **Credit ratings:** AA/AA/AA1 stable



Trend lines demonstrate positive momentum

Comparison of financial metrics since FY09

■ FY09 ■ FY14 ■ FY18 ■ FY19





Overview: Balance sheet

Ending net position grows 4% to \$5.7 billion

DETAILS

- **Total cash and investments:** 5% increase, to \$9.6 billion
 - Strong performance of short and intermediate investments
 - Challenging markets for long-term investment pool
- **Debt:** Total outstanding balance flat at \$3.3 billion
 - Annual debt service to operating expense (3.17%) within policy (5%)
 - Leverage metrics in AAA/AA range, e.g. total debt to cash flow = 3.1x
- **Other liabilities:** 13% increase, to \$8.2 billion
 - Net pension/OPEB liabilities are driving this trend



Balance sheet

Assets and Liabilities	FY18	FY19
Total Cash and Investments	\$9.1B	\$9.6B
Capital Assets, net	\$5.2B	\$5.4B
Pension and OPEB assets and deferred outflows	\$.7B	\$1.2B
Other Assets	\$1.0B	\$1.0B
Total assets	\$16.0B	\$17.3B
Debt	\$3.2B	\$3.3B
Pension and OPEB liabilities and deferred inflows	\$4.3B	\$5.3B
Other liabilities	\$3.0B	\$3.0B
Total liabilities	\$10.5B	\$11.5B

\$584M of capital projects, net of (\$337M) depreciation

Drivers: WMC growth, adjustments for pension/OPEB

Net position	FY18	FY19
Ending net position (eliminate pension and OPEB)	\$9.1B	\$9.8B
Pension and OPEB effect on net position	(\$3.6B)	(\$4.1B)
Final Ending Net Position	\$5.5B	\$5.7B

Pension and OPEB has (\$485M) impact on net position

6 OPEB = Other post-employment benefits.
 Preliminary, unaudited data



Overview: Budget priorities for FY19

ACCESS AND AFFORDABILITY:

- **Tuition Guarantee:** Locks tuition, mandatory fees, housing, dining for Ohioans
- **Financial aid:** More than \$150 million in need-based aid added since FY15
- **CarmenBooks:** Students to save \$1 million on textbooks in first year

ACADEMIC EXCELLENCE:

- **Digital Flagship:** 12,500+ iPads distributed; mobile lab launched
- **Teaching Support Program:** Share evidence-based teaching practices
- **Research grant:** \$65.9 million HEALing Communities Study awarded

PATIENT CARE

- **Planning for growth:** New hospital tower and ambulatory facilities



Income statement

Solid year reflected in continued margin growth

Total Revenue	FY18	FY19
University	\$3.1B	\$3.2B
Health System & OSUP	\$3.6B	\$3.9B
Total Revenues (w/o investments)	\$6.7B	\$7.1B
Net Investment Income	\$440M	\$327M
Total Revenues (w/ investments)	\$7.2B	\$7.4B

Revenue and expense from operations both grew \$375M

Total Expenses	FY18	FY19
University	\$3.3B	\$3.4B
Health System & OSUP	\$3.0B	\$3.3B
Total Expenses (w/o pension and OPEB)	\$6.4B	\$6.7B
Pension and OPEB expense	(\$241M)	\$480M
Total Expenses (w/ pension and OPEB)	\$6.1B	\$7.2B

\$721M increase in pension/OPEB expense

Margin	FY18	FY19
Change in Net Position	\$1.1B	\$234M



Highlights: Operational Excellence

Efficiency programs totaled \$155 million; exceeding their annual targets

Efficiency program	FY19 target	FY19 results	Progress to goal	YTD status
University	\$41M	\$53.8M	131%	
Wexner Medical Center	\$32M	\$48.7M	148%	
Capital efficiencies	\$52M	\$54.1M	104%	

NEW INITIATIVES FUNDED

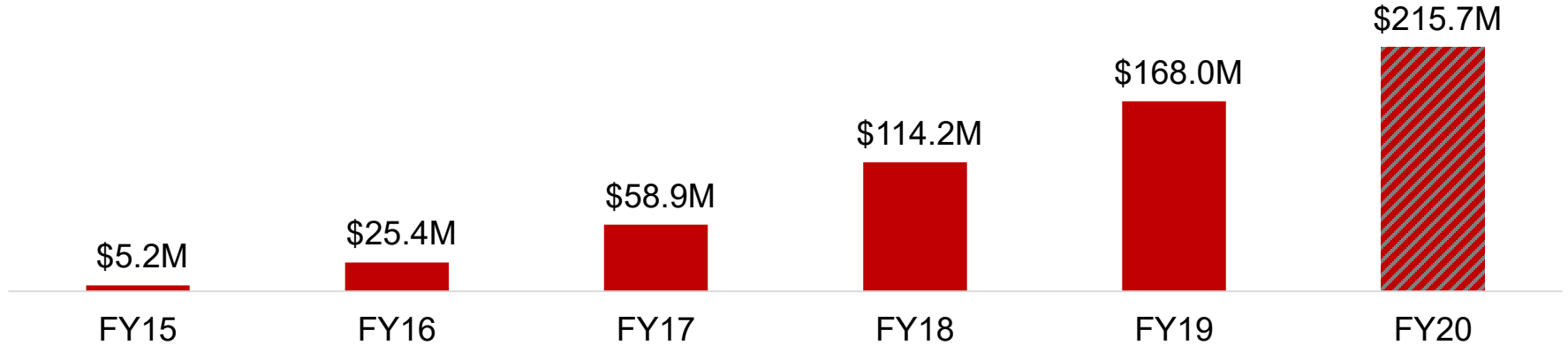
➤ More than \$150 million has been committed through fiscal 2020 to fund four major initiatives

Strategic initiative	Description	Funding source
President's Affordability Grants	Aid for 15,000+ low- and moderate-income Ohioans per year	Administrative efficiencies
Buckeye Opportunity Program	Aid package covers tuition for Ohio students who qualify for Pell grants	Innovative funding
Digital Flagship	24,000 students receive iPad learning technology suite in FY19 and FY20	Administrative efficiencies
University Institute for Teaching and Learning	Teaching excellence program available to faculty	Innovative funding



Detail: University efficiency program

Cumulative savings on track to exceed \$200M goal



OTHER EFFICIENCY HIGHLIGHTS

The university's 2020 goals focused on savings that could be redeployed to student financial aid and other strategic initiatives. Other initiatives reduce operating costs and the cost of capital projects.

	Progress through FY19	Status	Notes
Strategic procurement	\$388M compared with FY12	●	Savings largely benefit colleges and units through discounted rates on goods and services
Wexner Medical Center	\$523.5M since FY15	●	Margin improvement has increased days cash on hand metric from 81 days to 168.2 days
OE@OSU	\$129M saved or avoided since FY14	●	More than 900 belts trained in Lean Six Sigma techniques since FY14, including 110 in FY19
Capital projects	\$87.9M In FY18 and FY19	●	Costs avoided by improving project accounting, capturing bid favorability, budget reductions



Highlights: New resources

The university set a 5-year, \$200 million goal for innovative funding

FY20 goal	\$200M	
Major projects	Upfront total	Annual funding through FY20
NIKE extension	\$22.5M	\$6.4M
Comprehensive Energy Management	\$1.07B	\$99.1M
Coca-Cola extension	\$6M	\$550,000
Total	\$1.1B	\$106.0M

OTHER NEW RESOURCE HIGHLIGHTS

The university continues to benefit from innovative funding work that pre-dated the 2020 goal. Examples include:

Project	New resource metric	Notes
Parking	\$152M distributed FY13-FY19	Supports 200+ scholarships per year, 137 Discovery Themes faculty hires, Arts District and more
Affinity relationships	160+ internships per year	Relationships with Nationwide, Huntington and other partners support the campus in various ways



Highlights: Patient care

As Wexner Medical Center grows, metrics show expenses per AA outpaced revenue growth

- **Revenue per adjusted admit:** 4.1% increase
- **Expense per adjusted admit:** 4.7% increase

VOLUME METRICS

- **Admissions:** Flat
- **Surgeries:** 4.0% increase
- **Outpatient visits:** 5.8% increase

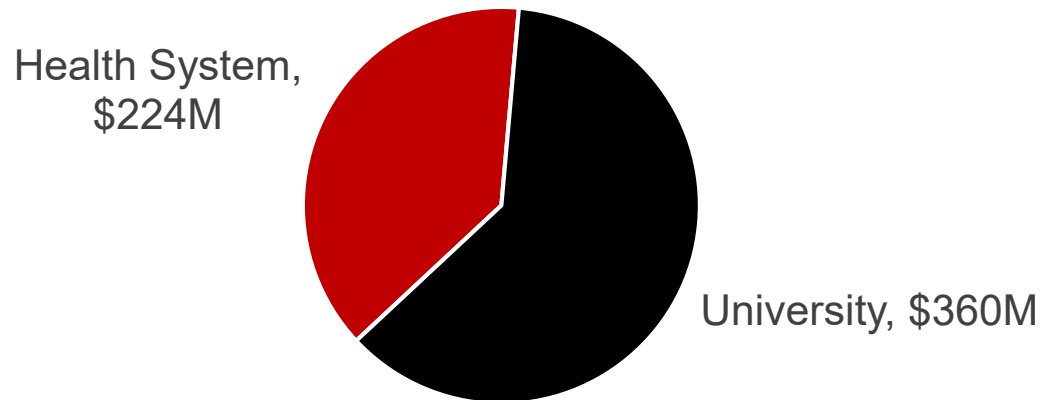
Surgery activity reflects high demand across various specialties:

- 9,617 in orthopedic surgery, 7.7% increase
- 1,531 in vascular surgery, 23.3% increase
- 2,374 in trauma, CC, burn surgery, 11.0% increase
- 1,876 in plastic surgery, 8.1% increase



Highlights: Capital projects

\$584M in capital projects, prior to depreciation



EXAMPLE PROJECTS COMPLETED DURING FY19

- Cannon Drive Phase I: \$52 million
- Covelli Multi-Sport Arena: \$49 million
- Schumaker Student-Athlete Development Complex: \$42 million
- James Cancer Hospital build-out of shelled space: \$39 million
- 700 Ackerman renovation: \$22 million
- OSU Airport Terminal: \$20 million



Highlights: Innovation

ECONOMIC DEVELOPMENT

- **Startups:** 14 new companies, bringing university startup portfolio to 90
- **Invention disclosures:** 418, continuing strong pace
- **Licensing revenue:** \$8.8 million

COMPREHENSIVE ENERGY MANAGEMENT

- **Sustainability:** \$43M in conservation projects underway or complete
- **Academic collaboration:** Energy Advancement and Innovation Center
- **Funding for the academic mission:** \$34.8 million distributed in FY19

OTHER

- **Coca-Cola:** \$84.7 million extension of pouring rights contract
- **Parking:** \$152 million+ distributed; 200+ scholarships last year



Investments



Results: Investments

- LTIP market value has grown to \$5.4 billion
 - \$217 million distributed for access, affordability and excellence
- Challenging year for Long Term Investment Pool
 - Legacy investments in illiquid assets weakened performance
 - Historic drop in interest rates had a significant impact on overall returns
 - Absolute return portfolio also underperformed
- Solid performance for short and intermediate investment pools

	1 Year performance	Benchmark
Short-term cash	2.3%	2.3%
Short Term investments	2.6%	
Intermediate-term investments	4.8%	4.3%
Long-term investments	3.6%-4.4% (preliminary*)	7.0%

16 Preliminary FY2019 lacks a full quarter's pricing because of lagged illiquid investments reporting. Final FY2019 results with current liquid pricing will be reported in September 2019.

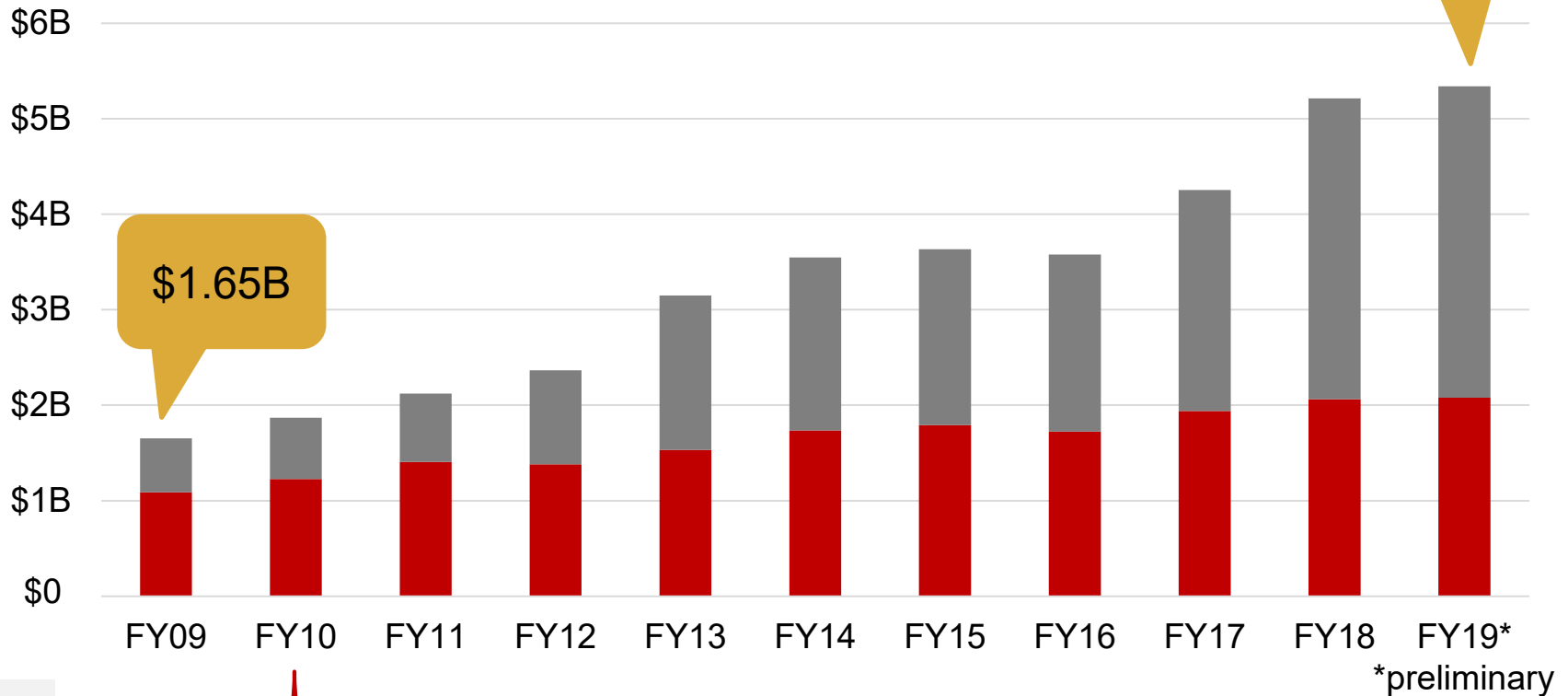


LTIP grows to \$5.4 billion

Energy project funds, investment returns and gifts drive growth

Market value at fiscal year end (June 30)

■ Gifted endowment ■ University contributions





LTIP performance overview

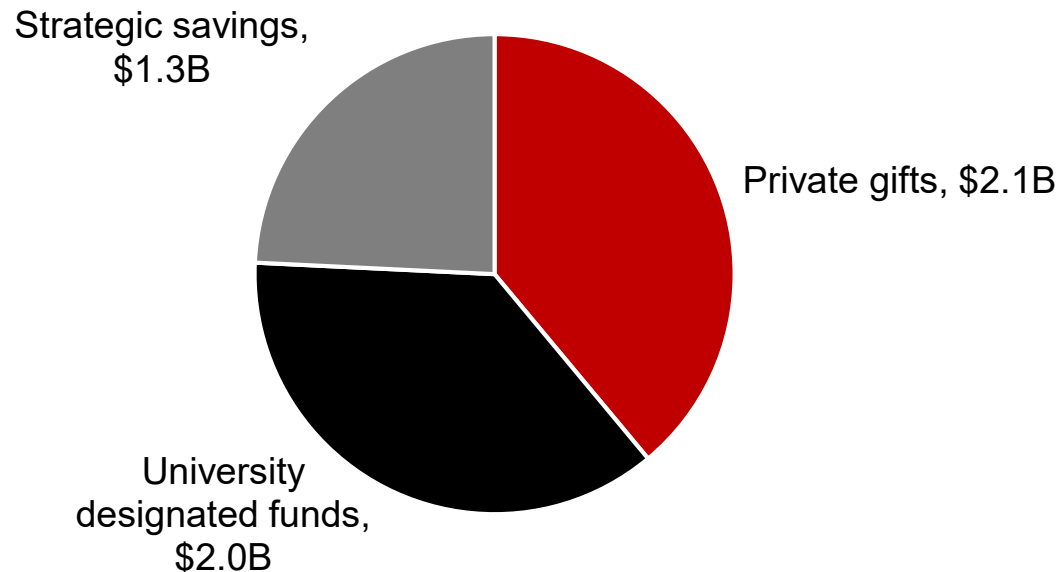
- Final year-end numbers to be available in September
 - LTIP return estimated at 3.6% to 4.4% for FY19
- Market value growth
 - \$162 million in investment returns
 - \$44 million in gift receipts
- Asset allocation within policy guidelines
 - 62.7% global equities; 29.7% global fixed income; 7.6% real assets



Overview: Long-Term Investment Pool

- Every dollar we invest in the LTIP supports our academic mission without expanding our reliance on tuition or tax dollars
- The LTIP contains more than 5,900 endowments funded by private gifts, strategic investments by the university, and long-term savings to protect the financial health of the university and Wexner Medical Center.

LTIP market value: \$5.4 billion as of June 30, 2019*

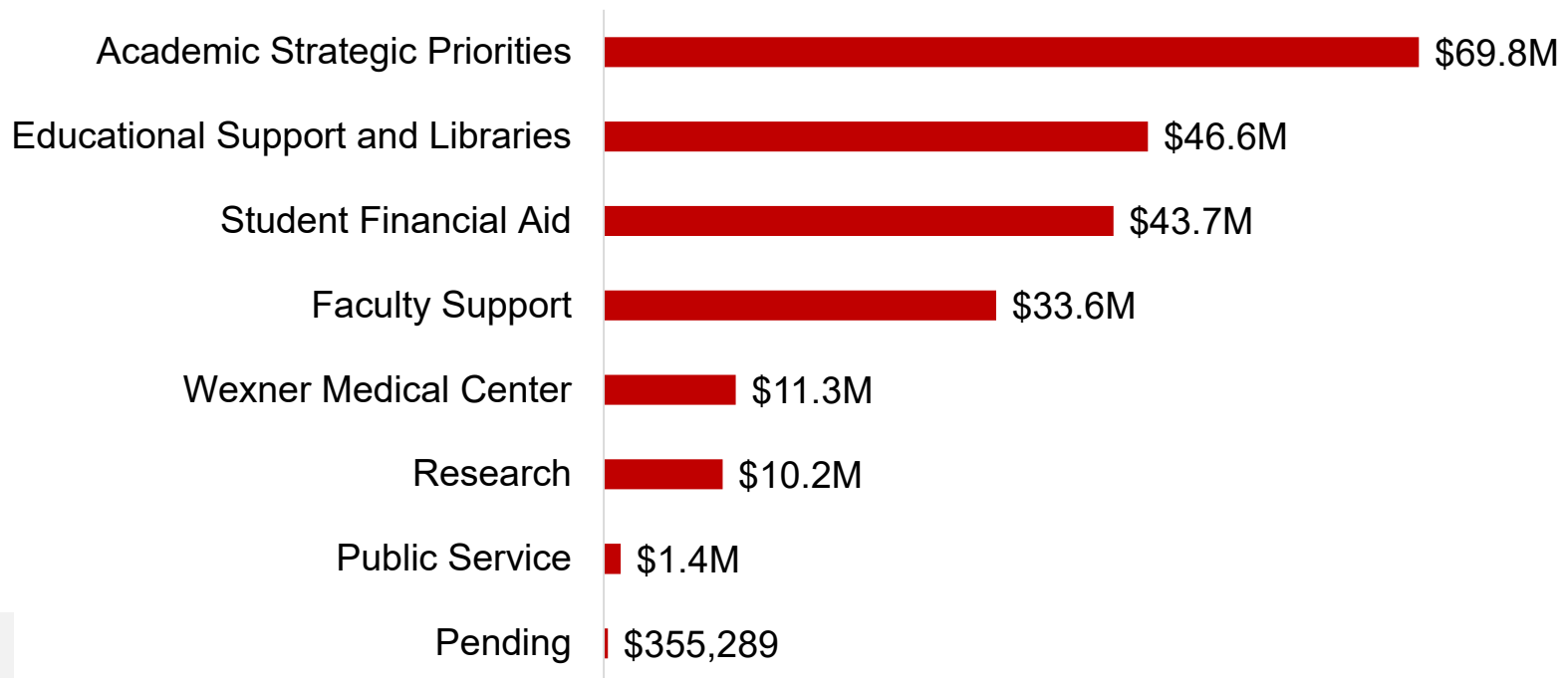




Distributions from the LTIP

- Annual payments are determined based on a seven-year average
 - 4.5% distributed on an annual basis
 - Policy provides steady, reliable funding for campus priorities

FY19 distributions: \$217 million





Recap



Recap: Financial state of the university

- Strength and stability provides access to low-cost financing for capital projects
 - AA/AA/Aa1 bond ratings, multi-year debt issuance program, economically advantageous refunding opportunities

- Administrative efficiencies are re-directing funds to our core mission
 - Access, affordability, academic excellence and patient care

- Innovative strategies are providing new funds to fulfill the strategic plan
 - Student financial aid (Buckeye Opportunity Program and others)
 - Educational technology (Digital Flagship)
 - Teaching excellence (University Institute for Teaching and Learning)
 - Accessible patient care (additional beds and planned expansions)



THE OHIO STATE UNIVERSITY

FY2019 Internal Bank Update

Office of Financial Services

Jake Wozniak, University Treasurer
Finance Committee | August 29, 2019



Internal Bank Function

➤ **Overview:** The Office of Financial Services (OFS) manages cash, investments, and debt for the university, and serves as a “bank” to university departments by taking deposits, issuing debt, investing operating funds and administering loans. The internal bank coordinates these activities and provides a consolidated view of the associated assets, liabilities, revenues and expenses.

- Sources include external (bond issuances and leases) and internal (cash).
- Allocates scarce financial resources, managing risk and creating long-term unrestricted resources.
- Leverages institutional borrowing and cash flow timing to address capital needs for departments and affiliates.

➤ **Guidelines:** Internal bank loans & capital equipment leases must adhere to the provisions stated in the University Debt Policy.

➤ **Governance:** Oversight is provided by the Internal Bank Executive Committee with representation from the Office of Financial Services and Business & Finance with input from the Financial Planning and Analysis office.

➤ **Capital Planning Process:** Internal Bank Loans are identified as a funding source for projects during the university’s capital planning process.

Loan Statistics (as of June 30, 2019)

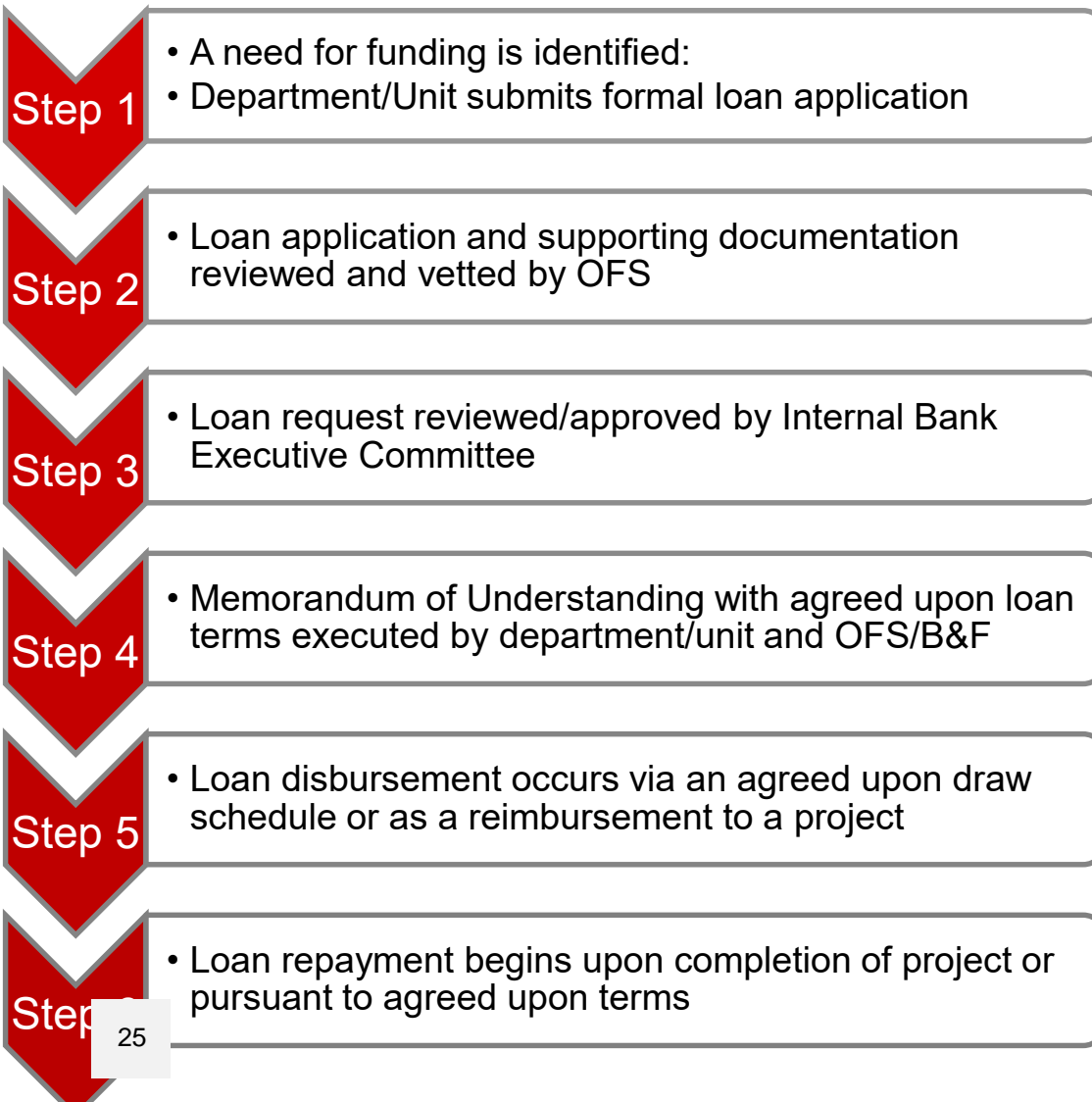
Loan Summary	Number	Amount
Total Loans Outstanding	147	\$2.60B
Loans in Repayment	131	\$2.42B
Wtd. Average Cost Capital	4.37%	
Wtd. Average Life	15.07 Years	

Recent Loan Activity	Number	Amount
Funded in FY2019	14	\$185.4MM
Near Term Requests FY2020	12	\$319.3MM



Internal Bank Overview

Loan Process



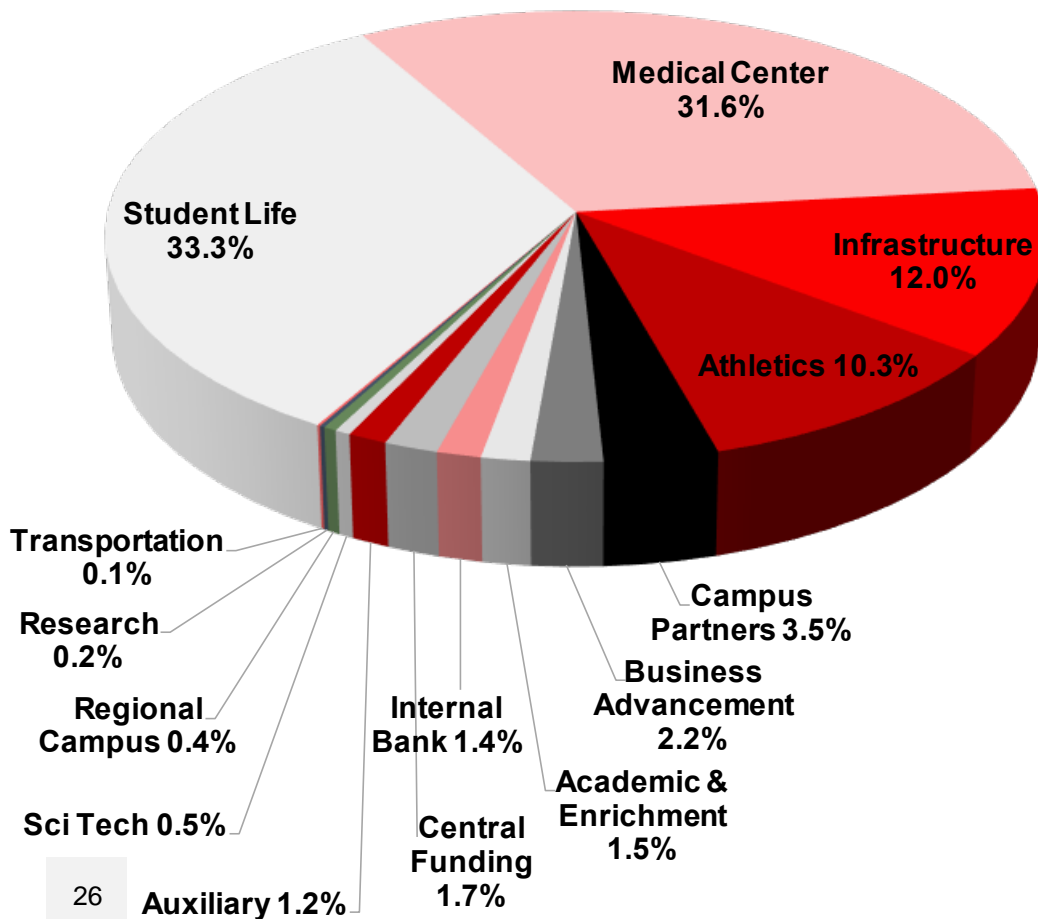
Current Borrowing Rates/Terms

Capital Projects - Internal Bank Loan	
1 to 5 year term	4.50%
Over 5 years and up to 10 years	5.00%
Greater than 10 years	5.25%

Equipment Leases	
1 to 3 year term	2.50%
Over 3 years and up to 5 years	2.75%
Over 5 years and up to 7 years	3.00%
Greater than 7 years	3.25%



Internal Bank Overview



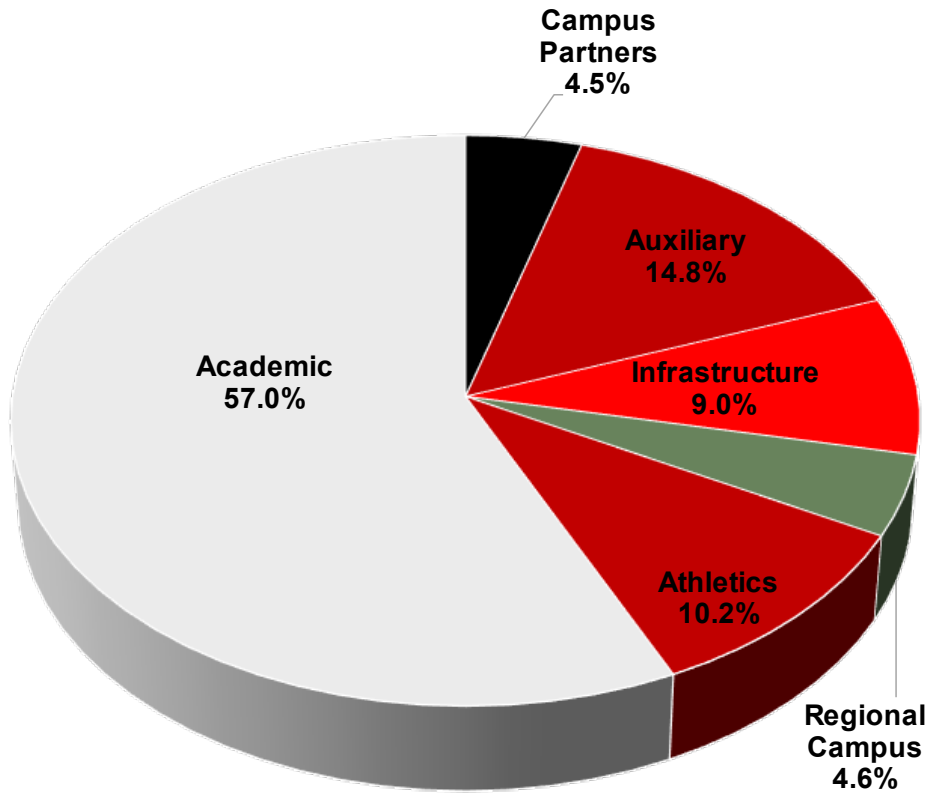
as of 6/30/2019

Funding Source	Loans in Repayment (MM)
Bonds	2,397.6
Capital Equipment Leases	29.8
Total	\$2,427.4

Borrowing Unit/ Obligor	Loans in Repayment (MM)
Student Life	809.5
Medical Center	767.0
Infrastructure	291.5
Athletics	250.7
Campus Partners	86.1
Business Advancement	54.0
Academic & Enrichment	36.9
Internal Bank	33.5
Central Funding	40.7
Auxiliary	29.6
Sci Tech	11.9
Regional Campus	9.8
Research	3.7
Transportation	2.4
Total	\$2,427.4



Projects Funded in Fiscal 2019



Borrowing Unit/Obligor	Amount (MM)
------------------------	-------------

Athletics

Ty Tucker Tennis Center*	18.9
	18.9

Infrastructure

Cannon Drive Replacement - Phase II (Design)	6.6
Oval Tunnel Repairs	3.8
Water Meter Upgrades	6.2
	16.6

Academic

Arts District	25.0
Postle Hall	33.5
Biomedical & Materials Engineering Complex	19.1
Instructional Science Building Renovations	25.0
Optometry - Fry Hall Enabling	1.0
Optometry - Interdisciplinary Clinic	2.0
	105.6

Auxiliary

WOSU	15.0
TRC Smart Center	12.5
	27.5

Regional Campus

Newark - Science & Technology Building	8.5
	8.5

Campus Partners

Campus Partners - 15th & High Infrastructure	8.3
	8.3

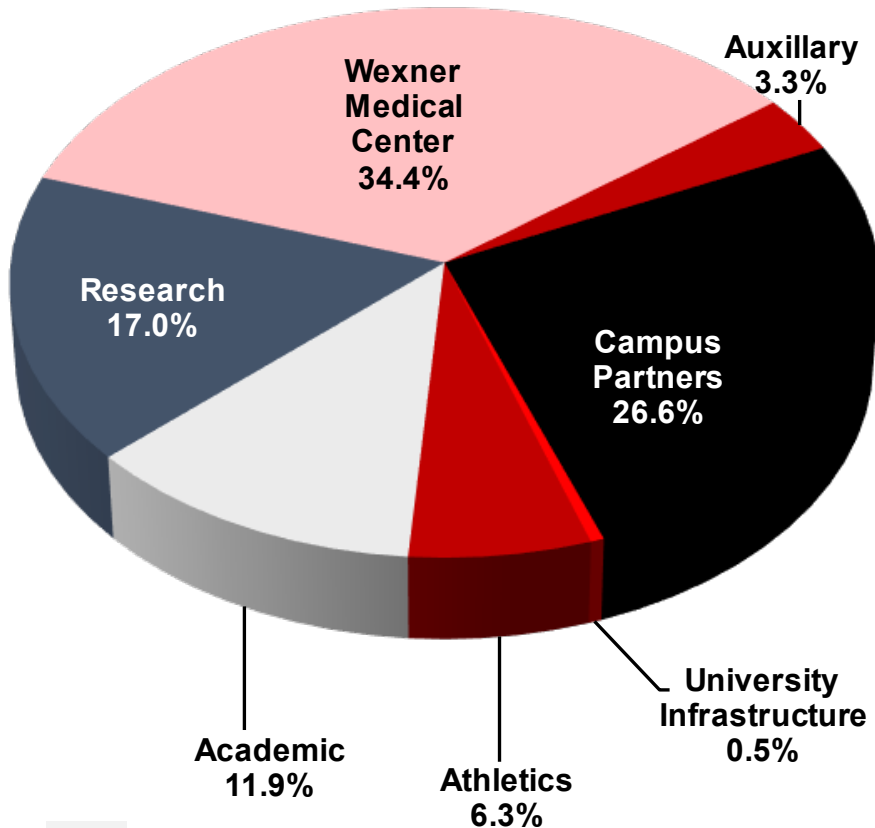
Total **185.4**

*Gap Financing – Fundraising Pledges

5



Near Term Requests Fiscal 2020



Borrowing Unit/Obligor	Amount (MM)
Academic	
FAES Controlled Food Environment Production	25.2
Newton Hall Expansion	6.0
Library Book Depository	7.0
	38.2
Research	
Interdisciplinary Research Building	54.0
Mass Spectrometer	0.3
	54.3
Campus Partners	
15th & High Development Buildings A+B1	85.0
	85.0
Athletics	
Lacrosse Stadium*	20.0
Golf Course Equipment	0.2
	20.2
University Infrastructure	
University Infrastructure	1.5
	1.5
Auxillary	
OCIO Equipment Purchase - (Servers)	6.0
OSU Airport Knowlton Terminal	4.7
	10.7
Wexner Medical Center	
West Campus Ambulatory	110.0
	110.0
Total	\$ 319.9

*Gap Financing – Fundraising Pledges

**APPROVAL OF FISCAL YEAR 2020
FINANCIAL PLAN**

Synopsis: Approval of the financial plan for the fiscal year ending June 30, 2020, is proposed.

WHEREAS the state of Ohio Biennial Budget for state fiscal years 2020 and 2021, including funding levels for state institutions of higher education, was signed into law on July 17, 2019; and

WHEREAS tuition and fee levels for the Columbus and regional campuses for the fiscal year ending June 30, 2020, were approved at the July 10, 2019, Board of Trustees meeting; and

WHEREAS the president now recommends approval of the financial plan for the university for the fiscal year ending June 30, 2020:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves the university's financial plan for the fiscal year ending June 30, 2020, as described in the accompanying Fiscal Year 2020 Financial Plan book and authorizes the president to make expenditures within the projected income.



THE OHIO STATE UNIVERSITY

FY 2020 Financial Plan

Michael Papadakis, Mark Larmore and Kris Devine

Finance Committee | August 29, 2019



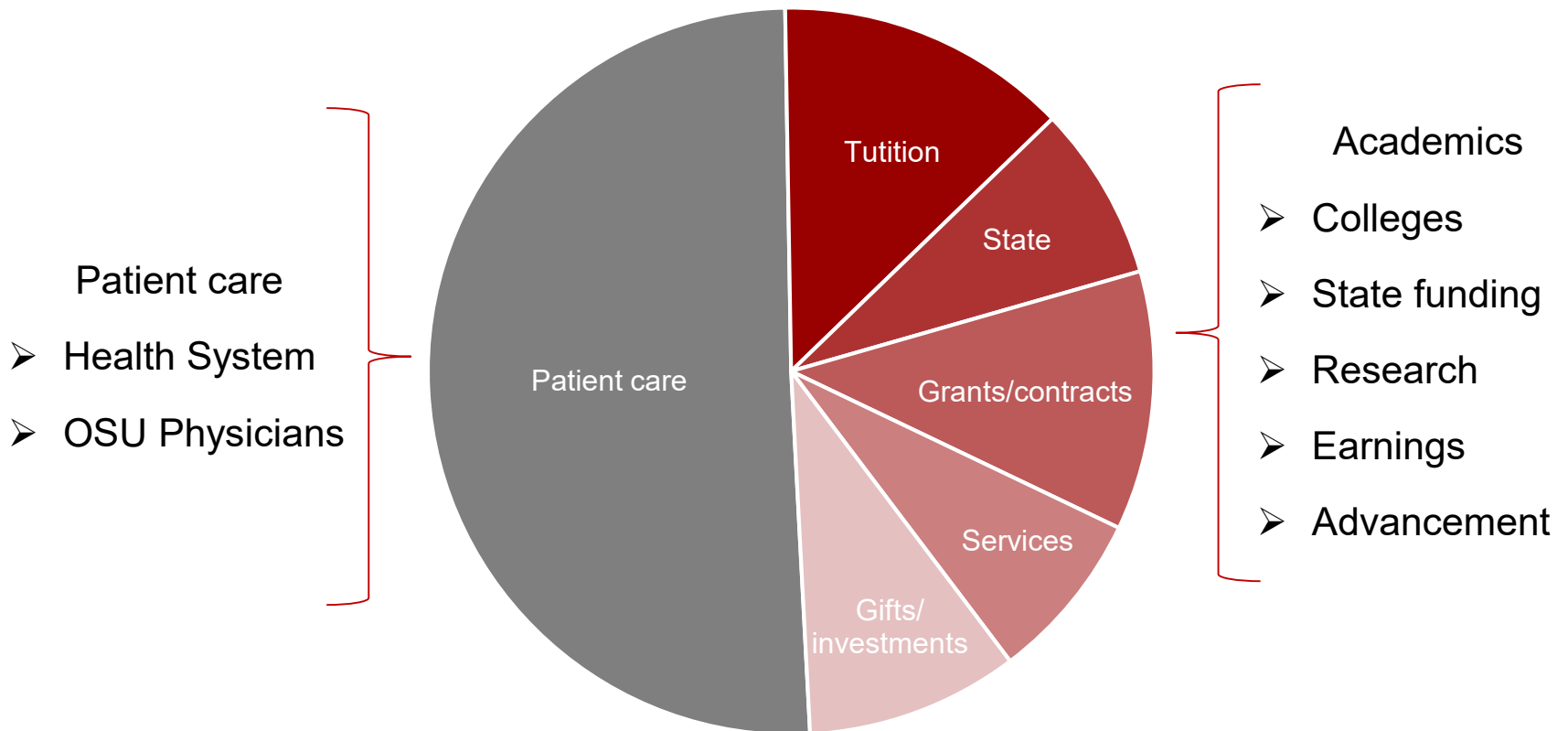
FY2020 Financial Plan Highlights

Strategic Pillar	Highlights
Teaching and Learning	<ul style="list-style-type: none">• Digital Flagship investment \$12 million per cohort• Institute for Teaching and Learning \$4.9 million
Access Affordability and Excellence	<ul style="list-style-type: none">• Investing \$40 million in Buckeye Opportunity Program, President's Affordability Grants and the Land Grant Opportunity Scholarship Program
Research and Creative Expression	<ul style="list-style-type: none">• Award for HEALing Communities Study is the university's largest research grant ever \$65 million in total (\$22 million in FY2020) for opioid research• Funding \$28 million for the Discovery Themes Initiative
Academic Health Care	<ul style="list-style-type: none">• Launching of the Healthy State Alliance with Mercy Health• Construction of first proton therapy treatment facility in central Ohio (set to open in FY2021)
Operational Excellence and Resource Stewardship	<ul style="list-style-type: none">• Set to exceed \$200 million efficiency savings goal by \$15 million• Continued reinvestment of efficiency savings into core mission



Financial Plan overview

Consolidated budget reflects bottom-up and top-down, with eliminations





Assumptions: University

Factor	Assumptions & Explanation
Tuition	<ul style="list-style-type: none"> FY20 Enrollment - NFYS – 7,600; NFYS Mix – 5,092/1,758/750 (67.0%/23.1%/9.9%); Transfers – 2,250 Tuition Guarantee – Cap 2.0%, CPI 1.5% Non-Resident Surcharge – 4.8% Int'l Surcharge – 0.0% Graduate – base fees 0.0%; 10 differential fee increases Program, Technology & UG Course Fees – No Increase
State Share of Instruction	<ul style="list-style-type: none"> No Increase
Exchange Grants and Contracts	<ul style="list-style-type: none"> \$22M of \$65M federal research grant to address opioid epidemic
Sales and Services	<ul style="list-style-type: none"> 2.2% increase for Housing and Dining 1 summer stadium concert; 7 home football games
Advancement Receipts	<ul style="list-style-type: none"> Continuation of Fundraising Campaign – \$575M in New Fundraising Activity \$295M in cash receipts
Investment Income	<ul style="list-style-type: none"> 8% LTIP Return
Salaries and Benefits	<ul style="list-style-type: none"> Merit – 2.5% Composite Benefit Rates – flat
Student Aid	<ul style="list-style-type: none"> Expansion of existing aid for Land Grant Opportunity Scholarships, National Buckeye Program, Buckeye Opportunity Program Increases in 2019-2020 Federal Pell Grants and Ohio College Opportunity Grants (pending in state budget bill)
Supplies and Services	<ul style="list-style-type: none"> 0% inflation assumed (main area for targeted efficiencies)
Interest Expense	<ul style="list-style-type: none"> 2.0% variable interest rate
Depreciation	<ul style="list-style-type: none"> Increases for construction in progress and iPad depreciation



Assumptions: Health System

FACTOR	Assumptions & Explanation
Payor mix and price implications	2% Payor shift to Medicare - aging population; Managed care 3% average rate increase
Admissions/outpatient visits	2.7% inpatient growth and 4.1% growth in outpatient visits
Surgeries	4.0% inpatient 0.4% outpatient 2.1% total growth
Case mix index	Projected CMI increase in Ross, other hospitals constant year over year
Length of stay	Increase of 1.2% driven by mix changes at Ross and James
Total beds	Total beds available of 1,471 with 14 incremental psychiatry beds
Salary/wages	2.5% merit increase / 0.5% market adjustments
Benefits	31% of salaries
Pharma/drugs	Drug cost inflation of 5% 340B changes, cancer drug utilization increases
Interest	Decrease 9.8% with no incremental debt issued
Depreciation	Increase 4.2% from FY19
Annual Capital Expenditures	Routine - \$133M Strategic - \$130.5M
Medical Center Investments	\$155M



Consolidated financial overview – Modified Cash Flow

The Health System and OSUP account for 50% of consolidated revenue

Total Sources (\$ thousands)	FY18	FY19	FY20	\$ Difference	% Difference
	Actuals	Forecast	Plan		
University (incl MCI)	3,687,043	3,780,154	3,906,495	126,341	3.3%
Health System	3,017,772	3,233,164	3,367,124	133,960	4.1%
OSU Physicians	439,733	453,154	505,265	52,111	11.5%
Transfers and Eliminations	(288,556)	(251,355)	(285,321)	(33,966)	-13.5%
Total Sources	6,855,992	7,215,117	7,493,563	278,446	3.9%

Total Uses (\$ thousands)	FY18	FY19	FY20	\$ Difference	% Difference
	Actuals	Forecast	Plan		
University	3,291,623	3,599,445	3,714,277	114,832	3.2%
Health System (incl MCI)	2,737,770	2,960,561	3,104,062	143,501	4.8%
OSU Physicians (incl MCI)	422,904	437,076	488,457	51,381	11.8%
Transfers and Eliminations	(275,918)	(285,748)	(291,799)	(6,051)	-2.1%
Total Uses	6,176,379	6,711,334	7,014,996	303,662	4.5%

Sources Less Uses (\$ thousands)	FY18	FY19	FY20	\$ Difference	% Difference
	Actuals	Forecast	Plan		
University	395,420	180,709	192,218	11,509	6.4%
Health System	280,002	272,603	263,062	(9,541)	-3.5%
OSU Physicians	16,829	16,078	16,808	730	4.5%
Transfers and Eliminations	(12,638)	34,393	6,478	(27,915)	-81.2%
Total Sources Less Uses	679,613	503,783	478,566	(25,217)	-5.0%



Academic enterprise



FY 2020 Financial Plan by Fund Group

Not all margins are fungible

Total Sources (\$ thousands)	Unrestricted	Restricted		Restricted	Total	
	[General and Designated]	Earnings	Endowment and Development	Grants and Contracts	Plant	University
External Sources						
Tuition & Fees (gross)	1,219,544	-	-	-	-	1,219,544
State Share of Instruction	383,217	-	-	-	-	383,217
Other Operating Appropriations	-	-	-	89,913	-	89,913
Exchange Grants & Contracts	117,000	-	-	646,411	-	763,411
Non-Exchange Grants & Contracts	-	-	-	89,301	-	89,301
Sales & Services - Auxiliaries	-	376,775	-	-	-	376,775
Sales & Services - Departmental	-	167,085	-	-	-	167,085
Current Use Gifts	-	-	212,700	-	-	212,700
Endowment Distributions	88,882	-	139,559	-	-	228,441
Interest Income	67,340	-	-	-	-	67,340
Other Revenues	-	39,886	-	-	-	39,886
Total External Sources	1,875,983	583,746	352,259	825,625	-	3,637,613
Internal Sources						
Net Transfers from Health System	-	-	-	268,882	-	268,882
Total Internal Sources	-	-	-	268,882	-	268,882
Total Sources	1,875,983	583,746	352,259	1,094,507	-	3,906,495
Total Uses (\$ thousands)						
Salaries	903,060	240,221	54,228	436,969	-	1,634,478
Benefits	238,918	63,762	14,894	112,701	-	430,275
Total Personnel Expense	1,141,978	303,983	69,122	549,670	-	2,064,753
Fee Authorizations	103,979	784	1,399	12,210	2,400	120,772
Student Aid	268,187	29,063	40,052	91,616	-	428,919
Supplies, Services & Other	356,117	184,042	62,414	406,057	-	1,008,631
Interest Expense	-	-	-	-	91,202	91,202
Total Non-Personnel Expense	728,283	213,890	103,865	509,884	93,602	1,649,524
Total Uses	1,870,261	517,872	172,988	1,059,554	93,602	3,714,277
37 Less Uses, Operating	5,722	65,874	179,271	34,953	(93,602)	192,218

- Unrestricted [General and Designated] funds generate a modest margin of \$5.7 million which is mainly used for operating reserves and strategic investments.
- Earnings funds generate a margin of \$65.9 million, these funds are directed toward capital and debt service reserves.
- Restricted Endowment and Development funds generate a margin of \$179 million mainly due to timing differences between gift receipt and spend.
- Restricted grants and contracts generate a margin of \$35 million due to timing of reimbursements on research projects.
- Plant funds are used to pay principal and interest on debt service and have a negative margin of \$93.6 million. This is primarily funded from Other Operating Fund groups and non-operating cash sources.



Highlights: University-only sources

Total Sources (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
External Sources					
Tuition & Fees (gross)	1,135,298	1,184,703	1,219,544	34,842	2.9%
State Share of Instruction	383,860	383,217	383,217	-	0.0%
Other Operating Appropriations	91,733	89,913	89,913	-	0.0%
Exchange Grants & Contracts	757,037	739,837	763,411	23,574	3.2%
Non-Exchange Grants & Contracts	81,268	85,734	89,301	3,566	4.2%
Sales & Services - Auxiliaries	362,966	388,038	376,775	(11,263)	-2.9%
Sales & Services - Departmental	161,964	163,459	167,085	3,627	2.2%
Current Use Gifts	168,209	174,800	212,700	37,900	21.7%
Endowment Distributions	201,965	217,765	228,441	10,676	4.9%
Interest Income	43,734	77,174	67,340	(9,834)	-12.7%
Other Revenues	31,328	38,121	39,886	1,764	4.6%
Total External Sources	3,419,362	3,542,760	3,637,613	94,853	2.7%
Internal Sources					
Net Transfers from OSU Health System	267,681	237,394	268,882	31,488	13.3%
Total Internal Sources	267,681	237,394	268,882	31,488	13.3%
Total Sources	3,687,043	3,780,154	3,906,495	126,341	3.3%

Price: \$13.4M – UG Tuition guarantee, NR surcharges and differential Fees
Volume: \$9.4M – UG increase in volume due to higher volume of new NFYS replacing smaller classes that are dropping off. Increases in graduate programs
Mix: \$10.7M – UG increase in mix due to higher mix NFYS

- \$22M federal research grant to address opioid epidemic
- \$100 Increase in Pell Grant awards per student
- Proposed OCOG increases of \$2.3M

- 2.2% fee increase for Housing and Dining
- Increases offset by 2 fewer stadium concerts and less revenue from football game guarantee.
- Decline in VMWare software sales (OH-Tech)

8% return budgeted for FY20; includes \$67.3M in short-term and intermediate-term investment income.

Increased clinical faculty and practice activity within the College of Medicine and Office of Health Sciences

Source Drivers

	Price	Volume	Mix
Tuition & Fees	↑	↑	↑
Housing & Dining	↑	↔	↔



Highlights: University-only uses

Total Uses (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Salaries	1,450,567	1,551,137	1,634,478	83,341	5.4%
Benefits	330,364	409,879	430,275	20,396	5.0%
Total Personnel Expense	1,780,931	1,961,016	2,064,753	103,737	5.3%
Fee Authorizations	111,056	118,274	120,772	2,498	2.1%
Student Aid	382,802	410,281	428,919	18,637	4.5%
Supplies, Services & Other	938,917	1,022,947	1,008,631	(14,317)	-1.4%
Interest Expense	77,916	86,925	91,202	4,277	4.9%
Total Non-Personnel Expense	1,510,692	1,638,429	1,649,524	11,095	0.7%
Total Uses	3,291,623	3,599,445	3,714,277	114,832	3.2%

- **\$29M** due to 2.5% AMCP
- **\$25M** due to College of Medicine adding 74 Faculty FTE (35 clinical – including pediatrics, 39 non-clinical)
- **\$29M** due to strategic investments in faculty and staff and impact of key leadership changes
- Benefits not increasing at same rate as salaries due to slight decline in benefit rates

Continued strategic investments in access and affordability

0% inflation assumed (area for targeted efficiencies)

FY20 Plan includes an increase in variable interest rate from 1.68% in FY19 to 2.0% in FY20



Wexner Medical Center



Wexner Medical Center:

Includes Health System, OSU Physicians, College of Medicine and Office of Health Sciences

	Forecast 2019	Budget 2020	% Change
OPERATING STATEMENT (in thousands)			
Total Operating Revenue	\$4,102,841	\$4,314,831	5.2%
Operating Expenses			
Salaries and Benefits	2,173,640	2,326,079	7.0%
Supplies and Pharmaceuticals	785,541	837,396	6.6%
Services	466,377	497,954	6.8%
Depreciation	184,605	192,559	4.3%
Interest/Debt	46,835	42,983	-8.2%
Other Operating Expense	126,689	121,308	-4.2%
Medical Center Investments	5,103	470	-90.8%
Total Expense	3,788,789	4,018,748	6.1%
Excess of Revenue over Expense	\$ 314,052	\$ 296,083	-5.7%
Financial Metrics			
Adjusted Admissions	126,893	130,214	2.6%
Total Revenue per AA	\$ 25,452	\$ 25,669	0.9%
Total Expense per AA	\$ 22,161	\$ 22,592	1.9%

Source Drivers

	Price	Volume	Mix
Total Revenue per AA			
Total Expense per AA			



THE OHIO STATE UNIVERSITY

FY2020 Financial Plan

Office of Business and Finance
Financial Planning and Analysis

FY 2020 Financial Plan

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Chapter 1 | Executive Summary

We are pleased to submit the FY 2020 Financial Plan. This plan builds on the university's strengths and provides operating margin to be reinvested into capital projects at the university. We are presenting the Operating Plan alongside the Capital Investment Plan to provide more clarity about funding sources – which funding sources are fungible and can be spent for unrestricted purposes, and which funding sources must be spent on legally mandated or designated programs and projects.

The narratives throughout this financial plan utilize this managerial-based presentation. The full U.S. GAAP version of the plan is presented in Appendix A for comparison.

This document includes an Executive Summary, an introduction on planning at Ohio State, the full FY 2020 Operating Plan, a snapshot of the FY 2020 Capital Investment Plan, and detailed material provided in the Appendix.

Highlights of the Financial Plan

- The Consolidated FY 2020 Operating Plan projects a surplus of \$478.6 million on \$7.5 billion of sources and \$7 billion of uses. We anticipate sources will increase 3.9% over forecasted FY 2019 results, driven primarily by growth in The Ohio State University Health System and Ohio State University Physicians, Inc. (OSUP). Uses are projected to increase 4.5% driven by a 5.9% increase in personnel expenses reflecting a raise pool of 2.5% and strategic growth in personnel as well as a 2.6% increase in non-personnel expenses.
- The University-Only FY 2020 Operating Plan, which excludes the Health System and OSUP, projects a surplus of \$192.2 million on \$3.9 billion of sources and \$3.7 billion of uses. We anticipate sources to increase 3.3% over forecasted FY 2019 results. This increase is driven by a 2.9% increase in tuition and fee revenue, a 21.7% increase in current use gifts, and a 3.3% increase in grants and contracts. Overall, the university-only plan projects that uses will increase 3.2%, stemming from a 5.3% increase in personnel expenses and a 0.7% increase in non-personnel expenses driven primarily by student aid.
 - The university is comprised of general funds used for teaching and other unrestricted uses, restricted funds from either grants or gifts, and earnings funds such as housing and dining. These funds are tracked and managed to ensure all restrictions are met. Of the \$192.2 million surplus, \$5.7 million is from general funds, \$65.9 million is from earnings funds set aside for capital, deferred maintenance and debt service, and the remainder are for restricted purposes.
 - Within the \$3.9 billion of university-only sources are \$1.9 billion in general funds, which are allocated to units based on a highly specialized modified responsibility center management model, including some funding held centrally for strategic investment. The model allocates \$1.6 billion of revenue in proportion to credit hours taught. General funds also includes research indirect costs allocated primarily to the unit providing services for the grants. The model also includes assessments to colleges and support units for centrally provided services and expenses such as facilities and institutional student aid. We anticipate \$5.7 million of surplus to be generated from general funds sources in FY 2020 after strategic operating investments are taken into account.
- The Health System FY 2020 Operating Plan projects a surplus of \$263 million on \$3.4 billion of sources, and \$3.1 billion of uses. We anticipate sources will increase 4.1% and uses will increase 5.3% over forecasted FY

2019 results. This is driven by a combination of an estimated increase in adjusted admissions, outpatient growth, and some rate increases.

- The OSU Physicians, Inc. FY 2020 Operating Plan projects a surplus of \$17 million on \$505 million of sources and \$488 million of uses. This translates to a 11.5% increase in sources and a 11.8% increase in uses over forecasted FY 2019 results.
- The consolidated University and Health System will continue to invest heavily in various capital assets. The FY 2020 Capital Investment Plan includes \$851 million in capital expenditures for FY 2020, including \$497 million from projects approved in prior Capital Investment Plans, \$290 million related to new projects starting in FY 2020 and \$64 million related to capital equipment.

Economic Impact of Ohio State

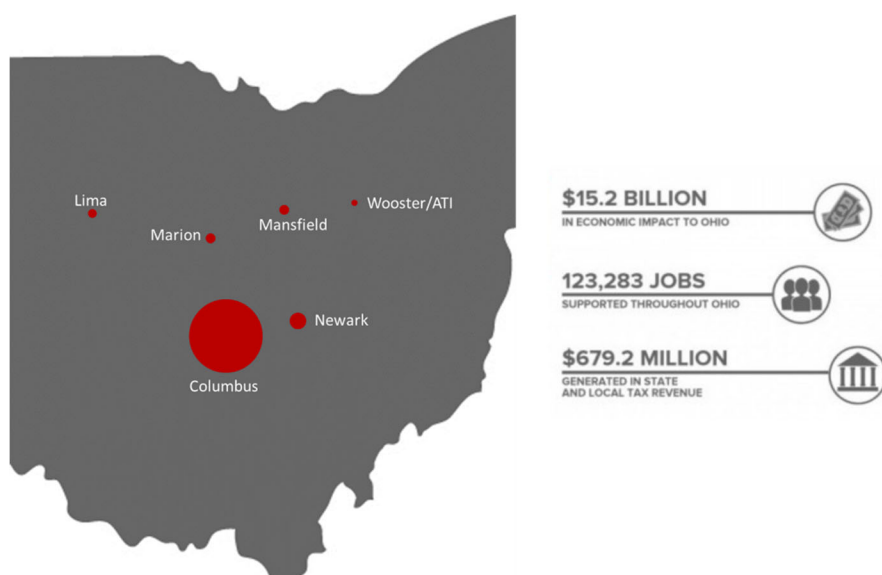
The university’s economic impact on the state of Ohio provides important context to understand the FY 2020 Financial Plan. To quantify Ohio State’s current economic impact in Ohio, the university partnered with a third party to undertake a comprehensive analysis of the economic benefits that arise from university operations. The firm used a model to calculate the economic benefits traced to the direct and indirect effects of Ohio State’s operational spending. The model accounts for the ripple effects of spending by employees, students and visitors on retail purchases, restaurant meals, hotel stays, events and other goods and services that filter through the economy and support jobs.

The analysis showed that The Ohio State University generates \$15.2 billion annually in economic impact for the state of Ohio – which equates to more than \$1.735 million in economic impact every hour.

Ohio State’s research enterprise, medical complex, construction projects, athletics events and status as Ohio’s fourth-largest employer combined in FY 2018 to support more than 123,000 jobs across Ohio. To put that in context, one in every 57 jobs in the state is directly or indirectly supported or sustained by the university.

The total economic impact is attributed to Ohio State’s six campuses, academic medical complex and the Department of Athletics. The analysis estimated that the Columbus campus alone generated \$7 billion in economic benefits, supporting 67,244 jobs and stimulating \$348.8 million in state and local tax revenue. The Wexner Medical Center generated \$7.3 billion, almost half of which represents direct spending, and directly supported almost 22,000 full- and part-time jobs.

In addition to operations-related impact, Ohio State has potential to create an estimated \$184 million of additional earning power annually for new graduates and generates at least \$364 million each year in faculty, staff and student charitable donations and volunteer services, according to the analysis.



The Ohio State University is made up of the Columbus campus, four regional campuses in Lima, Mansfield, Marion, and Newark, and the Wooster Campus which includes the Agricultural Technical Institute (ATI) and the Ohio Agricultural Research and Development Center (OARDC). The university also has a presence in all 88 Ohio counties in the form of OSU Extension offices, as well as numerous farms and research facilities throughout the state. As of Autumn 2018, there were 1,247 buildings across all campuses on 16,196 acres. All these facilities are included in the FY 2020 Financial Plan.

Strategic Context

The university's Time and Change strategic plan guides the financial decisions reflected in this financial plan. The strategic plan sets forth the aspiration of being a leading national flagship public research university.

This aspiration requires a focus on uplifting the well-being of the state, the nation and the global community through the dissemination of knowledge. It necessitates celebrating all that makes Ohio State distinctive and making decisions that build on our unique assets and strengths. Finally, it means being recognized consistently as one of the top public research universities in the nation. To reach our goals, Ohio State's strategic plan sets forth five pillars of focus:



Teaching and Learning

Ohio State will be an exemplar of the best teaching, demonstrating leadership by adopting innovative, at-scale approaches to teaching and learning to improve student outcomes.



Access, Affordability and Excellence

Ohio State will further our position as a leading public university offering an excellent, affordable education and promoting economic diversity.



Research and Creative Expression

Ohio State will enhance our position among the top national and international public universities in research and creative expression, both across the institution and in targeted fields -- driving significant advances for critical societal challenges.



Academic Health Care

The Ohio State University Wexner Medical Center will continue our ascent as a leading academic medical center, pioneering breakthrough health care solutions and improving people's lives.



Operational Excellence and Resource Stewardship

Ohio State will be an exemplar of best practices in resource stewardship, operational effectiveness, and efficiency and innovation.

The FY 2020 Financial Plan invests in these five strategic pillars to achieve our vision.

Teaching and Learning

Ohio State is integrating learning technology throughout the student experience through the Digital Flagship, a student success initiative that in which the university is collaborating with Apple. For the second year of the Digital Flagship, incoming first-year students at all campuses will receive an iPad and related technology as part of their academic toolkit, faculty members are ramping up courses specifically designed to take advantage of widespread access to this technology and the university is introducing a new coding curriculum to support our students' career credentials. The university is investing approximately \$12 million per cohort for this initiative.

Meanwhile, the university continues to support teaching excellence through programs, such as the University Institute for Teaching and Learning. The institute works with faculty throughout the university to extend best practices in instruction. We anticipate investing approximately \$4.9 million in this initiative in FY 2020, funded

primarily through an endowment that the university created with proceeds from the comprehensive energy management partnership.

Access, Affordability and Excellence

Ohio State is controlling costs and providing unprecedented aid for students who demonstrate financial need. The university will mark a number of milestones in the coming year in terms of student support. Since FY 2016, the university has added more than \$150 million in new need-based student aid, outpacing the \$100 million goal set at the time. In all, the university will invest more than \$40 million in FY 2020 in three programs: The Buckeye Opportunity Program, President’s Affordability Grants and the Land Grant Opportunity Scholarship program.

- This year will be the second for the Buckeye Opportunity Program, which ensures that financial aid covers the cost of tuition and fees for low- and moderate-income students from Ohio who receive Pell Grants.
- President’s Affordability Grants support more than 15,000 low- and moderate-income students annually at all Ohio State campuses.
- Land Grant Opportunity Scholarships have been expanded to cover the full cost of attendance and doubled to 176 scholarships each year.
- A third incoming class of Ohio students will enter under the Ohio State Tuition Guarantee, which locks in rates for tuition, mandatory fees, room and board for four years. This program provides students and families with predictability about the cost of a four-year education.

Research and Creative Expression

The university aspires to become a national leader in research and creative expression, with the specific goal of attracting top scholars who excel in targeted research areas designed to address complex and pressing challenges. Strategies to achieve this goal include facilitating multidisciplinary research to take advantage of the breadth of expertise at the university through the Discovery Themes initiative; establishing new centers focused on current and emerging research challenges; supporting the proposal development center to increase funding for strategic initiatives; and establishing and maintaining cutting-edge facilities to support our growing community of research-intensive faculty. The FY 2020 Financial Plan includes \$28 million in funding for Discovery Themes.

The Office of Research is also focusing on building external relationships that will help grow the university’s portfolio of federally funded research, and on expanding strategic partnerships with industry. In May 2019, the National Institutes of Health awarded a \$65.9 million grant to Ohio State to lead a statewide consortium charged with reducing opioid overdose deaths by 40% over three years. The award for HEALing Communities Study is the university’s largest research grant ever. \$22 million (one-third) of this funding is included in the FY 2020 Financial Plan.

Academic Health Care

The Wexner Medical Center plans to reinvest projected margin in patient care and in capital planning to support growing demand, including a new inpatient hospital, expanded ambulatory facilities, and an integrated health sciences facility. Among other investments, the Wexner Medical Center and the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute are collaborating with Nationwide Children’s Hospital to bring the first proton therapy treatment facility to central Ohio. The proton center, planned for Ohio State’s west campus, is expected to cost approximately \$100 million and open in FY 2023. The Wexner Medical Center has also partnered with Mercy Health to launch the Healthy State Alliance, which brings together two organizations with

complementary missions, capabilities and talents. The Alliance will focus early efforts on three objectives in particular: addressing the opioid epidemic and increasing access to cancer and transplant care.

Operational Excellence and Resource Stewardship

The university is on track to exceed the five-year, \$200 million goal that was set for FY 2020 by at least \$15 million. These administrative savings have been re-directed to the university's core mission through strategic initiatives such as new need-based financial aid and the Digital Flagship student-success initiative. Savings in administrative support units, whether generated centrally or through initiatives undertaken by the units, are all captured centrally. Colleges have retained some of their savings to utilize for their strategic initiatives. All deposits are reviewed to ensure they reflect savings, not avoided costs or set aside funds.

The university has also prioritized strategic procurement to reduce costs. Since FY 2013, the university's strategic procurement program has produced \$388 million in cumulative savings by reducing the number of vendors and negotiating preferred contracts with master vendors. The strategic procurement team has negotiated 1,035 university-wide contracts, reflecting a range of goods and services. Most of the savings from negotiated rates benefit colleges and support units, allowing them to further invest in their core missions and strategic initiatives.

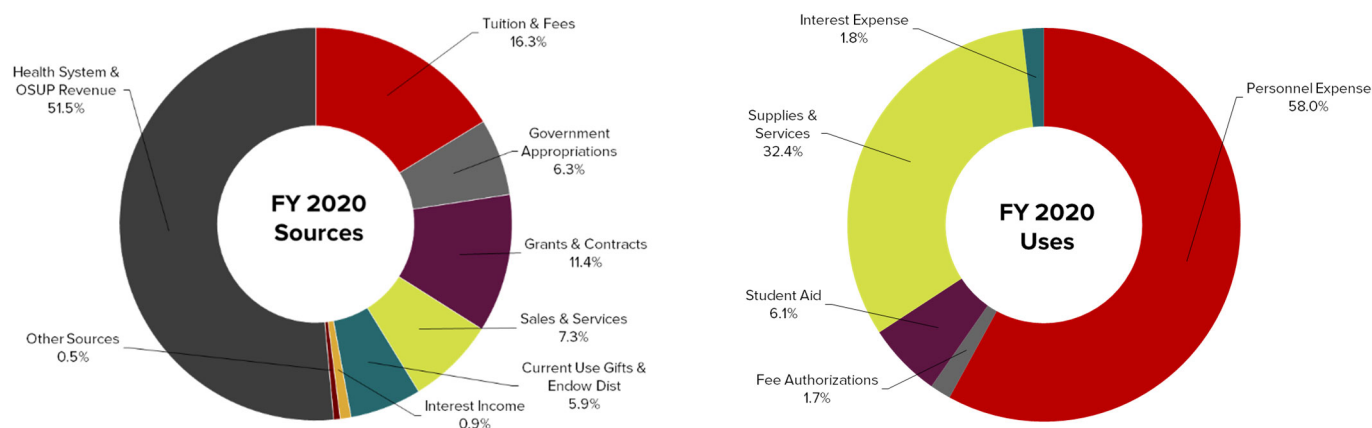
FY 2020 Operating Plan Summary

The following table shows consolidated sources and uses for FY 2020 and compares those numbers to the FY 2019 forecast and actual results for FY 2018.

Total Sources (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Tuition & Fees (gross)	1,135,298	1,184,703	1,219,544	34,842	2.9%
Government Appropriations	475,593	473,129	473,129	-	0.0%
Grants & Contracts	838,304	825,571	852,712	27,141	3.3%
Sales & Services University	524,930	551,497	543,861	(7,636)	-1.4%
Sales & Services Health System	2,996,897	3,219,203	3,350,685	131,482	4.1%
Sales & Services OSU Physicians	439,733	453,154	505,265	52,111	11.5%
Current Use Gifts & Endow Dist	370,174	392,565	441,141	48,576	12.4%
Interest Income	43,734	77,174	67,340	(9,834)	-12.7%
Other Revenues	31,328	38,121	39,886	1,764	4.6%
Total Sources	6,855,992	7,215,117	7,493,563	278,446	3.9%

Total Uses (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Total Personnel Expense	3,544,041	3,845,554	4,072,129	226,575	5.9%
Student Aid and Fee Authorizations	493,858	528,556	549,691	21,135	4.0%
Supplies, Services & Other	2,021,099	2,214,506	2,269,704	55,198	2.5%
Interest Expense	117,380	122,717	123,472	755	0.6%
Total Non-Personnel Expense	2,632,337	2,865,780	2,942,867	77,088	2.7%
Total Uses	6,176,379	6,711,334	7,014,996	303,662	4.5%
Sources Less Uses, Operating	679,613	503,783	478,566	(25,217)	-5.0%

The Consolidated FY 2020 Operating Plan projects a surplus of \$478.6 million on \$7.5 billion of sources and \$7 billion of uses. We anticipate sources will increase 3.9% over forecasted FY 2019 results, driven primarily by growth in The Ohio State University Health System and Ohio State University Physicians, Inc. (OSUP). Uses are projected to increase 4.5% driven by a 5.9% increase in personnel expenses reflecting a raise pool of 2.5% and strategic growth in personnel as well as a 2.7% increase in non-personnel expenses.



Sources

Tuition and fees are charged to students to cover the cost of instruction and university operations. All students are charged a base instructional fee based on their program of study. Non-Ohio resident and international students also pay a non-resident and/or international surcharge. Select graduate and professional programs charge a market-based differential instructional fee. Certain programs also charge a program and/or technology fee. Tuition and fees also include Student Life fees, including the Ohio Union fee, the recreation fee, and student activities fee, and other miscellaneous fees for applications, orientation, transcripts and the like.

State Operating Appropriations are divided between State Share of Instruction (SSI) and State Operating Appropriations. SSI is allocated between all Ohio public colleges based on a State of Ohio performance-based formula and is used to fund instruction, operations and strategy. State Operating Appropriations are direct line item allocations for Ohio State University and are restricted in use.

Grants and Contracts include research projects administered through the Office of Sponsored Programs (OSP), grants and contracts administered directly by colleges and support units, and funding from federal and state government financial aid programs. These funds are highly restricted in use and are typically disbursed on a reimbursement basis.

University Sales and Services are goods and services sold to students or the general public. Housing, Dining, Athletics, and Instructional Clinical Services make up the majority of this revenue. University Sales and Services operations retain their earnings and are charged an overhead rate to fund central operations and strategy.

Health System and OSU Physicians Sales and Services are derived from patient and insurance billing. The Health System and OSU Physicians retain their earnings and are charged an overhead rate to fund central operations and strategy.

Current Use Gifts are gifts that are available for immediate use based on donor restrictions. These funds are highly restricted based on donor intent and may or may not be expended in the year received.

Endowment Distributions are received from endowed funds established for the purpose of generating a distribution into perpetuity for a donor-restricted purpose. For purposes of the Operating Plan, only distributions are counted as sources and are restricted to each endowment description.

Interest Income is generated by the university on all cash balances. The short and intermediate term interest revenue is unrestricted and used to fund operations and strategy.

Other Revenues include miscellaneous university earnings such as royalties and rental income.

Uses

Personnel Expenses are salaries, wages, and bonus payments to university employees and benefits paid on their behalf. Units pay into benefits pools based on composite rates by employee type; these rates are reviewed by faculty senate and approved by the Provost and Chief Financial Officer.

Student Aid includes all institutional, departmental, governmental, gifted and athletic financial aid.

Fee Authorizations pay for the tuition and fees for graduate teaching, research or administrative appointments.

Supplies, Services & Other covers all other operating expenses for the University. Utilities, repairs and maintenance, consulting expense, and research subcontract expense are reflected in this category.

Interest Expense is incurred on all outstanding debt.

Chapter 2 | FY 2020 Operating Plan Scope

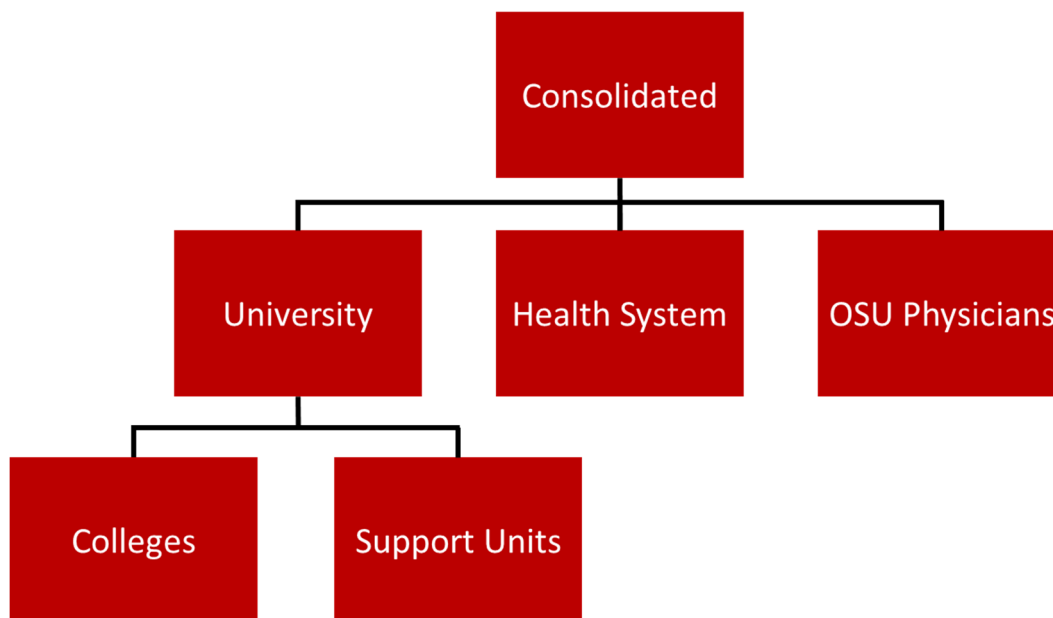
The university is a complex institution with planning units that are responsible for diverse missions: patient care, teaching introductory accounting, and automotive engineering research are all under the same umbrella. These diverse missions are funded by diverse revenue streams and our financial plan takes these differences into account.

Operating Plan Units

All funds operating plans are intended to represent planned revenue and expenses and are collected from each unit in the university and reviewed and consolidated by the Office of Financial Planning & Analysis. This all funds total operating plan provides the base framework for evaluating the activities of all academic and support units within the university, allowing proactive responses to changing economic issues as they arise. During FY 2020 we will also be putting greater focus and attention on performing updated forecasts throughout the fiscal year.

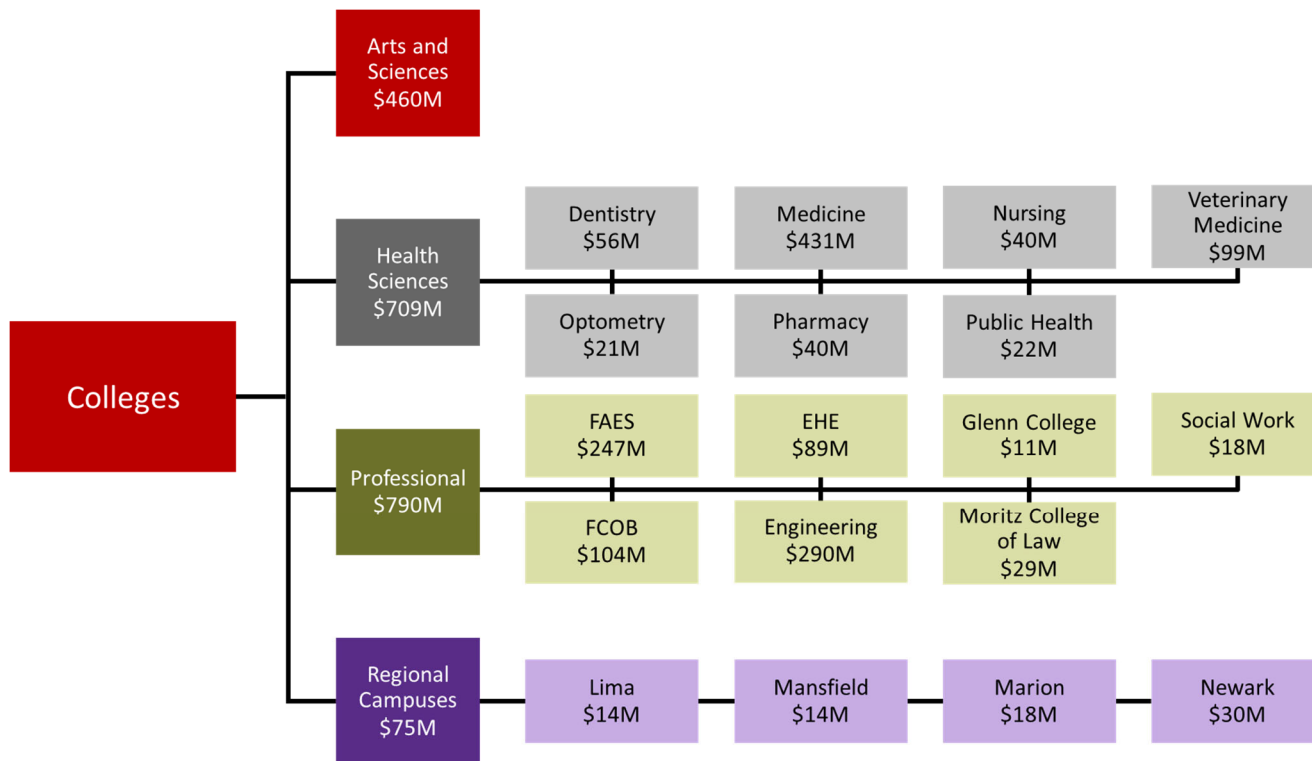
The financial structure of units at the organization reflects our complex mission. The financial plan is put together based on a hierarchical structure where plans are collected from units and consolidated. Financial Planning & Analysis performs a bottoms-up review and consolidation and reconciles the resulting numbers with a top-down forecasted approach to arrive at the final submitted plan. Note that this hierarchy does not necessarily imply personnel reporting lines but serves as a graphical representation of how the plan is compiled and consolidated.

The top level of consolidation is made up of the University, Health System, and OSU Physicians. There are numerous eliminations that occur at this level that reflect transfers of funds between these three entities. In turn, the University is split between Colleges and Support Units; the Health System is split between five hospitals, dozens of ambulatory care facilities, and other administrative units; and OSU Physicians is split into 19 physicians practices. The Health System and OSU Physicians are discussed in greater detail in Chapters 6 and 7.

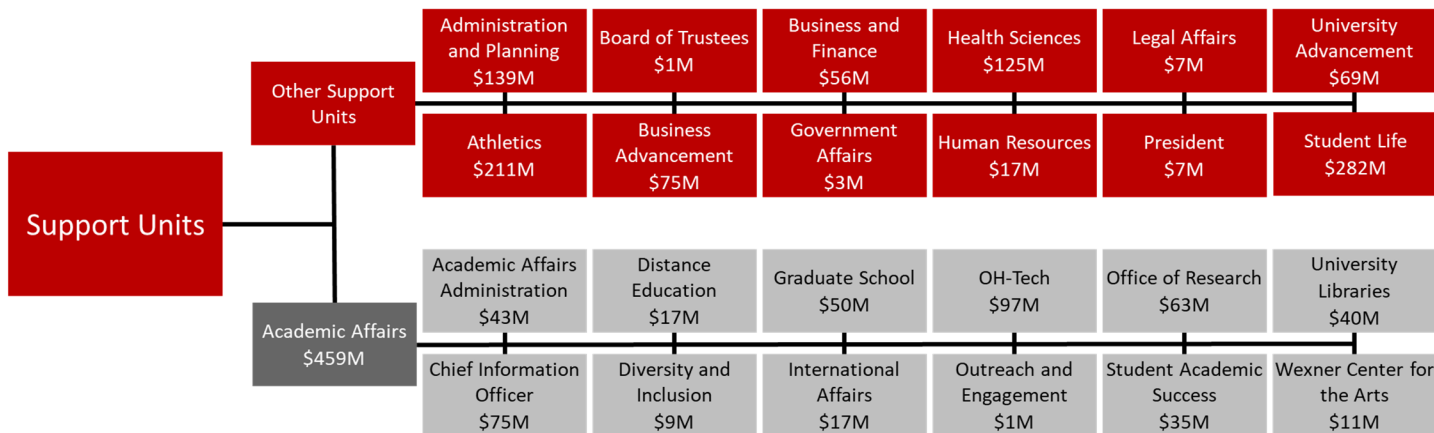


FY 2020 FINANCIAL PLAN

For the University consolidation, colleges are broken out into their respective Executive Dean clusters, Arts and Sciences, Health Sciences Colleges, Professional Colleges and Regional Campuses:

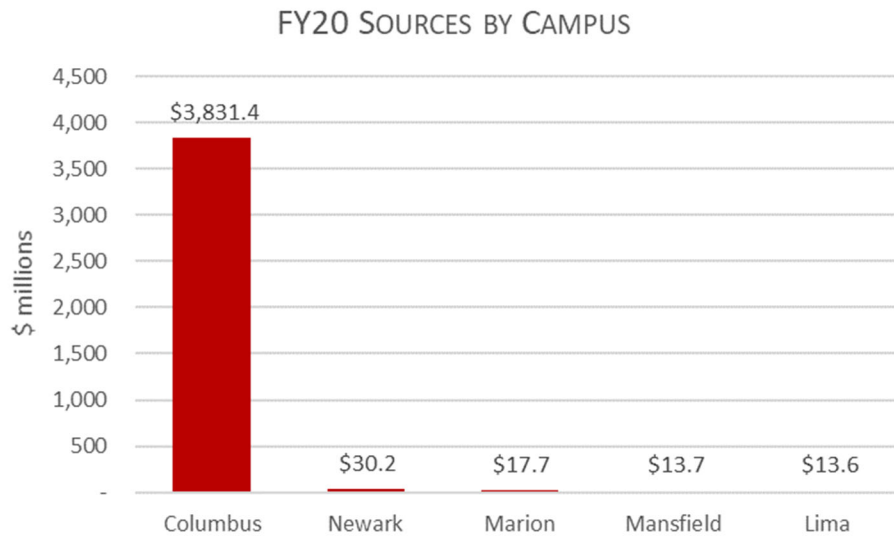


Support Units included are as follows:

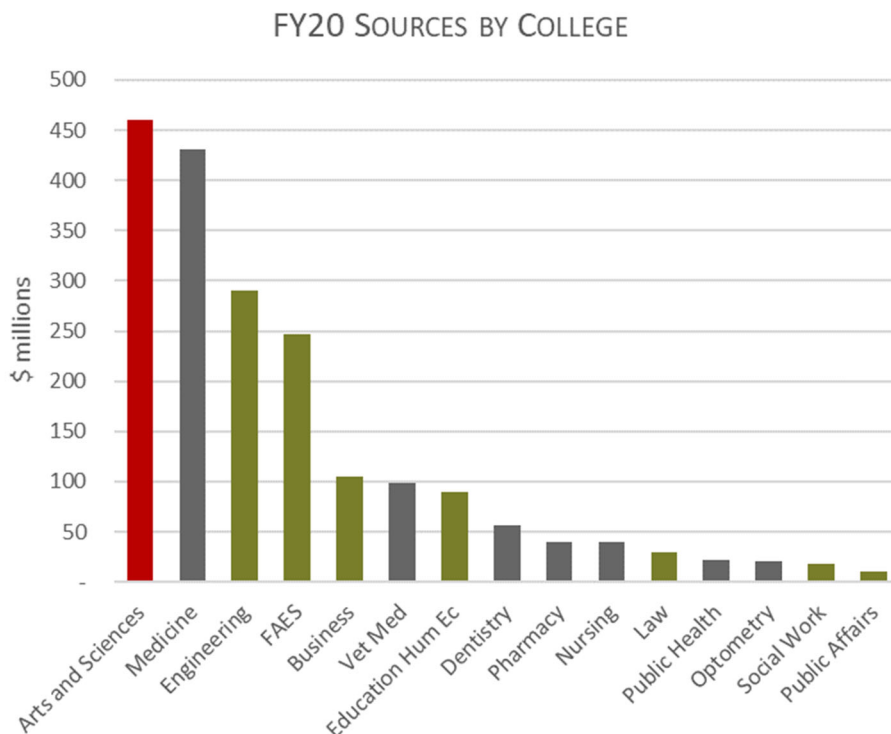


Note also that each unit depicted here is divided into many additional planning subunits that include divisions such as academic departments, dean's offices, centers, specific earnings operations, sports teams, physicians practices, etc. In all, we estimate that there are more than 50,000 total planned subunits that make up this consolidated plan.

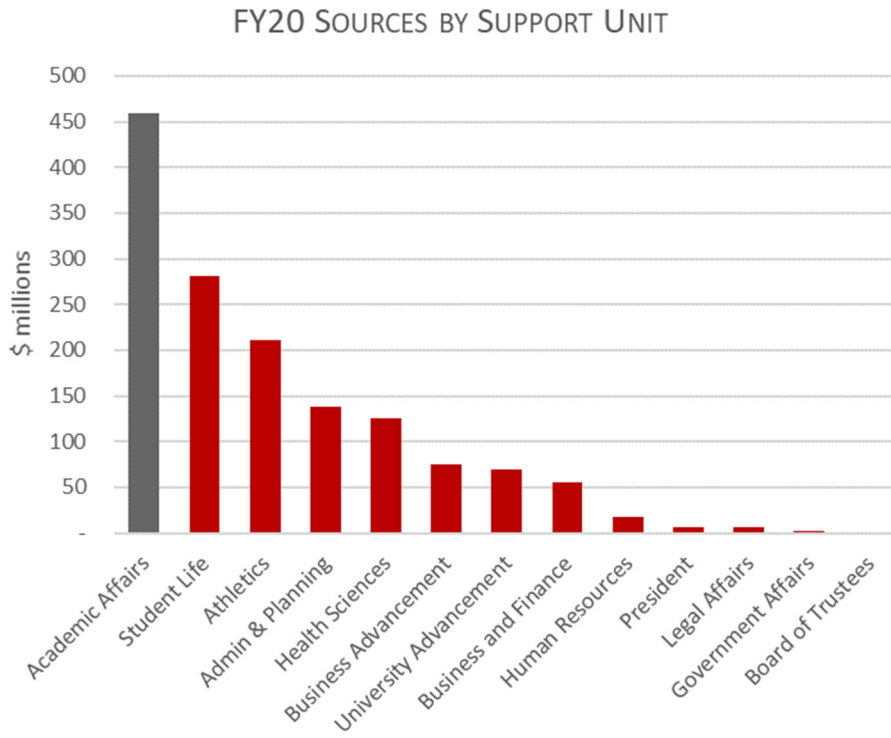
The size of campuses vary widely. The Columbus Campus is by far the largest in terms of sources:



Arts and Sciences is the largest college by sources, followed by the College of Medicine, the College of Engineering, and the College of Food, Agricultural and Environmental Sciences:



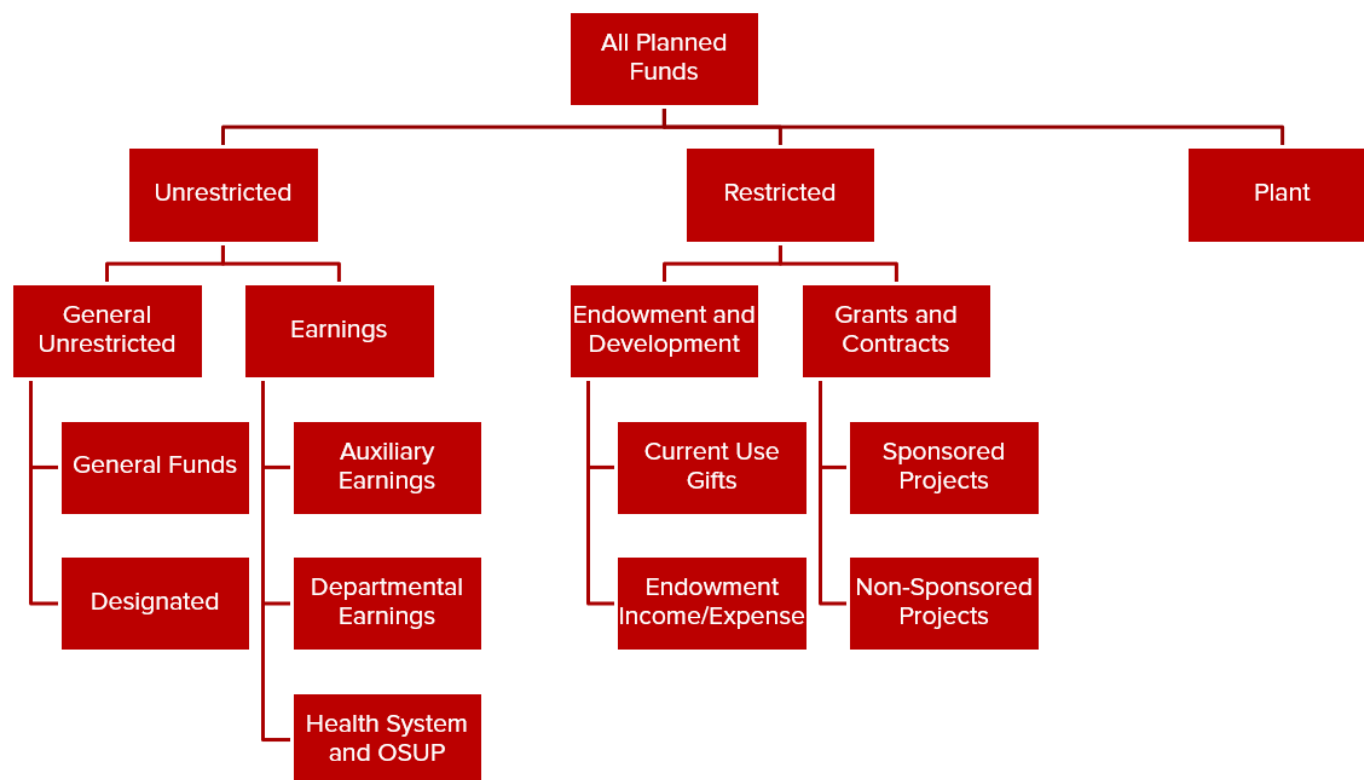
The Office of Academic Affairs and its component units is the largest support unit, followed by Student Life and Athletics:



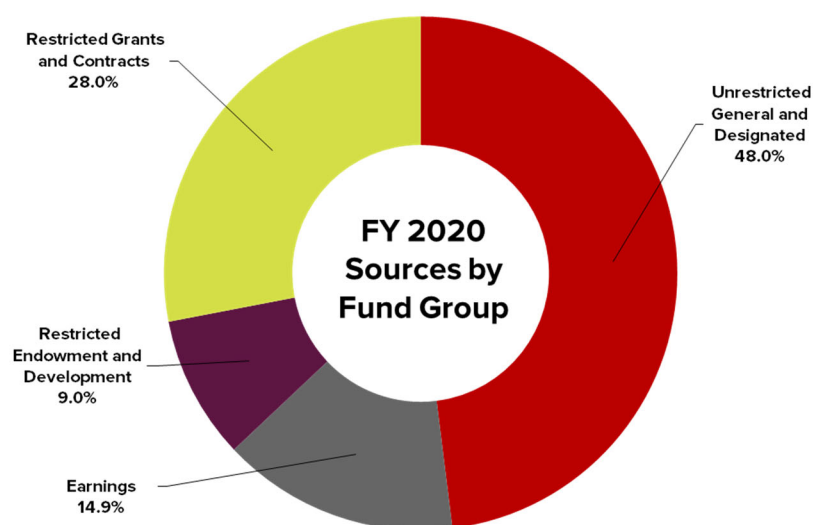
Operating Plan Funds

Not only is the university divided into planning units of vastly varying sizes, but each planning unit is also tracked using funds to ensure that fund restrictions are met. For the FY 2020 Financial Plan, the university continues a planning process that encompasses all operating funds of the university. This approach affords a holistic view of all operations of the university in an easily understood format that will enable the university to highlight the evolution of funding sources. This will allow leadership to make informed strategic decisions in a timely manner.

The operating plan is comprised of the following fund groups:



The university’s plan is developed and managed according to the principles of fund accounting. We manage more than 20,000 active expendable funds through a robust accounting system. Not all funds are created alike and many are not fungible. Revenue is segregated into a variety of fund types, the use of which is governed by the restrictions of the specific fund. Some fund types are unrestricted, including general funds and some earnings funds. Others have restrictions derived from the source of the revenue, including current use gifts, endowments, and grants and contracts received from government agencies, foundations, and other outside sponsors. For both planning and spending decision purposes, the source of funding matters: only certain fund groups can be used for all purposes at the university. Roughly 48% of total university operating sources are completely unrestricted general funds. An additional 15% are from earnings sources, in which customers and users may expect revenue to only support specific goods or services, and the remainder (37%) is restricted to the purposes set forth by the donor, contract, or granting agency.

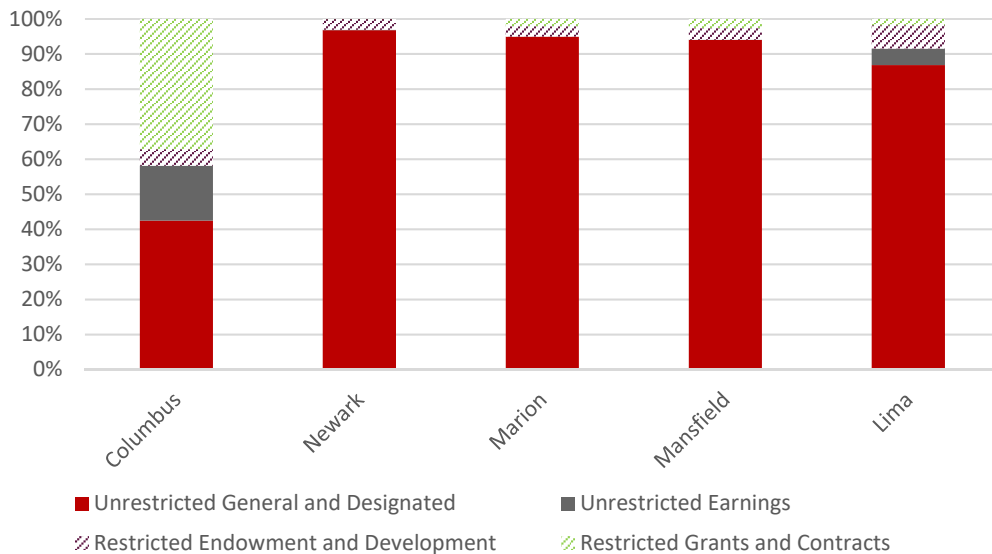


Funding sources and restrictions vary greatly by fund type:

Fund Type	Typical Funding Sources	Restrictions
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
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
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 gift agreement
Endowment Income/Expense	Income from investment of donor gifts in the endowment	Restricted based on donor intent as memorialized in fund description
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
Plant	Cash sourced from other fund groups and held in reserve, funds raised as a result of private capital gifts or debt issuance, or state capital appropriations	Restriction depends on original source of funds

As units vary in size, units also vary by funding type. The following charts show the differences in funding proportions between General Unrestricted, Earnings, and Restricted funds. Differences in funding sources result in different risk profiles for units. A unit with heavy reliance on general funds will be more sensitive to changes in enrollments, changes in tuition and fees (including restrictions on tuition rates from the State of Ohio), proportion of non-resident students, and changes in subsidy received from the State of Ohio than a more balanced unit. Units with reliance on earnings are more susceptible to market-driven factors, and typically must carry greater equity balances as reserves to maintain facilities and replace capital equipment. Units more reliant on restricted funding may not have flexibility to spend all available equity balances based on the original gift or grant restrictions and are likely more susceptible to changes in the grant funding landscape or the loss of a large donor.

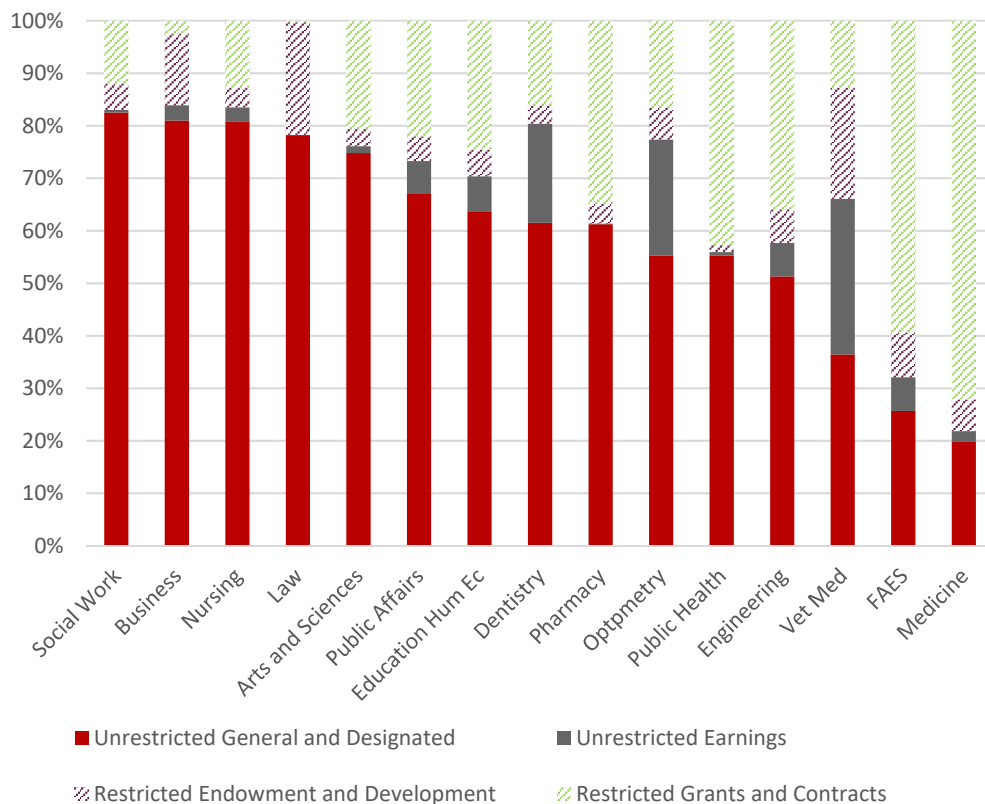
PROPORTION OF SOURCES BY FUND GROUP - BY CAMPUS



The Columbus Campus has more varied funding sources than the regional campuses, which rely primarily on general funds sources – tuition and subsidy.

PROPORTION OF SOURCES BY FUND GROUP - BY COLLEGE

Some colleges, like Nursing, Social Work, and Law are highly dependent on general funds sources – tuition and subsidy. Others, such as Dentistry, Optometry, and Veterinary Medicine bring in significant earnings revenue through their instructional clinics. Still others, like Food Agricultural and Environmental Sciences (FAES) and the College of Medicine are primarily operated with restricted funding.



PROPORTION OF SOURCES BY FUND GROUP - BY SUPPORT UNIT



Support Units also demonstrate a wide variety of funding dependencies, from units that are completely reliant on general funds – Government Affairs and Legal Affairs – to units that heavily utilize earnings funds – such as Student Life and Athletics.

Units use a variety of techniques to prepare their plans. General funds plans are based on fixed uses (such as tenured faculty salaries) and historical patterns coupled with preliminary estimates of tuition and subsidy allocations provided by Financial Planning and Analysis. Earnings units typically plan based on their business plans, approved fees, and projected use of their products and services. Grants and contracts revenue and current use gifts are projected based on historical patterns and anticipated gifts and grants that may be received.

The Ohio State University Health System and Ohio State University Physicians, Inc. prepare their plans based on projected activity and associated costs. External factors, such as government regulations and reimbursement rates, as well as contractual agreements with health care payers also play an integral part in developing the health system’s plan.

General Funds Allocations

Although emphasis was placed on including all university funds in the FY 2020 planning process, general funds continue to remain a significant component of the plan. General funds can generally be used for any university purpose whereas restricted funds are more specifically targeted. These funds play a major role in both the plan and operations of the university, as they cover many expenses in the colleges and support units for which it is difficult to raise money. The main sources of general funds are tuition and other student fees, state support of instruction, indirect cost recovery, and overhead charged to earnings units.

For general funds, the Columbus campus uses an allocation model that is comprised of two components: a modified Responsibility Center Management (RCM) model and the strategic investment of central funds. This structure allows for decentralized decision-making and control of financial resources at the colleges and support units while still retaining central funds for holistic strategic investment purposes. The modified RCM allocation model assigns substantial control over resource decisions to individual colleges and support units. The underlying premise of the university's decentralized budget model is entrusting academic and support unit leaders with significant control over financial resources, leading to more informed decision-making and better outcomes for the university as a whole. Through this decentralized model, colleges in particular are incentivized to increase resources by teaching more credit hours and increasing research activity.

Allocation of Funds

Each college and support unit receives a portion of general funds in support of both academic and administrative functions. The process for allocating the funds is administered through the Office of Financial Planning & Analysis under the guidance of the Chief Financial Officer and Provost. General funds are allocated to colleges and support units on a marginal basis under an established set of criteria. In other words, increases (or decreases) in the pool of general funds available each budget year are allocated back to colleges and support units as increases (or decreases) to their base general funds budgets. While the allocation is on a marginal basis, the change is calculated based on total revenues.

Revenue is allocated to colleges based on three primary funding formulas. The first funding formula for colleges utilizes a model to distribute undergraduate marginal tuition and state support. Sixty percent of the funding is allocated based on total credit hours taught, while forty percent is allocated based on the cost of instruction. This allocation method takes into account the fact that some courses have a higher cost for delivery and are allocated a greater share of the funding. The other two primary funding formulas allocate graduate tuition and state support based on a two-year average of credit hours in fee-paying categories (tuition) and type of course taught based on cost of instruction (state support). As a college teaches more of the share of total credit hours, it receives a proportionally larger share of the incremental funding. Conversely, if a college's share of the hours taught declines, the college's allotted share of incremental funding will correspondingly decline proportionally. The two-year average credit hour driver acts as a smoothing mechanism in times of unforeseen volatility. Colleges will receive their share of marginal revenue on indirect research cost recovery, based upon the college's share of research revenue. Fee revenue from differential, learning technology, course and program fees are provided directly to colleges.

Support units are funded through a combination of central tax, specific activity-based assessments, and an overhead rate charged to auxiliary and earnings units. The central tax, assessments and overhead charges are designed to provide the funds necessary to maintain support services such as payroll services, central human resource services, and academic support services. Support units are generally ineligible for marginal revenue

FY 2020 FINANCIAL PLAN

changes because the funding formulas rely on credit hours taught; instead, support units must request additional funding during the annual planning process to support new services or mandates. For FY 2020, the following requests were approved:

Unit	Request Description	Continuing Funds	One Time Cash
University Libraries	Materials Inflationary Increase	1,290,000	935,500
Office of Research	Research Integrity Program	-	510,000
	Research Legal Services Support	170,000	-
	Research Administrative Services Support	-	510,000
Wexner Center for the Arts	Mershon Stage Drapes Replacement	-	55,000
Office of Compliance	Office Rent	-	213,276
	Additional Staffing	173,160	-
Administration and Planning	Public Safety	110,000	40,000
	Access Control	358,200	-
Office of the Chief Information Officer	Enterprise Security	-	1,000,800
	Managed IT Services	-	905,760
	Cloud Infrastructure	-	730,240
Total Funded		2,101,360	4,900,576

Allocations of expense are also made through the general funds allocation model. Both colleges and support units receive a net allocation that takes into account both marginal revenue and marginal expenses. Current expense assessments include:

Assessment	Allocation Basis	Notes
Plant Operation and Maintenance	Assigned square footage	The square footage is multiplied by a flat rate per square foot for four types of costs: utilities, custodial service, maintenance, and deferred maintenance
Student Services	Credit hours	<ul style="list-style-type: none"> • Cost Pool 1 (Undergraduate): 90% of this cost pool is Undergraduate Financial Aid. Also includes operating budgets for Financial Aid and First Year Experience. Expense is allocated by average undergraduate credit hours. • Cost Pool 2 (Graduate): 83% of this cost pool is Non-Resident Fee Authorizations and Graduate Fellowships. This is the largest student services cost pool and includes operating budget of the Graduate School. Expense is allocated by average graduate credit hours. • Cost Pool 3 (All Students): This is the smallest student services cost pool and includes portions of operating budgets for Student Affairs, Academic Affairs, and new Library Acquisitions. Expense is allocated by an average of ALL credit hours.
Research	Modified Total Direct Costs	Research cost allocation covers the budgets of units that support sponsored research
Distance Education	Distance Education credit hours	Funds operations of Office of Distance Education and eLearning
Central Tax	% of marginal tuition and subsidy revenue	Funds support units such as the President's Office, OAA, Controller, Public Safety, etc. as well as promotion and tenure and strategic investments

Auxiliaries and earnings units are expected to operate at a break even or better margin and generally do not receive general fund support. One exception is the Office of Student Life, which does receive general fund support via special Student Activity, Ohio Union and Recreational Facility fees that were enacted to specifically advance the student experience.

Regional campuses develop their own individual campus plans primarily based on the student tuition and fees received from the regional campus students, the State Share of Instruction they expect to collect, and costs directly incurred to operate those campuses.

Chapter 3 | FY 2020 Financial Plan

The FY 2020 Financial Plan is displayed in a modified cash flow presentation that includes operating sources and uses. The purpose of this presentation is to provide a more complete understanding of the University's funding and margins generated by operations. A full walk between this presentation and an external GASB presentation can be found in Appendix A. Capital sources and uses will be discussed in Chapter 8.

Consolidated

Total Sources (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Tuition & Fees (gross)	1,135,298	1,184,703	1,219,544	34,842	2.9%
State Share of Instruction	383,860	383,217	383,217	-	0.0%
Other Operating Appropriations	91,733	89,913	89,913	-	0.0%
Exchange Grants & Contracts	757,037	739,837	763,411	23,574	3.2%
Non-Exchange Grants & Contracts	81,268	85,734	89,301	3,566	4.2%
Sales & Services - Auxiliaries	362,966	388,038	376,775	(11,263)	-2.9%
Sales & Services - Departmental	161,964	163,459	167,085	3,627	2.2%
Sales & Services - Health System	2,996,897	3,219,203	3,350,685	131,482	4.1%
Sales & Services - OSU Physicians	439,733	453,154	505,265	52,111	11.5%
Current Use Gifts	168,209	174,800	212,700	37,900	21.7%
Endowment Distributions	201,965	217,765	228,441	10,676	4.9%
Interest Income	43,734	77,174	67,340	(9,834)	-12.7%
Other Revenues	31,328	38,121	39,886	1,764	4.6%
Total Sources	6,855,992	7,215,117	7,493,563	278,446	3.9%

Total Uses (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Total Personnel Expense	3,544,041	3,845,554	4,072,129	226,575	5.9%
Fee Authorizations	111,056	118,274	120,772	2,498	2.1%
Student Aid	382,802	410,281	428,919	18,637	4.5%
Supplies, Services & Other	2,021,099	2,214,506	2,269,704	55,198	2.5%
Interest Expense	117,380	122,717	123,472	755	0.6%
Total Non-Personnel Expense	2,632,337	2,865,780	2,942,867	77,088	2.7%
Total Uses	6,176,379	6,711,334	7,014,996	303,662	4.5%
Sources Less Uses, Operating	679,613	503,783	478,566	(25,217)	-5.0%

FY 2020 FINANCIAL PLAN

University [excluding Health System and OSUP]

Total Sources (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
External Sources					
Tuition & Fees (gross)	1,135,298	1,184,703	1,219,544	34,842	2.9%
State Share of Instruction	383,860	383,217	383,217	-	0.0%
Other Operating Appropriations	91,733	89,913	89,913	-	0.0%
Exchange Grants & Contracts	757,037	739,837	763,411	23,574	3.2%
Non-Exchange Grants & Contracts	81,268	85,734	89,301	3,566	4.2%
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Current Use Gifts	168,209	174,800	212,700	37,900	21.7%
Endowment Distributions	201,965	217,765	228,441	10,676	4.9%
Interest Income	43,734	77,174	67,340	(9,834)	-12.7%
Other Revenues	31,328	38,121	39,886	1,764	4.6%
Total External Sources	3,419,362	3,542,760	3,637,613	94,853	2.7%
Internal Sources					
Net Transfers from OSU Health System	267,681	237,394	268,882	31,488	13.3%
Total Internal Sources	267,681	237,394	268,882	31,488	13.3%
Total Sources	3,687,043	3,780,154	3,906,495	126,341	3.3%
Total Uses (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Salaries	1,450,567	1,551,137	1,634,478	83,341	5.4%
Benefits	330,364	409,879	430,275	20,396	5.0%
Total Personnel Expense	1,780,931	1,961,016	2,064,753	103,737	5.3%
Fee Authorizations	111,056	118,274	120,772	2,498	2.1%
Student Aid	382,802	410,281	428,919	18,637	4.5%
Supplies, Services & Other	938,917	1,022,947	1,008,631	(14,317)	-1.4%
Interest Expense	77,916	86,925	91,202	4,277	4.9%
Total Non-Personnel Expense	1,510,692	1,638,429	1,649,524	11,095	0.7%
Total Uses	3,291,623	3,599,445	3,714,277	114,832	3.2%
Sources Less Uses, Operating	395,420	180,709	192,218	11,509	6.4%

University by Fund Group [FY20 Plan]

As explained in Chapter 2, not all funding is fungible at the university. The following gives a breakout by fund group indicating level of restriction of dollars:

Total Sources (\$ thousands)	Unrestricted [General and Designated]	Earnings	Restricted Endowment and Development	Restricted Grants and Contracts	Plant	Total University
External Sources						
Tuition & Fees (gross)	1,219,544	-	-	-	-	1,219,544
State Share of Instruction	383,217	-	-	-	-	383,217
Other Operating Appropriations	-	-	-	89,913	-	89,913
Exchange Grants & Contracts	117,000	-	-	646,411	-	763,411
Non-Exchange Grants & Contracts	-	-	-	89,301	-	89,301
Sales & Services - Auxiliaries	-	376,775	-	-	-	376,775
Sales & Services - Departmental	-	167,085	-	-	-	167,085
Current Use Gifts	-	-	212,700	-	-	212,700
Endowment Distributions	88,882	-	139,559	-	-	228,441
Interest Income	67,340	-	-	-	-	67,340
Other Revenues	-	39,886	-	-	-	39,886
Total External Sources	1,875,983	583,746	352,259	825,625	-	3,637,613
Internal Sources						
Net Transfers from Health System	-	-	-	268,882	-	268,882
Total Internal Sources	-	-	-	268,882	-	268,882
Total Sources	1,875,983	583,746	352,259	1,094,507	-	3,906,495
Total Uses (\$ thousands)	Unrestricted [General and Designated]	Earnings	Restricted Endowment and Development	Restricted Grants and Contracts	Plant	Total University
Salaries	903,060	240,221	54,228	436,969	-	1,634,478
Benefits	238,918	63,762	14,894	112,701	-	430,275
Total Personnel Expense	1,141,978	303,983	69,122	549,670	-	2,064,753
Fee Authorizations	103,979	784	1,399	12,210	2,400	120,772
Student Aid	268,187	29,063	40,052	91,616	-	428,919
Supplies, Services & Other	356,117	184,042	62,414	406,057	-	1,008,631
Interest Expense	-	-	-	-	91,202	91,202
Total Non-Personnel Expense	728,283	213,890	103,865	509,884	93,602	1,649,524
Total Uses	1,870,261	517,872	172,988	1,059,554	93,602	3,714,277
Sources Less Uses, Operating	5,722	65,874	179,271	34,953	(93,602)	192,218

Unrestricted [General and Designated] funds generate a modest margin of \$5.7 million which is mainly used for operating reserves and strategic investments. Earnings funds generate a margin of \$65.9 million; these funds are directed toward capital and debt service reserves. Restricted Endowment and Development funds generate a margin of \$179.3 million mainly due to timing differences between gift receipt and spend. Restricted grants and contracts generate a margin of \$35.0 million due to timing of reimbursements on research projects.

Chapter 4 | University Operating Plan | Sources

Tuition and Fees

Gross tuition and fees are expected to increase by \$34.8 million, or 2.9%, from FY 2019 forecast to \$1.2 billion. The increase is due to increases to non-resident surcharges for FY 2020, differential fee increases, the continuing implementation of the Ohio State Tuition Guarantee for incoming first-year students, and headcount increases overall. Instructional and mandatory fees will not increase in FY 2020 for continuing and transfer undergraduate students as well as graduate students. However, differential fees for some tagged masters and professional programs include increases in those fees.

The university is committed to access, affordability and excellence. In areas where tuition and fee increases are planned, the proceeds are used to cover inflation and to invest in excellence within the core academic mission. Tuition and fees provide approximately 78% of general funds revenue available to fund the core academic mission. The remaining 22% is largely provided through the State of Ohio instructional subsidy (SSI). Ohio State remains one of the most affordable options in Ohio and among its Big Ten peers.

The increased revenue in academic fees for undergraduates at the Columbus campus can be explained by three distinct drivers: price (relating to rates charged), volume (total size of enrollments), and mix (proportion of resident/non-resident student populations) as detailed below. The remainder of the increase is related to increased revenue in graduate and professional programs and undergraduates at regional campuses.

- **Volume:** up \$5.3 million due to a larger class of new first year students replacing smaller classes graduating
- **Price:** up \$18.1 million due to a combination of a new cohort of tuition guarantee and its associated increases and increases in non-resident surcharges
- **Mix:** up \$4.8 million due to a higher proportion of non-resident students in the new first year class and overall enrollment compared to FY 2019

\$ thousands	FY19 Forecast	FY20 Plan	\$ Difference	% Difference
Instructional Fees	730,078	745,251	15,173	2.1%
Non-Resident Fees	334,563	354,181	19,617	5.9%
General Fees	23,963	23,859	(104)	-0.4%
International Surcharge	9,739	10,987	1,248	12.8%
Program and Tech Fees	42,626	43,237	612	1.4%
Other Student Fees	16,510	15,290	(1,220)	-7.4%
Total Academic Fees	1,157,480	1,192,805	35,325	3.1%
Student Activity Fees	4,635	4,659	24	0.5%
Recreational Fees	14,213	13,722	(491)	-3.5%
Ohio Union Fees	8,375	8,358	(17)	-0.2%
Total Student Life Fees	27,223	26,739	(484)	-1.8%
Total Tuition & Fees (gross)	1,184,703	1,219,544	34,842	2.9%

Volume Driver: Enrollment

The university is executing against an enrollment plan, which was implemented beginning in FY 2017 to increase the quality and diversity of the student body. Enrollment is expected to increase slightly compared with FY 2019 levels.

Regional campuses account for 10% of the university’s enrollment. Enrollments at Lima and Mansfield have declined significantly over the past decade as a result of demographic changes and declining numbers of high school graduates outside of Ohio’s largest cities. Enrollments at Marion and Newark have increased as a result of population growth in Franklin County and its surrounding communities. Each campus is engaged in efforts to improve student retention and success by enhancing students’ academic experiences and elevating the quality of campus life. The regional campuses are working with the Office of University Marketing to incorporate regional marketing strategies into the university’s overall strategy and provide increased visibility, greater resources, and an improved internet presence.

Headcounts	2016	2017	2018	2019	2020	1 YR Chg	1 YR % Chg	5 YR % Chg
Columbus	58,663	59,482	59,837	60,537	60,862	325	0.5%	3.7%
Lima	1,010	1,039	1,018	908	908	0	0.0%	-10.1%
Mansfield	1,199	1,128	1,061	1,042	1,042	0	0.0%	-13.1%
Marion	1,085	1,139	1,198	1,188	1,215	27	2.3%	12.0%
Newark	2,476	2,536	2,623	2,772	2,772	0	0.0%	12.0%
ATI	751	722	707	650	664	14	2.2%	-11.6%
Grand Total	65,184	66,046	66,444	67,097	67,463	366	0.5%	3.5%

Price Driver: Fees

See Appendix B for a listing of student fees.

Instructional, General & Student Life Fees

We continue to focus on affordability. The Ohio State Tuition Guarantee was established in FY 2018 to provide predictability and transparency for Ohio resident students and their families by locking in a set price for tuition, mandatory fees, housing and dining for four years. Increases for entering cohorts will allow the university to continually invest in quality while addressing the inflationary cost increases that affect the rest of the economy. Ohio State ranks third among U.S. flagship universities for controlling resident tuition increases over the decade leading up to 2018-2019, according to the *Chronicle of Higher Education*.

Undergraduate tuition (instruction and general fees) will increase 3.5% or \$358 for new first-year students (2019-20 cohort) compared with the 2018-19 tuition guarantee cohort. Continuing undergraduate students who are part of the 2017-18 and 2018-19 tuition guarantee cohorts and students who began prior to the creation of the guarantee will not see an increase.

Master’s and PhD base instructional fees will not increase in FY 2020. Some graduate and professional programs charge a differential instructional fee based principally on market demand and pricing. Revenue generated from these additional fees directly support the graduate or professional program that is charging the student. Ten programs are implementing increases or new differential instructional fees:

- Seven colleges are increasing differential fees, ranging between 2.0% and 4.0%: Business, Dentistry, Law, Nursing, Optometry, Pharmacy, and Veterinary Medicine
- Two colleges implemented new differentials for existing programs: Law and Nursing
- Fisher College of Business implemented a differential fee for a new certificate program

Non-Resident & International Surcharges

The non-resident surcharge will increase 4.8% or \$961 for undergraduate and graduate programs at each campus. Six colleges offering professional student programs have implemented a different rate change:

- Four colleges are holding the non-resident surcharge flat: Business, Law, Nursing, and Optometry
- Two colleges implemented lower than standard increases: Dentistry (3.0%) and Veterinary Medicine (2.5%)

Increases in non-resident fees are expected to generate \$19.6 million, and an overall increase in non-resident enrollment is expected to generate \$10.1 million.

The undergraduate international surcharge will be held flat for FY 2020, but since we are expecting the graduating class of undergraduate international students to be smaller than the new first year and transfer class, we are anticipating an increase of \$1.2 million in sources from the international surcharge.

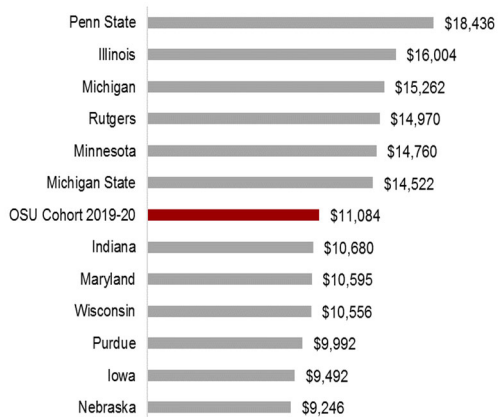
Program & Technology Fees

Several colleges and academic programs have additional fees to support specific initiatives. Program fees are designed to provide financial support for specific academic and student programs, technology fees support learning technology, course fees provide classroom supplies and distance education fees support distance education technology. In accordance with the Ohio Revised Code, these types of fees will be frozen for undergraduate students for FY 2020. These fees are listed in Appendix B.

Peer Comparison of Fees

Note: Charts below compare tuition guarantee cohort entering Autumn 2019 with peers' published FY 2019 rates. Peer rates sourced from the Association of American Universities' Data Exchange.

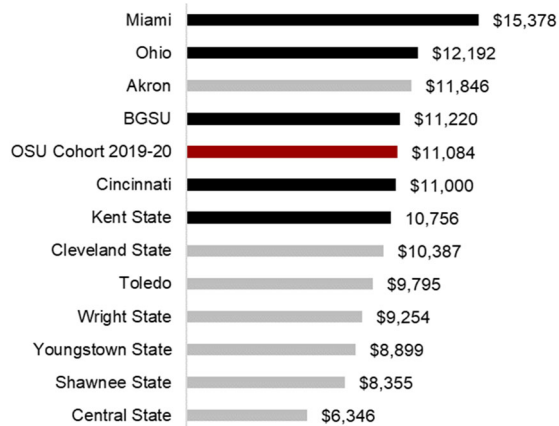
Big Ten: FY19 resident tuition and fees



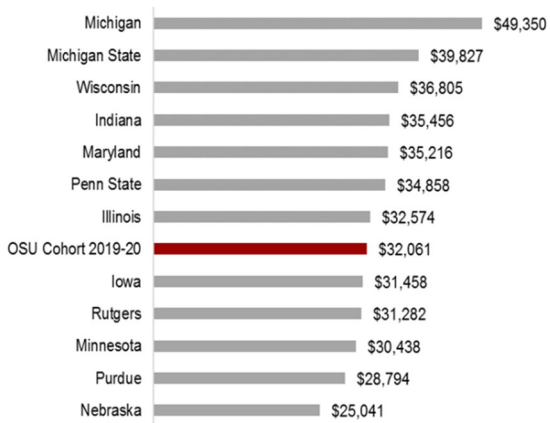
In the Big Ten, Ohio State is near the median and is more affordable than six of 13 Big Ten public universities.

Among Ohio's six public four-year universities with selective admissions, Ohio State ranks highest in academic reputation and is the third most affordable rate for resident tuition and fees – even including the most expensive tuition guarantee cohort. Every Ohio university will have a tuition guarantee for FY 2020.

Ohio - FY19 resident tuition and fees



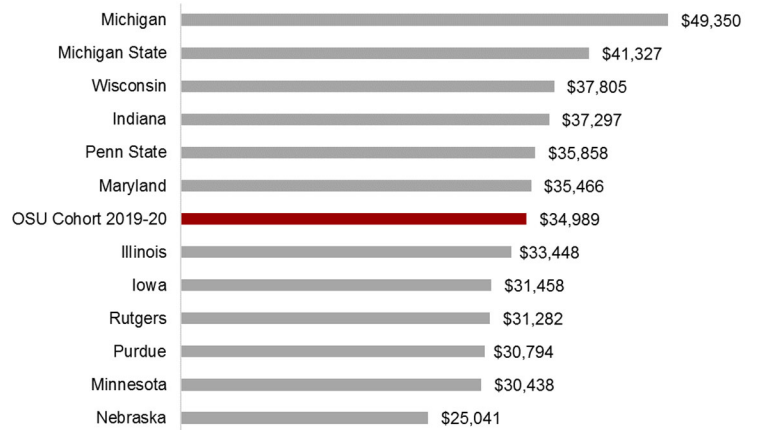
Big Ten: FY19 non-resident tuition and fees



Ohio State is more affordable than seven of 13 public Big Ten schools for undergraduate non-resident tuition and fees.

Ohio State is the seventh most affordable among the Big Ten public schools for undergraduate international student tuition and fees.

Big Ten: FY19 international tuition and fees



Government Appropriations

The university receives funding from the State of Ohio, federal government and local governments to support various aspects of the university’s operations. The largest category received is the State Share of Instruction (SSI), which accounts for approximately 81% of state funding.

\$ thousands	FY19 Forecast	FY20 Plan	\$ Difference	% Difference
State Share of Instruction	383,217	383,217	-	0.0%
State Appropriations Operating	89,913	89,913	-	0.0%
Total Government Appropriations	473,129	473,129	-	0.0%

State Share of Instruction

The SSI allocation is the State of Ohio’s primary funding support for higher education. The allocation between public colleges and universities in Ohio is based on their share of enrollment and degree completions, indexed for financially and academically at risk resident undergraduate students, medical and doctoral subsidy as well as other criteria intended to advance the goals of the state. In FY 2020, the state is increasing the total SSI funding pool by 2.01%; however, the university is conservatively projecting flat funding from SSI. The Columbus campus receives 94% of the total SSI allocation received by the university, or \$359.4 million.

State Appropriations | Operating

In addition to SSI funding, the university also receives funding directed for specific purposes through state line item appropriations. Total appropriations for FY 2020 are estimated at \$89.9 million. Major line items are similar to FY 2019, including support for the Ohio Agricultural Research and Development Center (OARDC/\$36.4 million), OSU Extension (\$24.1 million) and OH-Tech (\$13.5 million). These programs comprise 74% of the total state line item appropriations received by the university.

Grants and Contracts

Grants and Contracts revenue is administered in two ways: recorded by individual units in segregated grants and contracts funds, or as sponsored projects administered by the Office of Sponsored Programs. For FY 2020, revenue from grants and contracts (including non-exchange grants) is expected to be \$852.7 million, which is up 3.3% from the FY 2019 forecast.

\$ thousands	FY19 Forecast	FY20 Plan	\$ Difference	% Difference
Federal Grants and Contracts	436,636	459,855	23,219	5.3%
Private Grants and Contracts	209,357	215,293	5,937	2.8%
State Grants and Contracts	72,727	67,294	(5,433)	-7.5%
Local Grants and Contracts	21,117	20,969	(148)	-0.7%
Total Exchange Grants & Contracts	739,837	763,411	23,574	3.2%
Federal Grants and Contracts Non-Exchange	63,891	65,158	1,266	2.0%
State Grants and Contracts Non-Exchange	11,247	13,547	2,300	20.5%
Federal Build America Bonds Subsidy	10,597	10,597	-	0.0%
Total Non-Exchange Grants & Contracts	85,734	89,301	3,566	4.2%
Total Grants & Contracts	825,571	852,712	27,141	3.3%

Of the \$852.7 million, \$571 million is administered by the Office of Sponsored Programs, \$192.4 million is administered directly by colleges and support units, \$78.7 million is administered by Enrollment Services for student financial aid programs, and \$10.6 million is received as federal subsidy for Build America Bond interest. Projects administered by the Office of Sponsored Programs typically have more stringent process and documentation requirements than projects that are directly administered through the colleges and support units. \$22 million of the increase in grants and contracts is attributable to the HEALing Communities Study for opioid research.

Sponsored Research Programs

The university secures funding for sponsored research programs from a variety of external sources. External grants are awarded by federal, state and local agencies along with private foundations and corporate sponsors. Total direct revenue for sponsored research programs administered by the Office of Sponsored Programs is expected to increase from \$541 million in FY 2019 to approximately \$571 million in FY 2020.

The sponsored research revenues include facilities and administrative (F&A) cost recoveries, which are projected to be \$122 million, a 4% increase over final estimated FY 2019 recovery of \$117 million. F&A costs are recovered from most sponsored programs to offset the cost of maintaining the physical and administrative infrastructure that supports the research enterprise at the university. It is important to note that direct and indirect cost expenditures do not necessarily align when comparing expected revenue streams, and this occurs for two reasons. First, certain direct cost expenditures do not recover F&A. Second, not all sponsors allow the university to recover F&A at the university's fully negotiated rate. The full negotiated F&A rate for FY 2019 is 56% and it will remain at this rate through FY 2020. These rates are an increase from the FY 2018 rate, which was 55%.

College/Support Unit Administered Grants and Contracts

FY 2020 revenue for exchange grants and contracts administered directly by individual colleges and support units is expected to decrease 5.5% to \$192.4 million. Approximately half of these grants and contracts are state grants and contracts, a quarter are private, and the remainder are federal and local grants and contracts.

Student Financial Aid Funding

Some grants and contracts revenue is considered a non-exchange item and appears in the non-operating section of the external income statement as Non-Exchange Grants. These items include \$78.7 million of grants administered by Student Financial Aid sourced from federal funding for Pell Grants and Supplemental Educational Opportunity Grants (SEOG) and state funding for Ohio College Opportunity Grants (OCOG). In total, funding levels for these items are expected to increase by \$3.6 million from forecasted FY 2019 to budgeted FY 2020, due primarily to increases to maximum Pell Grant awards from \$6,095 to \$6,195 per year for each eligible student and an increase in state funding for OCOG awards.

Sales and Services

\$ thousands	FY19 Forecast	FY20 Plan	\$ Difference	% Difference
Sales and Services Auxiliaries	388,038	376,775	(11,263)	-2.9%
Sales and Services Departmental	163,459	167,085	3,627	2.2%
Total Sales and Services	551,497	543,861	(7,636)	-1.4%

Sales and Services of Auxiliary Enterprises

Student Life, Athletics, and Business Advancement comprise the majority of sales and services of auxiliary enterprises. Revenue from sales and services of auxiliary enterprises before scholarship allowances is expected to decrease \$11.3 million or -2.9% in FY 2020 over forecasted FY 2019. The decrease is driven by decreases in revenues from Athletics and Business Advancement, the unit responsible for managing the Schottenstein Center and stadium concerts. For Athletics, revenue is decreasing due to less game guarantee revenue expected in FY 2020 and conservative estimates for NCAA distributions. Business Advancement is projecting that concert and event ticket revenue will decrease by \$10.6 million due to fewer stadium concerts in FY 2020. These decreases are partially offset by increases in Student Life, which is expecting a \$2 million increase due to the 2.2% increase in the housing and dining rates for new first year students under the tuition guarantee.

Sales and Services of Educational Departments

Revenue sources in educational departments consist largely of clinical operations in colleges such as Dentistry, Optometry and Veterinary Medicine and non-college departments such as Recreational Sports and Student Health Services. Sales and Services are expected to increase 2.2% in FY 2020 to cover inflationary expense increases.

Advancement, Investments, and Interest Income

\$ thousands	FY19 Forecast	FY20 Plan	\$ Difference	% Difference
Current Use Gifts	174,800	212,700	37,900	21.7%
Endowment Distributions	217,765	228,441	10,676	4.9%
Total Advancement Sources	392,565	441,141	48,576	12.4%

Total Advancement Receipts

Gifts from alumni, friends, grateful patients, and the rest of Buckeye Nation continue to be directed to our students, our faculty, our campuses, and our potential. In FY 2020, the university’s goal for “New Fundraising Activity” is \$575 million, including gifts, pledges and certain private contracts. Advancement fully expects to deliver results in line with expectations. Dollars are being raised by engaging a variety of constituents, including students, faculty, staff, alumni, friends, corporate partners and private foundations.

In order to display an operating financial plan we are presenting only the cash sources that can be used immediately against operating expenses. These include current use gifts and endowment distributions.

Current Use Gifts and Endowment Distributions

In the FY 2020 Financial Plan current use gifts are projected to increase \$37.9 million or 21.7% over the FY 2019 forecast. This increase is driven by increases in overall fundraising goals.

Endowment distributions are the spendable portion of annual distributions from the Long Term Investment Pool (LTIP), which totals \$5.4 billion as of FY 2019 and includes gifted endowment funds of \$2.1 billion, designated funds of \$2.0 billion and operating funds of \$1.3 billion that have been invested for long-term stability. Through a partnership with external managers, the Office of Investments has adopted an asset allocation model for the LTIP that groups assets into three broad categories. This model enables the investment team to build a portfolio of specialized investment teams around the world to implement our strategic allocation and to be responsive to changing market conditions.

The LTIP is expected to gain \$514 million before fees at an 8.0% return in FY 2020 and is projected to have an ending market value of \$5.8 billion at the end of FY 2020. For the operating budget, these gains translate to spendable endowment distributions of \$228.4 million for FY 2020.

Interest Income

Investment income on cash, short and intermediate term investments is budgeted at \$67.3 million for FY 2020. This projection reflects a potential reduction in short term rates due to economic conditions and strategic use of university cash to fund capital investments. See Chapter 8 for further discussion of the capital investment plan.

Chapter 5 | University Operating Plan | Uses

Salaries and Benefits

\$ thousands	FY19 Forecast	FY20 Plan	\$ Difference	% Difference
Faculty	551,895	594,452	42,557	7.7%
Staff	803,879	847,917	44,037	5.5%
Students	143,921	145,868	1,947	1.4%
Additional Pay	51,442	46,241	(5,201)	-10.1%
Total Salaries	1,551,137	1,634,478	83,341	5.4%
Benefits	409,879	430,275	20,396	5.0%
Total Personnel	1,961,016	2,064,753	103,737	5.3%

Salaries

Salary expense is expected to increase by \$83.3 million or 5.4% over forecasted FY 2019. The plan for FY 2020 includes faculty and staff salary guideline increases of up to 2.5%. Consistent with prior years, the approved salary guidelines take into consideration the financial condition of the university as well as the current labor market. The university continues to employ a strategy to set faculty salaries at a level that will maintain or advance Ohio State’s position nationally for the highest quality faculty, and to set staff salaries to be competitive with the local employment markets.

Salary guideline increases of 2.5% represent \$29.5 million of the total increase of \$83.3 million. The remainder of the increase (\$53.9 million) in the FY 2020 budget is due to net new hires in several areas due to strategic investments in faculty and staff, including the impact of key leadership changes. Increases due to net new hires are divided between Faculty (\$30.0 million increase) and Staff (\$27.1 million increase), offset by a decrease in additional pay¹ of \$5.2 million.

Personnel Type	Salary Guidelines Increase	Net New Hires/ Incremental Change	Incremental Change Comments
Faculty	\$12.6 million	\$30.0 million	<p>Notable increases:</p> <ul style="list-style-type: none"> ▪ \$19.5 million College of Medicine and Health Sciences New clinical positions to support growth of Health System and increased research ▪ \$2.1 million Newark Campus Faculty hires in support of campus growth and filling open positions ▪ \$1.5 million College of Nursing Faculty hires for new online masters and PhD program ▪ \$1.4 million College of Pharmacy Faculty hires in support of new strategic plan to improve teaching and invest in research

¹ Additional pay is comprised of non-salary compensation and supplemental pay for both faculty and staff.

FY 2020 FINANCIAL PLAN

			<ul style="list-style-type: none"> ▪ \$1.3 million Fisher College of Business Faculty hires in support of new strategic plan to improve program quality <p>Notable Decreases:</p> <ul style="list-style-type: none"> ▪ \$680,000 Moritz College of Law ▪ \$518,000 Marion Campus ▪ \$491,000 Arts and Sciences
Staff	\$16.9 million	\$27.1 million	<p>Notable increases:</p> <ul style="list-style-type: none"> ▪ \$10.9 million College of Medicine and Health Sciences New clinical and clinical support positions to support growth of Health System and increased research ▪ \$3.6 million Administration and Planning New union contract for maintenance and custodial employees and filling of open positions in tight labor market ▪ \$3.6 million Business and Finance Filling open positions and adding some new positions in support of strategic investments in Corporate Engagement and Technology Commercialization ▪ \$3.4 million Athletics Market based adjustments ▪ \$3.2 million University Advancement Filling open positions and continuation of staffing to meet fundraising goals

Benefits

Benefit costs consist of several different pools of costs, including retirement plans, medical plans, educational benefits, and life insurance benefits. For the forecast and budget, benefits are estimated based on the composite benefit rate applied to salaries by employee type (e.g., full-time faculty vs. part-time staff vs. students). Actual expenses may be more or less than the amount collected through the rates and vary from year to year. The composite benefit rate setting process takes these yearly variations into account.

Total benefit costs are expected to increase by \$20.4 million or 5.0% over forecasted FY 2019, to \$430.3 million. This increase is primarily driven by the 2.5% salary guideline increase, which directly affects the retirement plan contribution expenses, and net new additional hires. As in FY 2019, benefits rates for FY 2020 have been adjusted to reflect lower employer medical costs and historical over-collection against expenses. Lower employer medical costs are driven by benefits plan changes that reflect recent trends in moving to consumerism. Employer medical costs are also driven by tightened controls over benefits administration and a decrease in inpatient and outpatient utilization from enhanced medical management processes. Benefits include the university's contribution to employee retirement plans, various medical, dental, vision, life and disability plans, employee and dependent tuition plans and university expense related to compulsory plans, such as workers' compensation and unemployment compensation.

Retirement Plans - University employees are covered by one of three retirement systems. The university faculty is covered by the State Teachers Retirement System of Ohio (STRS Ohio). Substantially all other employees are covered by the Public Employees Retirement System of Ohio (OPERS). Employees may opt out of STRS Ohio and OPERS and participate in the Alternative Retirement Plan (ARP) if they meet certain eligibility requirements. Under

each of the plans, the university contributes 14% of the employee’s pay to the plan annually, while the employees contribute 10%. Vesting varies by plan.

Medical Plan - The university is self-insured for employee health insurance. FY 2020 medical plan costs are budgeted based on historical cost trend data, projected employee eligibility, and expected plan changes associated with governmental regulations and plan design.

Student Financial Aid

\$ thousands	FY19	FY20	\$ Difference	% Difference
	Forecast	Plan		
Student Aid Institutional	198,311	207,817	9,506	4.8%
Student Aid Departmental	69,581	72,610	3,029	4.4%
Student Aid Endowment and Development	41,305	40,052	(1,253)	-3.0%
Student Aid Athletic	26,216	29,872	3,656	13.9%
Student Aid Federal	63,669	65,069	1,400	2.2%
Student Aid State	11,200	13,500	2,300	20.5%
Total Student Aid	410,281	428,919	18,637	4.5%
Fee Authorizations	118,274	120,772	2,498	2.1%

Financial Aid is a critical investment of resources that keeps the cost of education manageable for students. The Ohio State University engages both the federal and state governments in conversations to stress the importance of financial aid and reasonable loan programs for students.

The financial aid plan seeks to advance two specific goals for the university: to invest in the quality, quantity and diversity of students to continue to advance Ohio State as a leading national flagship public research university; and to invest in students to fulfill our role as the land grant university for the State of Ohio, whereby access to college is afforded to those students with limited resources. The university continues to work to support both goals and continues to develop the appropriate balance in moving the university toward eminence. Fundraising efforts are also underway through various initiatives.

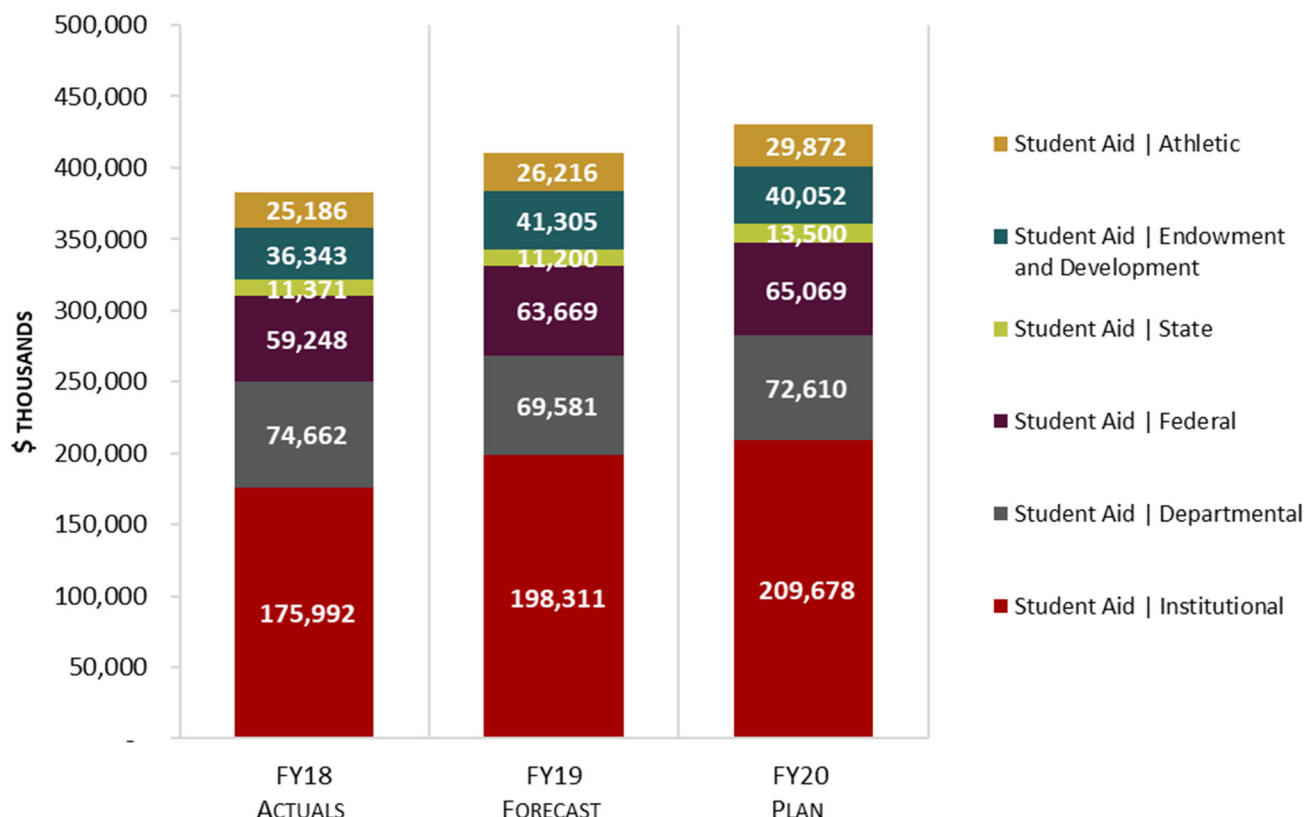
Since FY 2016, the university has increased financial aid to support low- and moderate-income families by more than \$150 million. This exceeds the 2020 Vision goal more than a year ahead of schedule.

Ohio State expects to distribute a total of \$428.9 million of financial aid, excluding graduate fee authorizations, to students in FY 2020. Sources for financial aid include federal and state programs, gifts and endowments and institutionally funded aid. The university financial statements present a portion of financial aid, in accordance with GASB accounting requirements, as an allowance against gross tuition and, in the case of athletic and room and board scholarships, an allowance against sales and services of auxiliary enterprises.

Institutionally funded financial aid is expected to increase by \$9.5 million, or 4.8%, in FY 2020 to a total of \$207.8 million. Need-based financial aid continues to be a priority as part of the university’s commitment to affordability. The budget for FY 2020 includes a total of \$14.6 million for the Buckeye Opportunity Program, which covers the full cost of tuition for Pell-eligible Ohio students after accounting for existing federal, state and institutional aid. This program is anticipated to be funded by income from an endowment created by the energy concession agreement and will assist 4,200 eligible students in the first year. The Land Grant Opportunity Scholarship program will also be expanded by \$6.8 million to offer full cost of attendance scholarships for up to 176 students.

The budget devotes \$25 million to the President’s Affordability Grant program, which supports more than 15,000 low- and moderate- income students from Ohio.

Student Aid Trend



Federal financial aid, which consists primarily of Pell Grants and some Supplemental Educational Opportunity Grants (SEOG), is expected to increase by \$1.4 million to \$65.1 million in FY 2020, due to an increase in the maximum Pell Grant award. State financial aid is expected to increase by \$2.3 million in FY 2020 to \$13.5 million. This is driven by a budgeted increase in the state budget for programs such as the Ohio College Opportunity Grant (OCOG). Endowment and Development aid is projected to decrease -3.0% due to uncertainty in the timing of some gifts.

Fee Authorizations

Fee authorizations are provided to students holding graduate student appointments to pay for graduate tuition and fees. Total university fee authorization expense is expected to increase 2.1% to \$120.8 million in FY 2020. This is due to the 4.8% increase attributable to non-resident surcharge increases. Approximately half of graduate student appointments are graduate research associates, 45% are graduate teaching associates, and the remainder are graduate administrative associates.

Supplies and Services

Supplies & Services expenses are projected to decrease \$14.3 million or -1.4% over projected FY 2019 to \$1 billion. Supplies & Services expenses are comprised of several discrete categories, including Cost of Sales, Supplies, Office Services, Repairs & Maintenance, Utilities, Rentals, Purchased Services, Travel, Other Expense and Non-Capitalized Equipment, all offset by Intra-University Revenue. Most categories are expected to decrease in FY 2020 due to supplies and services being the primary area for targeted operational efficiencies. Programs such as strategic procurement have improved our pricing with external vendors, and targeted efficiencies are fully offsetting any general inflationary increases. Efficiency savings from these areas are typically reinvested in faculty, student aid, and capital investments.

Interest Expense

The proceeds of past debt issuance have been utilized to fund major construction projects including the Wexner Medical Center expansion, student housing construction and refurbishments, as well as significant campus infrastructure improvements. The University's portion of consolidated interest expense is expected to be approximately \$91.2 million in FY 2020; an increase of \$4.3 million over FY 2019 projected levels. This is due to increased interest rates on variable rate debt obligations.

Chapter 6 | Health System Operating Plan

Health System (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Total Operating Revenue	2,996,897	3,219,203	3,350,685	131,482	4.1%
Operating Expenses					
Salaries & Benefits	1,358,447	1,447,098	1,512,656	65,558	4.5%
Supplies	324,397	346,455	358,894	12,439	3.6%
Drugs & Pharmaceuticals	306,760	388,461	423,925	35,464	9.1%
Services	301,867	316,474	335,483	19,009	6.0%
Depreciation	154,609	166,936	173,859	6,923	4.1%
Interest	39,165	35,429	31,941	(3,488)	-9.8%
University Overhead	53,440	60,834	61,900	1,066	1.8%
Other	48,727	48,874	50,387	1,513	3.1%
Total Expenses	2,587,412	2,810,561	2,949,045	138,484	4.9%
Gain/Loss from Operations	409,485	408,642	401,640	(7,002)	-1.7%
Medical Center Investments	(150,358)	(150,000)	(155,017)	(5,017)	-3.3%
Investment Income	20,876	13,961	16,439	2,478	17.7%
Excess of Revenue over Expenses	280,002	272,603	263,062	(9,541)	-3.5%

The margin for the OSU Health System is budgeted at \$263.1 million for FY 2020. The operating budget is set at a level to achieve the organizations strategic and long range financial plan goals and provides the necessary margin to invest in clinical programs, capital, provide debt service coverage and build cash reserves. The operating budget for FY 2020 anticipates continued growth in both inpatient and outpatient activities with cancer, heart and other surgical specialties having the most influence. The budget also takes into consideration the impact of healthcare reform and the associated reimbursement impacts. In addition, the budget continues to incorporate payer mix changes resulting from an aging population with shifts to Medicare. Included in the budget is the Health System’s continued investment in Medical Center initiatives (\$155 million). The budget provides a Total Operating Margin percentage of 7.6% and an EBIDA operating margin of 18.1%

Revenue Drivers

Overall revenue is budgeted to increase approximately 4.1% compared with the current year rate of 7.4%. Activity increases account for approximately 2.6% and rates account for 1.5% of FY 2020 growth. Inpatient admission growth is budgeted at 2.7% and driven primarily by heart and cancer strategic growth along with psychiatric admissions from increased bed capacity. Outpatient activity will grow at 4.1% with continued ambulatory growth related to increasing access, imaging services and expanding infusion sites.



The overall payer mix continues to see growth in Medicare and decreases in managed care. Medicaid Expansion continues to keep the uninsured population below historical trends. Overall Medicare rates will increase less than 1%. Managed care plan migration to Medicare due to the aging population is anticipated to increase to 2% in FY 2020. Managed care arrangements are negotiated through the end of 2020 and in some cases into 2021. Quality and risk-based contracts continue to be a focus in ongoing negotiations with payers. The budget anticipates a

0.5% negative impact to FY 2020 relating to these factors. The payment increases for managed care contracts are on average 3% in rate growth while governmental payer base rates are anticipated to increase less than 1%.

Expense Drivers

Total operating expenses will grow by 4.9% compared to the current year growth of 8.6%. Drug cost is increasing 9.1% with 5% due to inflation and the remaining impact relating to impacts of participation in the 340B drug pricing program and increased cancer drug utilization. Operating expenses, excluding drugs, depreciation and overhead, are budgeted to grow 4.3%, of which 1.7% will be activity driven and 2.6% rate driven. Average salary increases for employees is included in the budget at 2.5%. Benefit rates are expected to decrease from current year. Labor productivity is budgeted to include increased nursing standards. Expense management initiatives will continue to be an emphasis to mitigate reimbursement changes and overall expense inflation.

Chapter 7 | OSU Physicians Operating Plan

OSU Physicians (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Total Revenue	439,733	453,154	505,265	52,111	11.5%
Expenses					
Faculty Salaries & Benefits	308,449	336,475	378,864	42,389	12.6%
Non Faculty Salaries & Benefits	96,214	100,965	115,856	14,891	14.7%
Supplies & Pharmaceuticals	20,463	18,924	19,971	1,047	5.5%
Services	79,968	72,371	72,414	43	0.1%
Depreciation	3,574	3,418	4,058	640	18.7%
Interest	299	363	329	(34)	-9.4%
Medical Center Investments	(86,063)	(95,440)	(103,035)	(7,595)	-8.0%
Total Expenses	422,904	437,076	488,457	51,381	11.8%
Gain / (Loss)	16,829	16,078	16,808	730	4.5%

Total operating revenue is budgeted to increase \$52.1 million or 11.5% over fiscal 2019 projection. Total operating revenue includes net patient revenue and other operating revenue associated with physician services. Net patient revenue is budgeted to increase \$22.4 million or 6.1% over fiscal 2019 projection due to faculty recruitment, increased clinical productivity, improved payment rates, and improved service mix. Other operating revenue is budgeted to increase \$29.7 million due primarily to support for the new faculty compensation plan.

Total expenses are expected to increase \$51.4 million. Expense categories with the largest increases were physician salaries & benefits, staff salaries & benefits, and supplies and pharmaceuticals. Net new physicians in fiscal 2019 are approximately 87. Generally the amount of time for a new practice to reach full profitability is approximately 2-3 years. Faculty salaries and benefits represent implementation of the new faculty compensation plan effective in fiscal 2020.

Work continues on increasing revenue growth through a number of initiatives. In addition, expense control measures continue to evolve to help keep controllable costs, such as number of staff, supplies, and services, in line with revenue changes.

Chapter 8 | Capital Investment Plan FY 2020-24

The University will invest nearly \$2.4 billion over five years in strategic physical plant projects as detailed in the FY 2020-24 Capital Investment Plan. The planning process is guided by the university’s master plan, Framework 2.0 and projects are evaluated against its principles. Framework 2.0 is based on planning principles that tie the mission, vision and values of the university to the physical plan, focusing on five thematic areas:

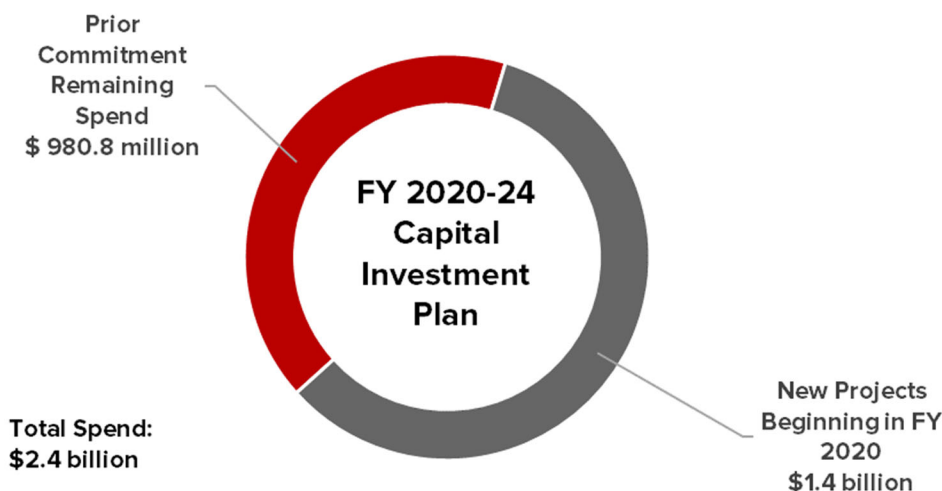


Five large capital projects are currently underway in various stages of development: Arts District, Interdisciplinary Health Sciences Center, Interdisciplinary Research Facility, Wexner Medical Center Inpatient Hospital, and Wexner Medical Center West Campus Ambulatory Facility. These projects represent the facility needs of a cross section of the university and advance a number of the university’s strategic plan pillars, including teaching and learning, research and creative expression, and academic health care.

Capital projects are also reviewed for financial soundness before inclusion in the FY 2020-24 Capital Investment Plan.

The following chart reflects the capital plan through FY 2024. Of the total \$2.4 billion, \$981 million is remaining spend on projects previously committed and \$1.4 billion on new projects beginning in FY 2020.

The following charts reflect the Capital Plan through FY 2024. The FY 2020 Financial Plan includes \$808.1 million in capital spending, \$514.4 million is related to projects previously committed and \$293.7 million for new projects.



Prior Commitment Remaining Spend

Prior Commitment Remaining Spend (\$ millions)	Projected Capital Expenditures					Total
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	
Athletics - Covelli Multi-Sport Arena	\$ 3.9	\$ 2.4				\$ 6.2
Cannon Drive Relocation - Phase I	6.0	1.3				7.3
Postle Partial Replacement	53.7	21.7				75.4
Ohio Stadium Upgrades	6.9					6.9
Wooster - New Laboratory Building	19.3	10.2	0.8			30.4
OSU East - West Wing Expansion/Renovation	15.9	5.5				21.4
Campus Wi-Fi System	6.4	5.6	0.2			12.2
A&S - Celeste Teaching Labs Renovations	6.5	7.9	7.9	6.4		28.7
Athletics - Indoor Tennis Center	7.2	9.6	5.8			22.6
Engineering - Advanced Materials Corridor	24.8	16.1	1.3			42.1
FAES - Controlled Env. Food Prd Research	18.5	4.6				23.2
FOD - Cannon Ph 2 - (additional design funding)	1.6	1.9	1.5	0.5		5.4
FOD - RDM Instructional Sciences	1.0	6.8	8.8	8.4		25.0
Newark - Science & Technology Bldg	8.0	10.7	3.4	-		22.0
Nursing - Newton Building Addition	2.5	8.6	11.5	1.6		24.2
TTM - Service Annex Building Renovation	4.0	4.4				8.4
Arts District (design)	6.2					6.2
Interdisciplinary Research Center (design)	12.4					12.4
Interdisciplinary Health Sci Center (design)	15.5					15.5
Interdisciplinary Health Sci + Opt Clinic	19.7	12.7	2.6			35.0
Inpatient Hospital (design)	30.6					30.6
WMC - Regional Ambulatory Site 1 Hamilton Road	30.4	25.4	26.8	6.8		89.4
WMC - Ambulatory West Campus (design)	8.9	7.7	6.3			23.0
WMC - Inpatient Hospital - Central Sterile Supply	24.4	15.9	3.1			43.5
WMC - Inpatient Hospital - Garage, Infrast. & Roads	30.9	33.1	21.8	4.5		90.3
WMC - Ambulatory Dublin (design)	4.0					4.0
Energy Advancement and Innovation Center (design)	3.0					3.0
Roll-up of Small Projects	142.0	87.2	35.5	1.6		266.3
Total Prior Commitment Remaining Spend	\$ 514.4	\$ 299.4	\$ 137.3	\$ 29.7		\$ 980.8

FY 2020 FINANCIAL PLAN

New Projects Beginning in FY 2020

New Projects Beginning in FY 2020 (\$ millions)	Projected Capital Expenditures					
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Small Programmatic Cash Ready Projects	\$ 1.5	\$ 19.2	\$ 11.7	\$ 0.9		\$ 33.2
Anticipated Spend for CIP Additions/Changes	0.4	8.9	0.7			10.0
WMC - Roll Up of Multiple Cash Ready Projects	152.6					152.6
Roll-up of Small Infrastructure/RDM Projects	0.6	10.9	6.2	0.5		18.1
New Major Projects (>\$4M)						
A&S - Arts District Phase 1 (construction)	18.1	43.5	43.5	38.2	1.7	145.0
Athletics - Lacrosse Stadium	0.4	2.4	7.0	7.1	3.2	20.0
Bus Adv - Schottenstein Main Roof Replacement	0.2	2.3	3.7	0.3		6.5
Energy Advancement and Innovation Center (const.)	5.3	12.6	12.4	3.4		33.7
FAES - Cntrl'd Env Food Prdxn Res Cmplx (amendment)	0.2	1.3	3.9	3.9	1.8	11.0
FAES - Wooster Fisher Renovation (design only)	0.1	1.8	0.1			2.0
FOD - Cannon Ph 2 -Herrick/Woody H (const.)	9.9	23.7	23.7	20.8	0.9	78.9
Interdiscip. Health Sci Center (const)	17.1	41.0	41.0	35.9	1.6	136.5
Interdiscip. Research (const.)	28.7	68.9	68.9	60.5	2.7	229.7
Libraries - Library Book Depository Expansion	0.3	1.8	5.3	5.3	2.4	15.1
Newark - Science & Technology Bldg (Third Floor)	2.4	5.8	1.2			9.4
PARE - West Campus Infrastructure and Enabling	0.3	2.1	6.1	6.2	2.8	17.5
Pharmacy - Parks Hall Fume Hood Renovations	0.2	2.5	4.0	0.3		7.0
SL - Housing - Columbus R&R & Minor Capital - FY20	0.3	4.9	8.0	0.6		13.9
SL - Housing - Taylor Public Space Renovation	0.2	1.3	3.9	3.9	1.8	11.0
SL - Rec Sports - Coffey Road Turf Field	0.3	3.6	5.9	0.5		10.2
VetMed - Vet Community Practice Hosp and Learning	0.3	2.1	6.1	6.2	2.8	17.5
WMC - Ambulatory Dublin (design 2)	2.0	5.0	1.0			8.0
WMC - Ambulatory Hamilton Rd (const. 2)	6.7	16.1	15.8	4.3		42.9
WMC - Ambulatory West Campus (const.)	40.3	96.7	96.7	84.9	3.8	322.4
WMC - Ambulatory West Campus (enabling)	0.3	5.9	0.5			6.6
WMC - Dodd Garage	5.2	12.5	12.3	3.3		33.3
Total New Projects Beginning in FY 2020	\$ 293.7	\$ 396.6	\$ 389.6	\$ 286.8	\$ 25.4	\$ 1,392.1
Total Capital Investment Spend	\$ 808.1	\$ 696.0	\$ 526.9	\$ 316.5	\$ 25.4	\$ 2,372.9

Capital Plan Funding Sources

Capital projects are funded with a variety of sources, including state capital appropriations, private capital gifts, debt proceeds, endowment income, principal from quasi-endowments, current year operating margins and existing cash from units and central university. As discussed previously, operating margins can be highly restrictive and only certain funds are available for capital uses. As projects are completed, restricted dollars such as state capital appropriations and private capital gifts typically are used first, followed by existing cash, depending on the project or funding plan. State capital appropriations are anticipated to be \$63.6 million in FY 2020. Each project requiring debt must have a specific funding plan completed and approved before it can proceed to construction. For the FY 2020-24 Capital Investment Plan, the following represents the sources identified to fund the new projects.

Unit Type (\$ millions)	Funding Sources							Total \$ by	
	Local Funding	State Capital	Debt Financing	Fund Raising	CEMP Capital	Partners	Not Identified	Unit	% by Unit
Academic-Support	\$ 149.2	\$ 8.6	\$ 87.0	\$ 160.0	\$ 215.8	\$ 33.7	\$ 5.9	\$ 660.2	47.4%
Student Life	40.7	-	-	-	-	-	-	40.7	2.9%
Athletics	22.0	-	-	20.0	-	-	-	42.0	3.0%
Infrastructure	8.3	-	1.5	-	9.3	1.8	82.1	103.1	7.4%
Medical Center	312.7	-	110.0	73.5	-	50.0	-	546.2	39.2%
Total \$ by Funding Source	\$ 532.9	\$ 8.6	\$ 198.5	\$ 253.5	\$ 225.1	\$ 85.5	\$ 88.0	\$ 1,392.1	
% by Funding Source	38.3%	0.6%	14.3%	18.2%	16.2%	6.1%	6.3%		

Appendix A | FY 2020 Financial Plan – GASB Version**FY 2020 Presentation Notes**

For FY 2020, we are presenting a Modified Operating Cash version of the financial plan as this is a more informative and effective format for management accounting and performance measurement. There are differences in presentation between this version and the version based on the GASB external financial statements. The Modified Operating Cash Flow excludes sources that cannot be used in operations (state capital appropriations, undistributed investment income, private capital gifts and additions to permanent endowments) while the GASB income statement presentation includes these items as revenue. Further, the Modified Operating Cash Flow excludes depreciation and non-cash expense adjustments to supplies and services that are included in the GASB income statement presentation.

Consolidated – GASB Version

Total Sources (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Tuition & Fees (gross)	1,135,298	1,184,703	1,219,544	34,842	2.9%
State Share of Instruction	383,860	383,217	383,217	-	0.0%
Other Government Appropriations	174,950	153,517	153,517	-	0.0%
Exchange Grants & Contracts	757,037	739,837	763,411	23,574	3.2%
Non-Exchange Grants & Contracts	81,268	85,734	89,301	3,566	4.2%
Sales & Services - Auxiliaries	362,966	388,038	376,775	(11,263)	-2.9%
Sales & Services - Departmental	161,964	163,459	167,085	3,627	2.2%
Sales & Services - Health System	3,103,891	3,219,203	3,350,685	131,482	4.1%
Sales & Services - OSU Physicians	525,796	453,154	505,265	52,111	11.5%
Advancement Receipts	239,257	242,800	295,400	52,600	21.7%
Investment Income	440,393	300,669	486,439	185,770	Assumes 8%
Other Revenues	38,520	38,121	39,886	1,764	4.6%
Total Sources	7,405,200	7,352,452	7,830,525	478,074	6.5%

Total Uses (\$ thousands)	FY18 Actuals	FY19 Forecast	FY20 Plan	FY19-FY20 \$ Diff	FY19-FY20 % Diff
Total Personnel Expense	3,489,952	3,845,554	4,072,129	226,575	5.9%
Fee Authorizations	111,056	118,274	120,772	2,498	2.1%
Student Aid	382,802	410,281	428,919	18,637	4.5%
Supplies, Services & Other	2,155,734	1,963,670	2,016,333	52,664	2.7%
Total Non-Personnel Expense	2,649,592	2,492,226	2,566,025	73,799	3.0%
Depreciation	402,136	437,161	451,994	14,833	3.4%
Interest Expense	117,380	122,717	123,472	755	0.6%
Total Capital-Related Expense	519,516	559,879	575,466	15,587	2.8%
Total Uses	6,659,061	6,897,658	7,213,620	315,961	4.6%

Sources Less Uses	746,139	454,793	616,906	162,112	35.6%
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Sources Less Uses Excl Invstmt	305,747	154,124	130,467	(23,658)	-15.3%
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Note: This GASB presentation excludes impact of pension and OPEB liabilities.

Appendix B | Student Fees

Columbus Undergraduate Fees

Undergraduate Cohort	General Fees						Distance Education Fee	Resident Total
	Instructional Fees	General	Student Activity	Student Union Fee	Rec Fee	COTA Fee		
ON CAMPUS								
Continuing (pre-Guarantee)	4,584.00	186.00	37.50	74.40	123.00	13.50	-	5,018.40
Cohort 2017-2018	4,858.80	186.00	40.00	74.40	123.00	13.50	-	5,295.70
Cohort 2018-2019	4,926.00	186.00	40.00	74.40	123.00	13.50	-	5,362.90
Cohort 2019-2020	5,098.50	192.50	40.00	74.40	123.00	13.50	-	5,541.90
DISTANCE LEARNING								
Continuing (pre-Guarantee)	4,584.00	186.00	-	-	-	-	100.00	4,870.00
Cohort 2017-2018	4,858.80	186.00	-	-	-	-	100.00	5,144.80
Cohort 2018-2019	4,926.00	186.00	-	-	-	-	100.00	5,212.00
Cohort 2019-2020	5,098.50	192.50	-	-	-	-	100.00	5,391.00

Undergraduate Cohort	Resident Total	Non-Resident		Non-Resident	
		Non-Resident Surcharge	(Domestic) Total	International Surcharge	(International) Total
ON CAMPUS					
Continuing (pre-Guarantee)	5,018.40	10,488.50	15,506.90	966.00	16,472.90
Cohort 2017-2018	5,295.70	10,488.50	15,784.20	1,464.00	17,248.20
Cohort 2018-2019	5,362.90	10,488.50	15,851.40	1,464.00	17,315.40
Cohort 2019-2020	5,541.90	10,488.50	16,030.40	1,464.00	17,494.40
DISTANCE LEARNING					
Continuing (pre-Guarantee)	4,870.00	5.00	4,875.00	n/a	n/a
Cohort 2017-2018	5,144.80	5.00	5,149.80	n/a	n/a
Cohort 2018-2019	5,212.00	5.00	5,217.00	n/a	n/a
Cohort 2019-2020	5,391.00	5.00	5,396.00	n/a	n/a

Notes:

- Fees presented above are for credit hour loads of 12 to 18 credit hours per term. For loads of less than 12 credit hours, fees are prorated by the credit hour except for the Student Activity Fee and COTA Fee, which are flat rates regardless of credit hours, and the Rec Fee, which is a flat fee for 4 credit hours or more.
- Tuition guarantee applies to instructional, general, student activity, student union, recreational, and COTA fees for students starting in Autumn 2017. The Tuition Guarantee does not apply to the non-resident surcharge or the international surcharge. See Program and Technology fees for additional fees charged by certain programs.
- For each half credit hour of enrollment over 18 credit hours per term, students are assessed an additional half credit hour instructional, general, and non-resident surcharge.
- For students taking all distance learning courses, all on-site fees are waived and the non-resident surcharge is reduced to \$5. Students pay full campus-based and non-resident surcharges if enrolled in a campus-based course.

Regional Campus and ATI Undergraduate Fees

Undergraduate Cohort	Instructional Fees	General Fees	Resident Total	Non-Resident Surcharge	Non-Resident (Domestic) Total
AGRICULTURAL TECHNICAL INSTITUTE					
Continuing (pre-Guarantee)	3,438.00	114.00	3,552.00	10,488.50	14,040.50
Cohort 2017-2018	3,644.40	114.00	3,758.40	10,488.50	14,246.90
Cohort 2018-2019	3,690.00	114.00	3,804.00	10,488.50	14,292.50
Cohort 2019-2020	3,819.00	118.00	3,937.00	10,488.50	14,425.50
LIMA, MANSFIELD, MARION, NEWARK - UNDERGRADUATE					
Continuing (pre-Guarantee)	3,456.00	114.00	3,570.00	10,488.50	14,058.50
Cohort 2017-2018	3,662.40	114.00	3,776.40	10,488.50	14,264.90
Cohort 2018-2019	3,708.00	114.00	3,822.00	10,488.50	14,310.50
Cohort 2019-2020	3,838.00	118.00	3,956.00	10,488.50	14,444.50

Undergraduate Program and Technology Fees

Full Time Rates - 12+ Credit Hours; prorated by credit hour for loads less than 12

Program	Technology Fee	
	Program Fee	Technology Fee
Animal Sciences	78.00	-
Art	114.00	-
Arts	-	162.00
Business	649.20	186.00
MPS in CIS	-	108.00
Communications	-	49.20
Education and Human Ecology	-	90.00
Engineering (all except Engineering Physics)	589.20	240.00 (1)
Engineering Physics	349.20	108.00
Environmental and Natural Resources	49.20	-
Food, Agricultural and Environmental Sciences	49.20	49.20 (2)
Health and Rehabilitation Services	199.20	-
Music	348.00	162.00
Nursing	624.00	199.20
Psychology	104.40	-

(1) Beginning in FY 2015, specific Agriculture majors and plans only

(2) ATI students in FAES also pay this fee.

Graduate and Professional Fees

Program	Instructional Fees		General Fees				Student Fees				College-Specific Fees			Resident Total	Non-Resident Surcharge	Non-Resident Total
	General	Activity	General	Student Activity	Union Fee	Rec Fee	COTA Fee	Distance Education Fee	College-Specific Fees	Distance Education Fee	Resident Total	Non-Resident Surcharge	Non-Resident Total			
Masters & PHD - Columbus	5,780.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,212.40	11,792.00	18,004.40	
Masters & PHD - Regional	5,748.00	120.00	-	-	-	-	-	-	-	-	-	-	5,868.00	11,792.00	17,660.00	
Masters & PHD - Distance Learning	5,780.00	184.00	-	-	-	-	100.00	-	-	-	-	-	6,064.00	5.00	6,069.00	
Master of Accounting	15,728.00	184.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	16,421.40	11,792.00	28,213.40	
Master of Business Administration	14,876.00	184.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	15,569.40	11,792.00	27,361.40	
Master of Business Logistics Engineering	13,612.00	164.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	14,285.40	10,476.00	24,761.40	
Master of Business Administration - Working Professional	12,592.00	164.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	13,265.40	10,476.00	23,741.40	
Master of Human Resource Management	8,100.00	184.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	8,793.40	10,841.00	19,634.40	
Master of Business Administration - Executive	23,852.00	164.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	24,525.40	5.00	24,530.40	
Master of Business Operational Excellence	17,094.80	164.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	17,768.20	5.00	17,773.20	
Specialized Masters in Business - Analytics	17,410.40	184.00	-	-	-	-	100.00	-	-	-	-	-	17,694.40	5.00	17,699.40	
Specialized Masters in Business - Finance	27,632.00	184.00	37.50	74.40	123.00	13.50	-	-	261.00	(1)	-	-	28,325.40	5.00	28,330.40	
Graduate Minor in Business for Health Sciences	11,644.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	12,076.40	5.00	12,081.40	
Dentistry - Rank 1	18,170.00	184.00	37.50	74.40	123.00	13.50	-	-	1,993.00	(2)	-	-	20,595.40	21,210.00	41,805.40	
Dentistry - Ranks 2, 3, 4	15,960.00	164.00	37.50	74.40	123.00	13.50	-	-	1,636.00	(2)	-	-	18,008.40	18,808.00	36,816.40	
Law - Doctor of Jurisprudence	15,292.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	15,724.40	7,476.00	23,200.40	
Law - Master in the Study of Law	8,092.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	8,524.40	7,476.00	16,000.40	
Medicine	14,840.00	164.00	37.50	74.40	123.00	13.50	-	-	66.00	(1)	-	-	15,318.40	11,889.00	27,207.40	
Master in Genetic Counseling	9,568.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	10,000.40	6,313.00	16,313.40	
Doctor of Occupational Therapy	6,556.00	164.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,988.40	9,520.00	16,488.40	
Master/Doctor of Physical Therapy	6,520.00	164.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,932.40	9,977.00	16,909.40	
Master of Health Administration	6,984.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	7,446.40	11,792.00	19,208.40	
Master of Public Health	6,196.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,628.40	11,792.00	18,420.40	
Public Health Program for Experienced Professionals	6,196.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,628.40	11,792.00	18,420.40	
Pharmacy	11,696.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	12,128.40	12,417.00	24,545.40	
Optometry - Ranks 1 and 2	13,468.00	184.00	37.50	74.40	123.00	13.50	-	-	626.00	(2)(6)	-	-	14,526.40	10,528.00	25,054.40	
Optometry - Ranks 3 and 4	11,956.00	164.00	37.50	74.40	123.00	13.50	-	-	560.00	(2)(6)	-	-	12,928.40	8,912.00	21,840.40	
Doctor of Audiology	6,068.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,500.40	11,792.00	18,292.40	
Master of Speech-Language Pathology	6,068.00	184.00	37.50	74.40	123.00	13.50	-	-	-	-	-	-	6,500.40	11,792.00	18,292.40	
Master of Social Work	6,116.00	184.00	37.50	74.40	123.00	13.50	-	-	94.50	(3)	-	-	6,642.90	11,792.00	18,434.90	
Veterinary Medicine - Rank 1	15,768.00	184.00	37.50	74.40	123.00	13.50	-	-	277.50	(2)	-	-	16,472.90	19,668.00	36,140.90	
Veterinary Medicine - Rank 2	15,768.00	184.00	37.50	74.40	123.00	13.50	-	-	202.50	(2)	-	-	16,402.90	19,668.00	36,070.90	
Veterinary Medicine - Rank 3	15,768.00	184.00	37.50	74.40	123.00	13.50	-	-	277.50	(2)	-	-	16,477.90	19,668.00	36,145.90	
Veterinary Medicine - Rank 4	15,768.00	184.00	37.50	74.40	123.00	13.50	-	-	352.50	(2)	-	-	16,552.90	19,668.00	36,220.90	
Master of Science in Nursing	7,780.00	184.00	37.50	74.40	123.00	13.50	-	-	1,449.40	(4)	-	-	9,661.80	11,792.00	21,453.80	
Doctor of Nursing Practice - On Campus	7,780.00	184.00	37.50	74.40	123.00	13.50	-	-	1,449.40	(4)	-	-	9,661.80	11,792.00	21,453.80	
Doctor of Nursing Practice - Distance Learning	7,780.00	184.00	-	-	-	-	-	190.00	1,249.60	(4)	-	-	9,403.60	5.00	9,408.60	
Master of Ag and Extension Education - Distance Learning	7,472.00	184.00	-	-	-	-	-	100.00	-	-	-	-	7,456.00	5.00	7,461.00	
Master of Global Engineering Leadership - Distance Learning	8,352.00	184.00	-	-	-	-	-	100.00	-	-	-	-	8,636.00	5.00	8,641.00	

Notes:
 -Fees presented above are for credit hour loads of 8 credit hours per term and above. For loads of less than 8 credit hours, fees are prorated by the credit hour except for the Student Activity Fee and COTA Fee, which are flat rates regardless of credit hours, and the Rec Fee, which is a flat fee for 4 credit hours or more.
 -See Program and Technology fees for additional fees charged by certain programs.
 -For students taking all distance learning courses, all on-site fees are waived and the non-resident surcharge is reduced to \$5. Students pay full campus-based and non-resident surcharges if enrolled in a campus-based course.

- College-Specific Fees**
 (1) Technology Fee
 (2) Equipment Fee
 (3) Field Practicum Fee
 (4) Program Fee
 (5) College-Specific Distance Education Fee
 (6) Association Fee

Graduate Program and Technology Fees

Full Time Rates - 8+ Credit Hours; prorated by credit hour for loads less than 8

Program	Technology Fee	
	Program Fee	
Arts	-	162.00
Business	-	261.00
Education and Human Ecology	832.00 (1)	189.00
Engineering	-	255.00
Food, Agricultural and Environmental Sciences	-	49.20 (2)
Medicine	-	66.00
Nursing, enrolled Fall 2013 and later	1,249.60	199.80
Nursing, enrolled prior to Fall 2013	1,000.00	199.80
Public Policy	-	180.00

(1) Beginning in Autumn 2019, master-level students enrolled in the Master of Science in Human Development and Family Science, Specialization in Couple and Family Therapy program.

(2) ATI students in FAES also pay this fee.

Housing Rates

Columbus Campus Housing Rates	Cohort 2018-2019	Cohort 2019-2020 and All Non-Tuition Guarantee Students		
		\$ Change	% Change	
Rates by Term				
Autumn and Spring Term Rates				
Rate I	8,472	8,658	186	2.2%
Rate II	7,058	7,214	156	2.2%
Rate IIA	6,832	6,982	150	2.2%
Rate III	6,596	6,742	146	2.2%
Summer Term Rates				
4-Week Session - Rate I	1,059	n/a		
6-Week Session - Rate I	1,588	n/a		
8-Week Session - Rate I	2,118	n/a		
4-Week Session - Rate II	n/a	902	n/a	
6-Week Session - Rate II	n/a	1,353	n/a	
8-Week Session - Rate II	n/a	1,804	n/a	
4-Week Session - Rate IIA	854	873	19	2.2%
6-Week Session - Rate IIA	1,280	1,309	29	2.2%
8-Week Session - Rate IIA	1,708	1,746	38	2.2%
Summer Term - Rate I	3,178	n/a		
Summer Term - Rate II	n/a	2,706	n/a	
Summer Term - Rate IIA	2,562	2,618	56	2.2%
Special Programs				
Stadium Scholars Program	5,594	5,718	124	2.2%
Alumnae Scholarship Houses - single or double w/bath	6,412	6,554	142	2.2%
Alumnae Scholarship Houses - double or triple	6,318	6,412	n/a	
German House - 1-person room	6,508	6,650	142	2.2%
German House - 2-person room	6,056	6,190	134	2.2%
Rates by Month				
237 E 17th - mini-single	447	457	10	2.2%
237 E 17th - single	618	631	13	2.2%
237 E 17th - supersingle	748	764	16	2.2%
237 E 17th - double	408	417	9	2.2%
Buckeye Village - 1 bedroom	543	555	12	2.2%
Buckeye Village - 2 bedroom	685	700	15	2.2%
Gateway - studio	928	948	20	2.2%
Gateway - 1 bedroom apartment	995	1,017	22	2.2%
Gateway - 2 bedroom apartment	969	990	21	2.2%
Gateway - 3 bedroom apartment	842	861	19	2.2%
Neil - efficiency	842	861	19	2.2%
Neil - 4 bedroom	836	854	18	2.2%
Penn Place - 1 person room	797	815	18	2.2%

FY 2020 FINANCIAL PLAN

Regional Campus and ATI Housing Rates, By Term	Cohort 2018-2019	Cohort 2019-2020 and All Non-Tuition Guarantee Students		
ATI			\$ Change	% Change
1-bedroom for 2 (per person)	7,024	7,178	154	2.2%
2-bedroom for 4 (per person)	7,024	7,178	154	2.2%
2-bedroom for 5 (per person - double)	7,024	7,178	154	2.2%
2-bedroom for 5 (per person - triple)	6,058	6,192	134	2.2%
3-bedroom for 5 (per person - single)	7,400	7,562	162	2.2%
3-bedroom for 5 (per person - double)	7,024	7,178	154	2.2%
Private apartment	8,350	8,534	184	2.2%
NEWARK				
2-person efficiency (per person)	7,596	7,764	168	2.2%
2-bedroom for 4 (per person)	7,638	7,806	168	2.2%
3-bedroom for 6 (per person)	7,198	7,356	158	2.2%
McConnell Hall	7,866	8,040	174	2.2%
MANSFIELD				
2-bedroom for 2 (per person)	8,026	8,202	176	2.2%
2-bedroom for 4 (per person)	6,422	6,564	142	2.2%
5-bedroom for 5 (per person)	6,736	6,884	148	2.2%
5-bedroom for 6 - single (per person)	6,422	6,564	142	2.2%
5-bedroom for 6 - double (per person)	5,788	5,916	128	2.2%

Dining Rates

Meal Plan Rates	Cohort 2018-2019	Cohort 2019-2020 and All Non-Tuition Guarantee Students		
Autumn and Spring Terms			\$ Change	% Change
Unlimited Access (Unlimited Meals / \$200 Dining Dollars)	3,866	3,952	86	2.2%
Scarlet Access 14 (14 Meals / \$400 Dining Dollars / \$300 BuckID)	4,720	4,824	104	2.2%
Gray Access 10 (10 Meals / \$400 Dining Dollars / \$300 BuckID)	3,962	4,050	88	2.2%
Declining Balance (\$2,738 / \$2,798 Dining Dollars)	4,212	4,304	92	2.2%
McConnell Plan [Newark] (\$1,794 / \$1,833 Dining Dollars)	2,760	2,820	60	2.2%
Summer Term				
Carmen 1 (\$556 / \$568 Dining Dollars)	856	874	18	2.2%
Carmen 2 (\$1,086 / \$1,110 Dining Dollars)	1,672	1,708	36	2.2%

Appendix C | Typical Annual Undergraduate Fees

Columbus Campus by Cohort – Autumn and Spring Terms

Resident	Continuing (pre- Guarantee)	Cohort 2017-2018	Cohort 2018-2019	Cohort 2019-2020
Instructional Fees	9,168.00	9,717.60	9,852.00	10,197.00
General Fees	372.00	372.00	372.00	385.00
Student Activity Fee	75.00	80.00	80.00	80.00
Student Union Fee	148.80	148.80	148.80	148.80
Rec Fee	246.00	246.00	246.00	246.00
COTA Fee	27.00	27.00	27.00	27.00
Total Tuition and Fees	10,036.80	10,591.40	10,725.80	11,083.80
Housing (Rate I)	8,658.00	8,348.00	8,472.00	8,658.00
Dining (Gray 10)	4,050.00	3,904.00	3,962.00	4,050.00
Total	22,744.80	22,843.40	23,159.80	23,791.80

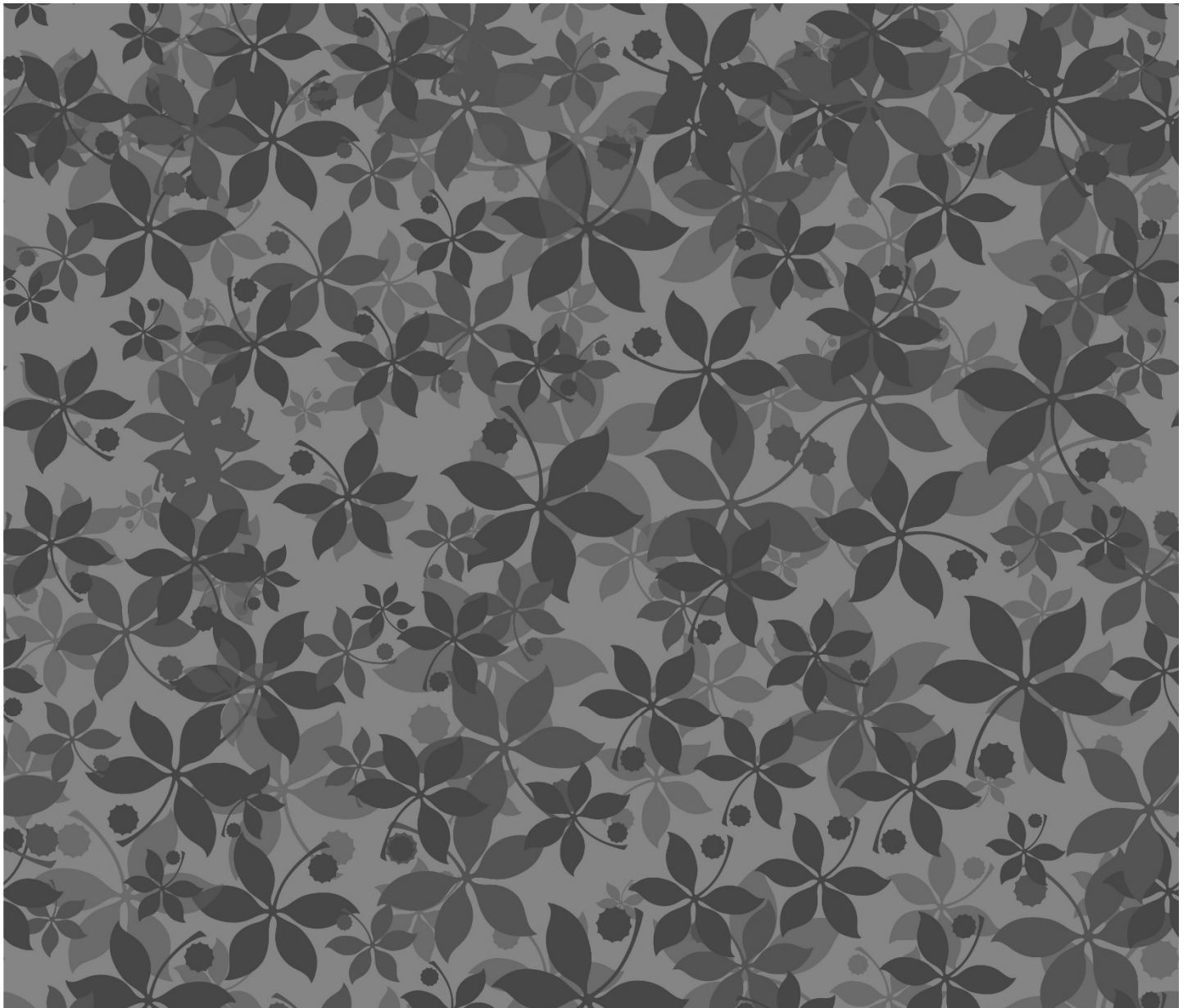
Non-Resident Domestic	Continuing (pre- Guarantee)	Cohort 2017-2018	Cohort 2018-2019	Cohort 2019-2020
Instructional Fees	9,168.00	9,717.60	9,852.00	10,197.00
General Fees	372.00	372.00	372.00	385.00
Non-Resident Surcharge	20,977.00	20,977.00	20,977.00	20,977.00
Student Activity Fee	75.00	80.00	80.00	80.00
Student Union Fee	148.80	148.80	148.80	148.80
Rec Fee	246.00	246.00	246.00	246.00
COTA Fee	27.00	27.00	27.00	27.00
Total Tuition and Fees	31,013.80	31,568.40	31,702.80	32,060.80
Housing (Rate I)	8,658.00	8,348.00	8,472.00	8,658.00
Dining (Gray 10)	4,050.00	3,904.00	3,962.00	4,050.00
Total	43,721.80	43,820.40	44,136.80	44,768.80

FY 2020 FINANCIAL PLAN

Non-Resident International	Continuing (pre- Guarantee)	Cohort 2017-2018	Cohort 2018-2019	Cohort 2019-2020
Instructional Fees	9,168.00	9,717.60	9,852.00	10,197.00
General Fees	372.00	372.00	372.00	385.00
Non-Resident Surcharge	20,977.00	20,977.00	20,977.00	20,977.00
International Surcharge	1,932.00	2,928.00	2,928.00	2,928.00
Student Activity Fee	75.00	80.00	80.00	80.00
Student Union Fee	148.80	148.80	148.80	148.80
Rec Fee	246.00	246.00	246.00	246.00
COTA Fee	27.00	27.00	27.00	27.00
Total Tuition and Fees	32,945.80	34,496.40	34,630.80	34,988.80
Housing (Rate I)	8,658.00	8,348.00	8,472.00	8,658.00
Dining (Gray 10)	4,050.00	3,904.00	3,962.00	4,050.00
Total	45,653.80	46,748.40	47,064.80	47,696.80

Appendix D | Tuition and SSI History

Fiscal Year	Resident Undergrad		Non-Resident Undergrad		Total SSI	
	Tuition	% Change	Tuition	% Change		% Change
1998	3,687	6.3%	10,896	5.4%	297,551	5.1%
1999	3,906	5.9%	11,475	5.3%	305,161	2.6%
2000	4,137	5.9%	12,087	5.3%	312,839	2.5%
2001	4,383	5.9%	12,732	5.3%	317,721	1.6%
2002	4,788	9.2%	13,554	6.5%	305,389	-3.9%
2003	5,691	18.9%	15,114	11.5%	300,064	-1.7%
2004	6,651	16.9%	16,638	10.1%	299,998	0.0%
2005	7,542	13.4%	18,129	9.0%	301,898	0.6%
2006	8,082	7.2%	19,305	6.5%	305,588	1.2%
2007	8,667	7.2%	20,562	6.5%	314,597	2.9%
2008	8,676	0.1%	21,285	3.5%	330,269	5.0%
2009	8,679	0.0%	21,918	3.0%	362,682	9.8%
2010	8,726	0.5%	22,298	1.7%	391,658	8.0%
2011	9,420	8.0%	23,604	5.9%	390,830	-0.2%
2012	9,735	3.3%	24,630	4.3%	329,548	-15.7%
2013	10,037	3.1%	25,445	3.3%	331,829	0.7%
2014	10,037	0.0%	25,757	1.2%	334,394	0.8%
2015	10,037	0.0%	26,537	3.0%	330,878	-1.1%
2016	10,037	0.0%	27,365	3.1%	341,582	3.2%
2017	10,037	0.0%	28,229	3.2%	362,654	6.2%
2018-G	10,591	5.5%	29,695	5.2%	360,816	-0.5%
2019-G	10,726	1.3%	30,742	3.5%	359,412	-0.4%
2020-G	11,084	3.3%	32,061	4.3%	359,412	0.0%



THE OHIO STATE UNIVERSITY

APPROVAL OF FISCAL YEAR 2020 CAPITAL INVESTMENT PLAN

Synopsis: Authorization and acceptance of the Capital Investment Plan for the fiscal year ending June 30, 2020, is proposed.

WHEREAS the university has presented the recommended capital expenditures for the fiscal year ending June 30, 2020; and

WHEREAS the recommended capital expenditures are the result of the university's comprehensive annual capital planning process; and

WHEREAS only those projects outlined in these recommendations will be approved for funding:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves the Capital Investment Plan for the fiscal year ending June 30, 2020, as described in the accompanying documents; and

BE IT FURTHER RESOLVED, That any request for authorization to proceed with any project contained in these recommendations or for university funds for any such projects must be submitted individually by the university to the Board of Trustees for approval, as provided for by board policy.

FY2020-24 Capital Investment Plan

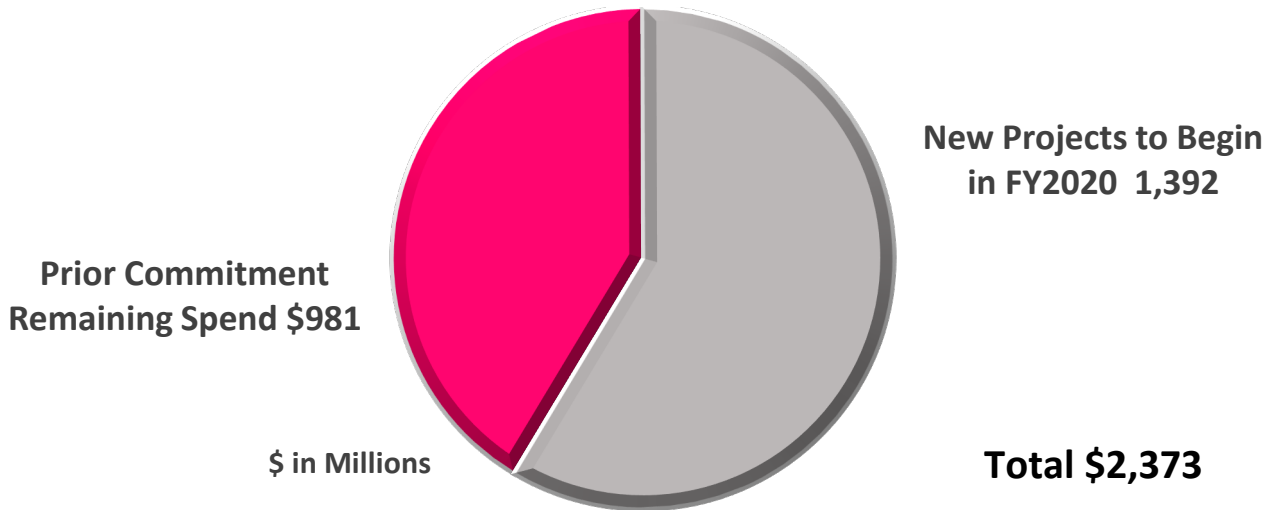


Table 1 - Prior Commitment - Remaining Spend

Line	Capital Priority	Projected Capital Expenditures					Total
		FY2020	FY2021	FY2022	FY2023	FY2024	
1	Athletics - Covelli Multi-Sport Arena	3.9	2.4				6.2
2	Cannon Drive Relocation - Phase I	6.0	1.3				7.3
3	Postle Partial Replacement	53.7	21.7				75.4
4	Ohio Stadium Upgrades	6.9					6.9
5	Wooster - New Laboratory Building	19.3	10.2	0.8			30.4
6	OSU East - West Wing Expansion/Renovation	15.9	5.5				21.4
7	Campus Wi-Fi System	6.4	5.6	0.2			12.2
8	A&S - Celeste Teaching Labs Renovations	6.5	7.9	7.9	6.4		28.7
9	Athletics - Indoor Tennis Center	7.2	9.6	5.8			22.6
10	Engineering - Advanced Materials Corridor	24.8	16.1	1.3			42.1
11	FAES - Controlled Env. Food Prd Research	18.5	4.6				23.2
12	FOD - Cannon Ph 2 - (additional design funding)	1.6	1.9	1.5	0.5		5.4
13	FOD - RDM Instructional Sciences	1.0	6.8	8.8	8.4		25.0
14	Newark - Science & Technology Bldg	8.0	10.7	3.4			22.0
15	Nursing - Newton Building Addition	2.5	8.6	11.5	1.6		24.2
16	TTM - Service Annex Building Renovation	4.0	4.4				8.4
17	Arts District (design)	6.2					6.2
18	Interdisciplinary Research Center (design)	12.4					12.4
19	Interdisciplinary Health Sci Center (design)	15.5					15.5
20	Interdisciplinary Health Sci + Opt Clinic	19.7	12.7	2.6			35.0
21	Inpatient Hospital (design)	30.6					30.6
22	WMC - Regional Ambulatory Site 1 Hamilton Road	30.4	25.4	26.8	6.8		89.4
23	WMC - Ambulatory West Campus (design)	8.9	7.7	6.3			23.0
24	WMC - Inpatient Hospital - Central Sterile Supply	24.4	15.9	3.1			43.5
25	WMC - Inpatient Hospital - Garage, Infrast. & Roads	30.9	33.1	21.8	4.5		90.3
26	WMC - Ambulatory Dublin (design)	4.0					4.0
27	Energy Advancement and Innovation Center (design)	3.0					3.0
28	Roll-up of Small Projects	142.0	87.2	35.5	1.6		266.3
Totals		514.4	299.4	137.3	29.7		980.8

FY2020-24 Capital Investment Plan

Table 2 - New Projects Beginning in FY2020

Line	Capital Priority	Projected Capital Expenditures					Total
		FY2020	FY2021	FY2022	FY2023	FY2024	
1	Small Programmatic Cash Ready Projects	1.5	19.2	11.7	0.9		33.2
2	Anticipated Spend for CIP Additions/Changes	0.4	8.9	0.7			10.0
3	WMC - Roll Up of Multiple Cash Ready Projects	152.6					152.6
4	Roll-up of Small Infrastructure/RDM Projects	0.6	10.9	6.2	0.5		18.1
5	New Major Projects (>\$4M)						
6	A&S - Arts District Phase 1 (construction)	18.1	43.5	43.5	38.2	1.7	145.0
7	Athletics - Lacrosse Stadium	0.4	2.4	7.0	7.1	3.2	20.0
8	Bus Adv - Schottenstein Main Roof Replacement	0.2	2.3	3.7	0.3		6.5
9	Energy Advancement and Innovation Center (const.)	5.3	12.6	12.4	3.4		33.7
10	FAES - Cntrld Env Food Prdxn Res Cmplx (amendment)	0.2	1.3	3.9	3.9	1.8	11.0
11	FAES - Wooster Fisher Renovation (design only)	0.1	1.8	0.1			2.0
12	FOD - Cannon Ph 2 -Herrick/Woody H (const.)	9.9	23.7	23.7	20.8	0.9	78.9
13	Interdiscip. Health Sci Center (const)	17.1	41.0	41.0	35.9	1.6	136.5
14	Interdiscip. Research (const.)	28.7	68.9	68.9	60.5	2.7	229.7
15	Libraries - Library Book Depository Expansion	0.3	1.8	5.3	5.3	2.4	15.1
16	Newark - Science & Technology Bldg (Third Floor)	2.4	5.8	1.2			9.4
17	PARE - West Campus Infrastructure and Enabling	0.3	2.1	6.1	6.2	2.8	17.5
18	Pharmacy - Parks Hall Fume Hood Renovations	0.2	2.5	4.0	0.3		7.0
19	SL - Housing - Columbus R&R & Minor Capital - FY20	0.3	4.9	8.0	0.6		13.9
20	SL - Housing - Taylor Public Space Renovation	0.2	1.3	3.9	3.9	1.8	11.0
21	SL - Rec Sports - Coffey Road Turf Field	0.3	3.6	5.9	0.5		10.2
22	VetMed - Vet Community Practice Hosp and Learning	0.3	2.1	6.1	6.2	2.8	17.5
23	WMC - Ambulatory Dublin (design 2)	2.0	5.0	1.0			8.0
24	WMC - Ambulatory Hamilton Rd (const. 2)	6.7	16.1	15.8	4.3		42.9
25	WMC - Ambulatory West Campus (const.)	40.3	96.7	96.7	84.9	3.8	322.4
26	WMC - Ambulatory West Campus (enabling)	0.3	5.9	0.5			6.6
27	WMC - Dodd Garage	5.2	12.5	12.3	3.3		33.3
	Grand Total	293.7	396.6	389.6	286.8	25.4	1,392.1

Table 3 - Funding for New Projects Beginning in FY2020 by Unit Type

Line	Unit Type	Funding Sources							Totals by Unit	% by Unit
		Local Funding	State Capital	Debt Financing	Fund Raising	CEMP Capital	Partners	Not Identified		
1	Academic-Support	149.2	8.6	87.0	160.0	215.8	33.7	5.9	660.2	47.4%
2	Student Life	40.7	0.0	0.0	0.0	0.0	0.0	0.0	40.7	2.9%
3	Athletics	22.0	0.0	0.0	20.0	0.0	0.0	0.0	42.0	3.0%
4	Infrastructure	8.3	0.0	1.5	0.0	9.3	1.8	82.1	103.1	7.4%
5	Medical Center	312.7	0.0	110.0	73.5	0.0	50.0	0.0	546.2	39.2%
	Totals By Funding Source	532.9	8.6	198.5	253.5	225.1	85.5	88.0	1,392.1	
	% By Funding Source	38.3%	0.6%	14.3%	18.2%	16.2%	6.1%	6.3%		

**APPROVAL OF OHIO STATE ENERGY PARTNERS UTILITY SYSTEM
CAPITAL IMPROVEMENT PLAN FOR FISCAL YEAR 2020**

Utility System Life-Cycle Renovation, Repair and Replacement Projects
Utility System Expansion and Extension Projects
Energy Conservation Measure Projects

Synopsis: Authorization and acceptance of the Ohio State Energy Partners LLC fiscal year 2020 capital improvement plan, and authorization for Ohio State Energy Partners LLC to make capital improvements to the utility system pursuant to the terms of the Amended and Restated Long-Term Lease and Concession Agreement for The Ohio State University Utility System dated July 20, 2018, and as amended (the "Agreement"), is proposed.

WHEREAS the Agreement requires the concessionaire, Ohio State Energy Partners LLC ("OSEP") to annually submit a plan for utility system capital improvement projects for university approval; and

WHEREAS the plan includes requested approval of these utility system capital improvement projects for the fiscal year beginning July 1, 2019; and

WHEREAS OSEP has provided detailed descriptions of the proposed capital improvements, supporting technical data and analysis, pursuant to Section 4.3(c) of the Agreement; and

WHEREAS the utility system capital improvement projects will be delivered pursuant to the terms of the Agreement; and

WHEREAS the capital expenditures for the approved utility system projects will be added to the utility fee pursuant to the Agreement; and

WHEREAS the university has reviewed and considered the financial, technical and operational aspects of the projects and the projects' alignment with university plans and sustainability goals; and

WHEREAS the Master Planning and Facilities Committee has reviewed the projects for alignment with all applicable campus plans and guidelines; and

WHEREAS the Finance Committee has reviewed the projects for alignment with the Capital Investment Plan and other applicable financial plans:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves and authorizes Ohio State Energy Partners LLC to proceed with the fiscal year 2020 capital improvements to the utility system as outlined in the attached materials.

**APPROVAL OF FISCAL YEAR 2020
OHIO STATE ENERGY PARTNERS
UTILITY SYSTEM CAPITAL IMPROVEMENT PROJECTS**

BACKGROUND

Pursuant to the terms of the Amended and Restated Long-Term Lease and Concession Agreement for The Ohio State University Utility System dated July 20, 2018 and as amended (the “Agreement”), Ohio State Energy Partners LLC (OSEP) will fund and implement capital improvements to the Utility System. Capital investments made by OSEP will be tied to the annual Utility Fee structure pursuant to the Agreement.

Proposed capital projects are evaluated by the university and OSEP for alignment with applicable strategic, financial, and physical plans and to ensure continued reliability, safety, and compliance of the Utility System.

Pursuant to the Agreement, OSEP submitted a draft five-year plan to the Energy Advisory Committee (EAC) 180 days prior to the start of the fiscal year. Members of the EAC have reviewed the details of the proposed five-year plan, provided feedback and made recommendations to OSEP. OSEP submitted a revised five-year plan for university review and approval, including the OSEP Fiscal Year 2020 proposed capital investments.

Approval of these projects will be pursuant to the project scopes outlined below, any applicable university directives, applicable project requests, and supporting documentation submitted pursuant to the Agreement.

- Utility System Life-Cycle Renovation, Repair, and Replacement Projects
- Utility System Expansion and Extension Projects
- Energy Conservation Measure Projects

Utility System Life-Cycle Renovations, Repairs, and Replacement Projects

Air System Modernization 25-19-LFC

Scope: Replace McCracken Power Plant air compressor #2, eliminate piping cross connections, and install a new air dryer system all to address deferred maintenance and equipment issues.

Construction Cost Request: \$ 395,000

Project Cost Breakdown	Cost
FY 2019 – Design	\$ 0.03 M
FY 2020 – Construction	\$ 0.39 M
Total Project	\$ 0.42 M

Utility System Expansion and Extension Projects

Combined Heat and Power and Midwest District Heating & Cooling Plant 16-19-EXP

Scope: Construction of the Combined Heat and Power and Midwest District Heating & Cooling plant (“CHP”), contingent upon receipt of Ohio Power Siting Board approval. The construction site and the CHP plant will be leased to OSEP as Utility System Land and Utility Facilities, respectively, pursuant to the Agreement. The CHP will be built on the northeast corner of John H. Herrick Dr. and Vernon L. Tharp St. and will provide power, heating, and cooling to campus on both sides of the Olentangy River as well as to the planned West Campus Ambulatory Facility, Interdisciplinary Research Facility, and the Energy Innovation Center.

Construction Cost Request: \$ 266.7 M

Project Cost Breakdown	Cost
FY 2018 – Feasibility study	\$ 0.41 M
FY 2019 – Preliminary Design	\$ 0.74 M
FY 2020 – Permits & long-lead equip	\$ 10.00 M
FY 2020 – Construction	\$ 70.85 M
FY 2021 – Construction	\$ 125.82 M
FY 2022 – Construction	\$ 69.91 M
Total Project	\$ 277.73 M

Health Sciences Center – Utility Infrastructure 20-19-EXP

Scope: Construction of utility infrastructure necessary to provide electricity, heating, and cooling to the university’s new Health Sciences Center (Project- OSU -180354). The project will also include structural repairs to the associated 11th Avenue tunnel, subject to a University Directive pursuant to the Agreement. OSEP will perform OSU’s scope associated with tunnel repairs.

Construction Cost Request: \$ 6.25 M

Project Cost Breakdown	Cost
FY 2019 – Design	\$ 0.53 M
FY 2020 – Construction (OSEP Scope)	\$ 0.78 M
FY 2020 – Construction (OSU Scope)	\$ 0.47 M
FY 2021 – Construction (OSEP Scope)	\$ 5.00 M
Total Project	\$ 6.78 M

West Campus Ambulatory Facility – Utilities Infrastructure 27-19-EXP

Scope: Extend electricity service to West Campus Ambulatory Facility, installation a new circuit from Buckeye Substation; a feeder from West Campus Substation; two double-ended substations for the Proton Therapy Building and Ambulatory Phase I; and a 750-kVA transformer for the parking garage. Service will come from Buckeye substation to enable the building to benefit from the proposed Combined Heat and Power facility.

Construction Cost Request: \$2.1 M

Project Cost Breakdown	Cost
FY 2019 – Design	\$ 0.02 M
FY 2020 – Construction	\$ 1.10 M
FY 2021– Construction	\$ 1.00 M
Total Project	\$ 2.12 M

Cannon Drive Phase II – Utility Infrastructure 28-19-EXP

Scope: Relocation of existing steam trenches, vaults, medium voltage ductbanks and electrical lines, and natural gas pipe located under Cannon Drive. Steel natural gas lines will be replaced with polyethylene lines. Utility infrastructure will also be extended to the new storm water pump station.

Construction Cost Request: \$ 12.62 M

Project Cost Breakdown	Cost
FY 2019 – Design	\$ 0.01 M
FY 2020 – Design (approved FY2019)	\$ 1.63 M
FY 2021 – Construction	\$ 0.51 M
FY 2021 – Construction	\$ 6.44 M
FY 2022 – Construction	\$ 5.66 M
Total Project	\$ 14.26 M

South Residence Halls Air Conditioning 57-19-EXP

Scope: Construction of utility infrastructure for air conditioning in Baker, Mack, Canfield, Bradley, and Paterson Halls via available capacity in the south high-rise geothermal plant.

Construction Cost Request: \$ 12.3 M

Project Cost Breakdown	Cost
FY 2019 – Study	\$ 0.06 M
FY 2020 – Design	\$ 1.36 M
FY 2020 – Construction	\$ 4.88 M
FY 2021 – Construction	\$ 7.37 M
Total Project	\$ 13.68 M

Interdisciplinary Research Facility 21-20-EXP

Scope: Extend electric service to the new Interdisciplinary Research Facility, including the necessary building switch, transformers, duct bank, and cabling for two electric feeders from Buckeye substation and a third feeder from the West Campus substation.

Construction Cost Request: \$ 1.0 M

Project Cost Breakdown	Cost
FY 2020 – Construction	\$ 0.55 M
FY 2021 – Construction	\$ 0.46 M
Total Project	\$ 1.01 M

Energy Innovation Center – Utility Infrastructure 29-20-EXP

Scope: Extension of new electricity duct bunk, cables, medium voltage switch, and transformers to the new Energy Innovation Center. Service to this building will utilize the new feeds to be installed for both the West Campus Ambulatory Facility and Interdisciplinary Research Facility.

Construction Cost Request: \$ 416,000

Project Cost Breakdown	Cost
FY 2020 – Construction	\$ 0.21 M
FY 2021 – Construction	\$ 0.21 M
Total Project	\$ 0.42 M

New Hospital Tower – Utility Infrastructure 49-20-EXP

Scope: Design of the utility infrastructure necessary to support the new Hospital Tower, including high pressure steam, condensate, natural gas, chilled water, and electricity. The project will also design the extension of redundant chilled water infrastructure from the north and from the south to provide resiliency to the hospital's chilled water system. This project also includes the relocation of existing Harding Hospital primary electric service out of the existing North Cannon Garage to allow for garage demolition.

Design Only Cost Request: \$ 2.1 M

Project Cost Breakdown	Cost
FY 2020 – Design	\$ 1.03 M
FY 2021 – Design	\$ 1.07 M
Total Project	\$ 2.10 M

Athletics District Gas & Power Infrastructure 73-20-EXP

Scope: Extend electricity and natural gas infrastructure to serve the Athletics District. This request is for Construction Approval for the utility systems needed at the Ty Tucker Tennis Center, and for Design and Construction Approval for the utility systems needed for the proposed Lacrosse Stadium.

Construction Cost Request: \$ 2.6 M

Project Cost Breakdown	Cost
FY 2020 – Ty Tucker Design	\$ 0.05 M
FY 2020 – Design & Construction	\$ 0.78 M
FY 2021– Construction	\$ 1.78 M
Total Project	\$ 2.61 M

Library Book Depository Expansion – Utility Infrastructure 82-20-EXP

Scope: Relocation of existing high voltage electrical service and associated duct bank to accommodate the proposed expansion of the Library Book Depository.

Construction Cost Request: \$203,000

Project Cost Breakdown	Cost
FY 2020 – Construction	\$ 0.20 M

Energy Conservation Measures Projects

Campus Lighting - Buildings Phase III 54-20-ECM (excluding Student Life buildings)

Scope: Install high-efficiency LED interior lights in 118 buildings on campus, including approximately 21,000 incompatible and non-working lamp drivers/ballasts. This project is expected to save the university an estimated \$28 million over the life of the lamps. \$4 million was approved in May 2019 to begin work on the Student Life buildings.

Construction Cost Request: \$12.58 M

Project Cost Breakdown	Cost
FY 2020 – Const. (SL Buildings)	\$ 4.00 M
FY 2020 – Construction	\$ 5.93 M
FY 2021 – Construction	\$ 6.74 M
Total Project	\$ 16.67 M

Building Energy Systems Optimization – Phase II 58-20-ECM

Scope: Strategic facilities improvements to reduce the energy consumption by more than an average of 22% in more than 30 buildings on campus, including several academic/classroom buildings, nine Wexner Medical Center buildings, the North Recreation Center, and Veterinary Medicine Academic building and the Ohio Union.

Construction Cost Request: \$ 23.0 M

Project Cost Breakdown	Cost
FY 2020 – Construction	\$ 6.91 M
FY 2021 – Construction	\$12.68 M
FY 2022 – Construction	\$ 3.46 M
Total Project	\$ 23.05 M

**APPROVAL TO ENTER INTO/INCREASE PROFESSIONAL SERVICES
AND ENTER INTO/INCREASE CONSTRUCTION CONTRACTS**

APPROVAL TO ENTER INTO PROFESSIONAL SERVICES CONTRACTS

Lacrosse Stadium
Library Book Depository Phase 3
West Campus Infrastructure

APPROVAL TO ENTER INTO/INCREASE PROFESSIONAL SERVICES AND CONSTRUCTION CONTRACTS

Coffey Road Park Recreation Fields
Dodd – Parking Garage
Interdisciplinary Health Sciences Center
Martha Morehouse Facility Improvements
Newton Hall – Renovation and Addition

Synopsis: Authorization to enter into/increase professional services and construction contracts, as detailed in the attached materials, is proposed.

WHEREAS in accordance with the attached materials, the university desires to enter into professional services contracts for the following projects:

	Prof. Serv. Approval Requested	Total Project Cost	
Lacrosse Stadium	\$2.3M	\$20.0M	Fundraising
Library Book Depository Phase 3	\$1.3M	\$15.1M	University Funds University Debt
West Campus Infrastructure	\$1.9M	\$17.5M	Auxiliary Funds University Funds Partner Funds

WHEREAS in accordance with the attached materials, the university desires to enter into/increase professional services contracts and enter into/increase construction contracts for the following projects:

	Prof. Serv. Approval Requested	Construction Approval Requested	Total Project Cost	
Coffey Road Park Recreation Fields	\$1.2M	\$9.0M	\$10.2M	Auxiliary Funds
Dodd – Parking Garage	\$2.6M	\$30.7M	\$33.3M	Auxiliary Funds Partner Funds
Interdisciplinary Health Sciences Center	\$5.5M	\$131.0M	\$155.9M	Fundraising University Funds Auxiliary Funds State Funds
Martha Morehouse Facility Improvements	\$3.4M	\$1.7M	TBD	Auxiliary Funds

**APPROVAL TO ENTER INTO/INCREASE PROFESSIONAL SERVICES
AND ENTER INTO/INCREASE CONSTRUCTION CONTRACTS (CONT)**

	Prof. Serv. Approval Requested	Construction Approval Requested	Total Project Cost	
Newton Hall – Renovation and Addition	\$1.4M	\$21.8M	\$24.5M	University Debt Fundraising University Funds State Funds

WHEREAS the proposed funding plan for the Interdisciplinary Health Sciences Center includes multiple sources and funding from those sources will be received over time; and

WHEREAS the University Debt Policy requires that all project funding be identified, validated and solidified in a fully executed Project Funding Agreement prior to seeking Board of Trustees approval for construction; and

WHEREAS in order to advance a strategically important project, university leadership has approved an exception to the University Debt Policy for the Interdisciplinary Health Sciences Center based on a review of the timing of funding availability and available expense control options; and

WHEREAS the Master Planning and Facilities Committee has reviewed the projects listed above for alignment with all applicable campus plans and guidelines; and

WHEREAS the Finance Committee has reviewed the projects listed above for alignment with the Capital Investment Plan and other applicable financial plans:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby acknowledges the exception to the University Debt Policy in support of the Interdisciplinary Health Sciences Center project; and

BE IT RESOLVED, That the Board of Trustees hereby approves that the President and/or Senior Vice President for Business and Finance be authorized to enter into/increase professional services and construction contracts for the projects listed above in accordance with established university and state of Ohio procedures, with all actions to be reported to the board at the appropriate time.

Project Data Sheet for Board of Trustees Approval

Lacrosse Stadium

OSU-190889 (CNI# 19000133)

Project Location: Athletics District, Irving Schottenstein Drive

- **approval requested and amount**
professional services \$2.3M

- **project budget**
professional services \$2.3M
construction w/contingency \$17.7M

total project budget \$20.0M

- **project funding**
 - university debt
 - fundraising
 - university funds
 - auxiliary funds
 - state funds

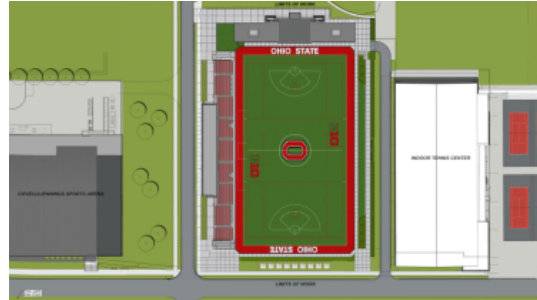
- **project schedule**
BoT professional services approval 8/19
design/bidding 9/19 – 9/20
construction 10/20 – 11/21
facility opening 1/22

- **project delivery method**
 - general contracting
 - design/build
 - construction manager at risk

- **planning framework**
 - the project is consistent with Framework 2.0 and the Athletics District Framework Plan
 - this project is included in the FY 2020 Capital Investment Plan

- **project scope**
 - the project will construct a new outdoor Lacrosse stadium in the Athletics District, east of the Covelli Center for the Men's and Women's Varsity Lacrosse programs
 - the venue will include the outdoor field, 2500 stadium seats, locker rooms, and concessions

- **approval requested**
 - approval is requested to enter into professional services contracts



- **project team**
University project manager: Gary Collier
AE/design architect: TBD
CM at Risk: TBD

Project Data Sheet for Board of Trustees Approval

Library Book Depository Phase 3

OSU-200068 (CNI# 12000467)

Project Location: Library Book Depository

- **approval requested and amount**
professional services \$1.3M

- **project budget**
professional services \$1.3M
construction w/contingency \$13.8M

total project budget \$15.1M

- **project funding**
 - university debt
 - fundraising
 - university funds
 - auxiliary funds
 - state funds

- **project schedule**
BoT professional services approval 8/19
design 9/19 – 8/20
construction 9/20 – 6/21
facility opening 8/21

- **project delivery method**
 - general contracting
 - design/build
 - construction manager at risk

- **planning framework**
 - the project supports the Framework 2.0 goals of Promoting Student Success and Supporting the Academic, Research and Outreach Mission
 - this project is included in the FY 2020 Capital Investment Plan

- **project scope**
 - the project will construct a 25,100 square foot addition to the existing building
 - the opportunity for building expansion was considered during the siting and construction of the original building
 - the current facility houses approximately 3 million print volumes along with the university historical documents in the University Archives
 - the planned expansion will house an additional approximately 4.4 million print volumes to support current needs plus opportunity for expected strategic growth

- **approval requested**
 - approval is requested to enter into professional services contracts



-
- **project team**
University project manager: Brandon Shoop
Criteria AE: TBD
Design Builder: TBD

Project Data Sheet for Board of Trustees Approval

West Campus Infrastructure Phase 1

OSU-200101 (CNI# 19000129)

Project Location: West Campus

○ approval requested and amount	
professional services	\$1.9M
○ project budget	
professional services	\$1.9M
construction	\$15.6M
total	\$17.5M

- **project funding**
 - university debt
 - development funds
 - university funds
 - auxiliary funds
 - state funds
 - partner funds (OSEP)

- **project schedule**

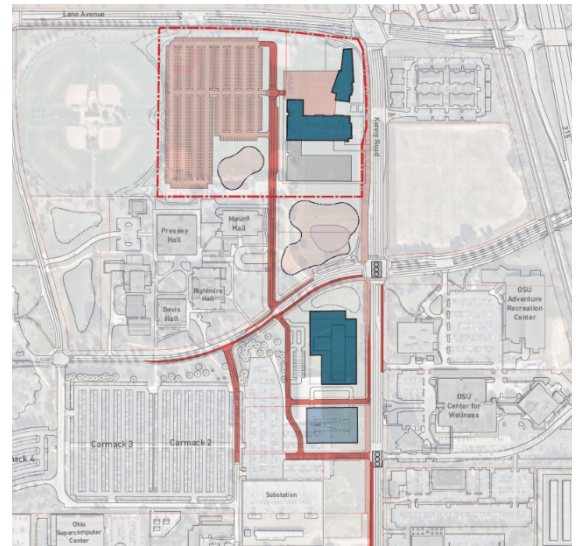
BoT approval – prof serv	8/19
design/bidding	9/19 – 12/20
construction	4/20 – 12/21

- **project delivery method**
 - general contracting
 - design/build
 - construction manager at risk

- **planning framework**
 - this project is included in the FY20 Capital Investment Plan

- **project scope**
 - provide infrastructure to support phase 1 building projects on West Campus including the WMC West Campus Ambulatory Facilities, Energy Advancement and Innovation Center, and the Interdisciplinary Research Facility
 - improvements include additional vehicular lanes, modified/new intersection signalization, surface parking lots, and internal access roads
 - utility work includes sanitary sewer, stormwater and water service extension

- **approval requested**
 - approval is requested to enter into professional services contracts



- **project team**

University project manager:	Tom Ekegren
AE/design architect:	TBD

Project Data Sheet for Board of Trustees Approval

Coffey Road Park Recreation Fields

OSU-200155 (CNI# 19000111)

Project Location: Coffey Road Park



- **approval requested and amount**

professional services	\$1.2
construction w/contingency	\$9.0

- **project budget**

construction w/contingency	\$9.0
professional services	\$1.2
total project budget	\$10.2

- **project funding**

- university debt
- fundraising
- university funds
- auxiliary funds
- state funds

- **project schedule**

BoT professional services approval	8/19
design	10/19 – 3/20
construction	4/20 – 4/21
facility opening	5/21

- **project delivery method**

- general contracting
- design/build
- construction manager at risk

- **planning framework**

- the project is consistent with Framework 2.0 and the Student Life Outdoor Recreation Framework Plan to maintain campus recreation along the Olentangy River and in close proximity to students
- the purpose of the project will be the first step in implementing the long-term vision for outdoor recreation
- this project is included in the FY 2020 Capital Investment Plan

- **project scope**

- the project will improve Coffey Road Park to accommodate outdoor recreational activities that are being displaced by West Campus development
- the project will provide site improvements including artificial turf fields, lighting, pedestrian paths, multi-purpose lawn, stormwater management and a support building
- the project will provide flexible, programmed space for multiple sports including flag football, ultimate frisbee, NCAA soccer, intramural soccer and softball

- **approval requested**

- approval is requested to enter into professional services and construction contracts

- **project team**

University project manager: TBD
AE/design architect: TBD
CM at Risk: TBD

Project Data Sheet for Board of Trustees Approval

Dodd - Parking Garage

OSU-200103 (CNI#20000001)

Project Location: Wexner Medical Center

- **approval requested and amount**
professional services/construction \$33.3M

- **project budget**
professional services \$2.6M
construction w/contingency \$30.7M

total project budget \$33.3M

- **project funding**
 - university debt
 - development funds
 - university funds
 - auxiliary funds
 - state funds
 - partner funds

- **project schedule**
BoT approval 8/19
design 10/19 – 4/20
construction 5/20 – 12/21

- **project delivery method**
 - general contracting
 - design/build
 - construction manager at risk

- **planning framework**
 - This project is included in the FY20 Capital Investment Plan

- **project scope**
 - construct a six-level parking facility for approx. 1,100 cars on the former Dodd Hall surface lot
 - scope includes site work and utility connections

- **approval requested**
 - approval is requested to enter into professional services and construction contracts



-
- **project team**
University project manager: Al Stazzone
Criteria AE: TBD
Design-Builder: TBD

Project Data Sheet for Board of Trustees Approval

Interdisciplinary Health Sciences Center

OSU-180354 (CNI# 18000021, 18000077)

Project Location: Hamilton Hall

- **approval requested and amount**

professional services (remainder of design)	\$5.5M
construction	\$131.0M

- **project budget**

professional services	\$20.5M
construction w/contingency	\$135.4M
<hr/>	
total project budget	\$155.9M

- **project funding**
 - university debt
 - fundraising
 - university funds
 - auxiliary funds (health system)
 - state funds

- **project schedule**

BoT professional services approval	11/17
design	8/18 – 12/19
construction	10/19 – 7/23
facility opening	8/23

- **project delivery method**
 - general contracting
 - design/build
 - construction manager at risk

- **planning framework**
 - consistent with the strategic plans of the university and Wexner Medical Center to provide transformational research and learning environments
 - this project is included in the FY 2018, FY 2019 and FY 2020 Capital Investment Plans

- **project scope**
 - the project is a multi-phased renovation and addition to serve the Health Sciences
 - 150,000 sf of renovation of Hamilton Hall and construction of a new 100,000 sf building with upgraded and flexible facilities
 - program space includes classrooms, anatomy labs, research labs, informal learning spaces, administrative and building support
 - 11th Avenue roadway extension and site improvements are included in the project

- **approval requested**
 - approval is requested to increase professional services and construction contracts



-
- **project team**

University project manager:	Evan Gardiner
AE/design architect:	Acock Associates
Construction Manager:	Gilbane Building Company

Project Data Sheet for Board of Trustees Approval

Martha Morehouse Facility Improvements

OSU-200053 (CNI#:19000137)

Project Location: Martha Morehouse Medical Plaza - Pavilion

- **approval requested and amount**

professional services	\$3.4M
construction (early bid package)	\$1.7M

- **project budget**

professional services	TBD
construction	TBD
<hr/> total	<hr/> TBD

- **project funding**

- university debt
- fundraising
- university funds
- auxiliary funds
- state funds

- **project schedule**

BoT approval	8/19
design	9/19 – 5/20
construction	7/20 – 7/24
facility opening	8/24

- **project delivery method**

- general contracting
- design/build
- construction manager at risk

- **planning framework**

- this project is included in the FY20 Capital Investment Plan
- project scope is based on a study that was completed in January 2019
- site and entrance improvements are currently being studied
- total project cost will be validated after completion of the site/entrance study

- **project scope**

- the project will construct a 7,000-sf addition to the north and west, expanding registration, laboratory spaces, and waiting areas
- the project will renovate 105,000 sf of existing space including Pulmonary Rehabilitation, urgent care, OPAC, Comprehensive Weight Management, food service, and patient drop-off/pick-up canopy, an additional elevation is included in the scope
- an early bid package includes priority construction work to address patient accessibility

- **approval requested**

- approval is requested to enter into professional services and construction contracts



- **project team**

University project manager:	Kevin Koesters
AE:	TBD
CM at Risk:	TBD

Project Data Sheet for Board of Trustees Approval

Newton Hall – Renovation and Addition

OSU-180429 (CNI#: 16000002, 16000003)

Project Location: Newton Hall

- **approval requested and amount**

professional services	\$1.4M
construction	\$21.8M

- **project budget**

professional services	\$2.7M
construction w/contingency	\$21.8M
total	\$24.5M

- **project funding**

- university debt
- fundraising
- university funds
- auxiliary funds
- state funds

- **project schedule**

BoT approval – prof services	2/18
BoT approval – construction	8/19
design	5/18 – 12/18
construction	4/20 – 8/21
facility opening	9/21

- **project delivery method**

- general contracting
- design/build
- construction manager at risk

- **planning framework**

- this project is included in the FY18 and the FY19 Capital Investment Plans
- the project will accommodate student and faculty growth and enable the relocation of College of Nursing groups back to Newton from off-campus leased space

- **project scope**

- construct an addition of approximately 35,000 sf to the south that will include flexible classrooms, informal learning spaces and offices
- renovate existing space including new façade, relocation of existing entryway and plaza, and an updated corridor and wellness space

- **approval requested**

- approval is requested to increase professional services contracts and enter into construction contracts



- **project team**

University project manager:	Josh Kranyik
AE:	Meacham & Apel Architects
CM at Risk:	Ruscilli Construction

APPROVAL FOR GROUND LEASE OF UNIMPROVED REAL PROPERTY

**SOUTH ORCHARD DRIVE
APPLE CREEK, WAYNE COUNTY, OH**

Synopsis: Authorization is requested to ground lease approximately 2-4 acres of unimproved real property located on South Orchard Drive, Apple Creek, Wayne County, Ohio.

WHEREAS pursuant to Ohio Revised Code, the Ohio Department of Administrative Services may lease land belonging to or under the control or jurisdiction of a state university, not required nor to be required for use of the university, to a developer; and

WHEREAS under Resolution Number 2019-10 the Board of Trustees approved a ground lease of 2-3 acres on Applesauce Lane, Apple Creek, Ohio for a 14,000-15,500 square foot commercial facility to Certified Angus Beef® and since the Board of Trustees' approval, the project scope experienced minor changes that require additional Board of Trustees approval; and

WHEREAS the site location has shifted from Applesauce Lane to South Orchard Drive, Apple Creek, Ohio, the site size has enlarged from 2-3 acres to 2-4 acres, and the facility will now be comprised of two buildings of 7,000-8,000 square feet each as opposed to a single 14,000-15,500 square foot facility; and

WHEREAS it has been recommended by the Office of Planning, Architecture and Real Estate, in coordination with the College of Food, Agricultural, and Environmental Sciences, that the university enter into a lease:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves that the President and/or Senior Vice President for Business and Finance be authorized to take any action required to effect the lease of the property and to negotiate terms and conditions deemed to be in the best interest of the university and in accordance with Ohio law.

**APPROVAL FOR GROUND LEASE OF UNIMPROVED REAL PROPERTY
SOUTH ORCHARD DRIVE
APPLE CREEK, WAYNE COUNTY, OHIO**

Background

In August 2018, The Ohio State University's Board of Trustees (BoT) approved an Ohio Revised Code 123.17 ground lease at the Grace Drake Agricultural Laboratory in Apple Creek, Ohio by Resolution Number 2019-10. The resolution approved Certified Angus Beef® (CAB) to construct a 14,000-15,500 square foot commercial building situated on approximately 2-3 acres on Applesauce Lane. Since that time, the project scope has experienced minor changes that require BoT approval. This request is to revise Resolution Number 2019-10 changing three key factors: (1) The Certified Angus Beef® Brand Learning Center will be comprised of two commercial buildings instead of one; a 7,000-8,000 square foot multipurpose building for conferences, meetings and events, and a 7,000-8,000 square foot livestock demonstration area for training and educational purposes; (2) the buildings will be constructed off of South Orchard Drive as opposed to Applesauce Lane; and (3) the project site has increased from 2-3 acres to 2-4 acres. A survey will be performed to confirm the acreage for the ground lease area.

Location and Description

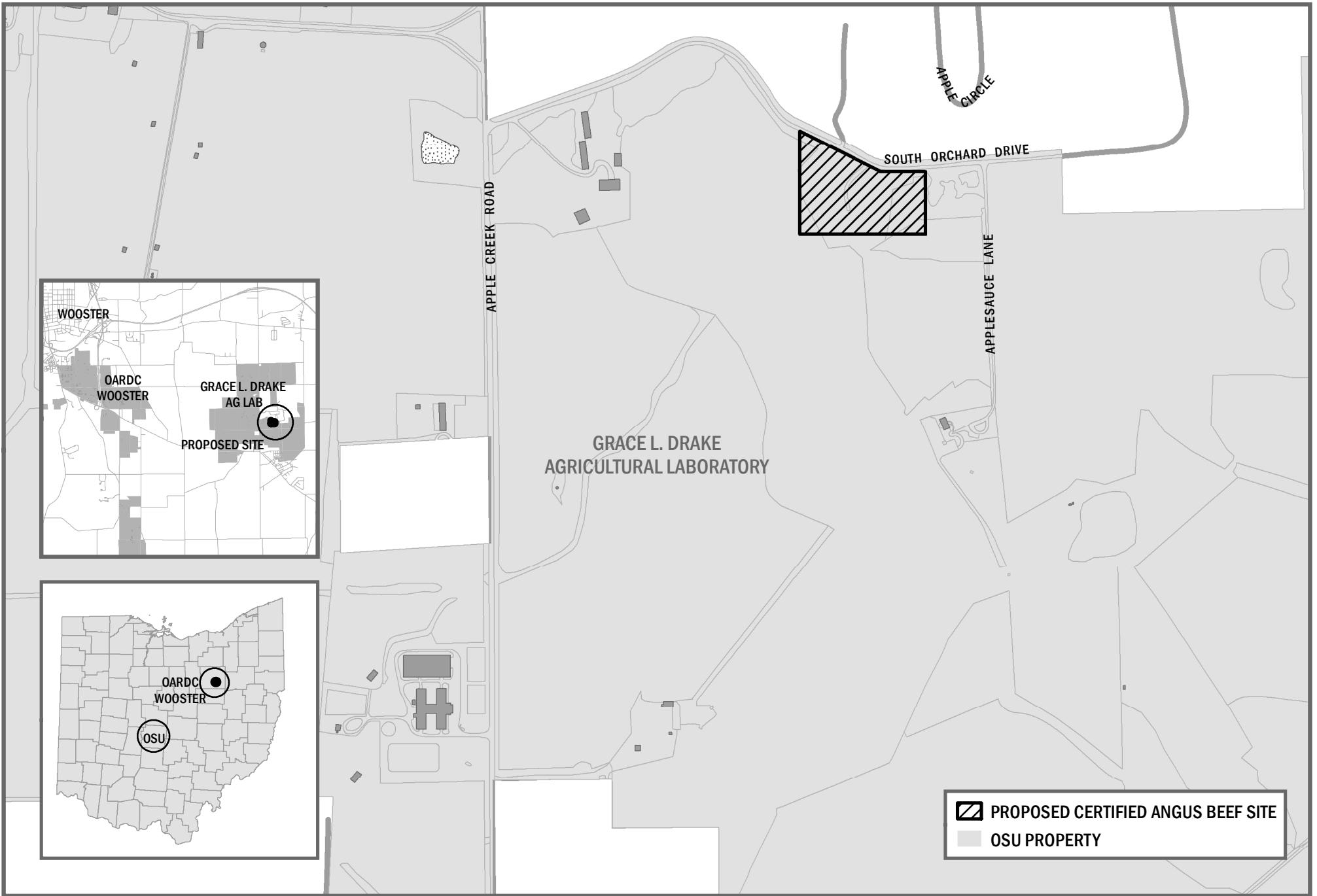
The proposed site is located near the southwest corner of South Orchard Drive and Applesauce Lane. There are no zoning restrictions.

Property History

The land is titled to the State of Ohio. At this time, the College of Food, Agricultural and Environmental Sciences (CFAES) master plan does not contemplate a university use for the proposed site. Contiguous to the CAB site the university is anticipating a livestock feed commodity area at the southwest corner of South Orchard Drive and Applesauce Lane.

Recommendation

Planning, Architecture and Real Estate, together with CFAES, recommend that the Board of Trustees authorize the leasing of approximately 2-4 acres to Certified Angus Beef® for development of two commercial buildings under terms and conditions that are in the best interest of the university.



**CERTIFIED ANGUS BEEF FACILITY
 OARDC WOOSTER
 SOUTH ORCHARD DRIVE
 APPLE CREEK, OHIO**

Prepared By: The Ohio State University
 Office of Planning, Architecture, and Real Estate
 Issue Date: July 25, 2019
 The Ohio State University Board of Trustees

**AUTHORIZATION TO ENTER INTO A LONG-TERM LEASE
AND PURCHASE OPTION**

15TH AVENUE AND HIGH STREET (BUILDING A)
COLUMBUS, OHIO

Synopsis: Authorization to negotiate and enter into a lease agreement providing for the construction and occupancy of a five-story building to be located between 15th and 16th Avenues along High Street as part of the planned new 15 + High development, is proposed.

WHEREAS Campus Partners for Urban Community Redevelopment (Campus Partners), an affiliate of The Ohio State University (OSU), owns the desired site through Redstone Realty Company, LLC (Redstone), a wholly owned subsidiary of Campus Partners, and shall construct the office facility; and

WHEREAS the university, through its Office of Advancement, will occupy floors three through five with an option to lease the second floor of the building constructed on the site through a 30-year lease with Redstone; and

WHEREAS Advancement has determined that this site and the proposed building meet the objectives and requirements of the Advancement strategic plan, and funds necessary to meet the university's obligations under the agreements will be provided through Advancement:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby authorizes that the President and/or Senior Vice President for Business and Finance be authorized to enter into a lease providing for the construction and occupancy of a five-story building located between 15th and 16th Avenues along High Street in Columbus, Ohio, as part of the planned new 15 + High development, on such terms and conditions as deemed to be in the best interest of the university, which shall include an option to purchase the site and building, subject to board approval and other conditions.

**AUTHORIZATION TO ENTER INTO A LONG-TERM LEASE
AND PURCHASE OPTION
15TH AVENUE AND HIGH STREET – BUILDING A
COLUMBUS, OHIO**

Background

The Ohio State University, on behalf of its Office of Advancement (Advancement), seeks authorization to enter into a long-term lease and purchase option with Campus Partners for Community Urban Redevelopment (Campus Partners), through its wholly owned subsidiary Redstone Realty Company, LLC (Redstone), for certain property within a newly constructed building to be located between 15th and 16th Avenues along High Street.

Advancement will lease floors three, four and five with an option to lease the second floor as well.

Project Summary

The space is being built as part of the planned, new 15 + High development. This area was identified as a strategic location by Ohio State in its 2010 Framework Master Plan and has been a primary focus of Campus Partners since 2013. The improvements planned near this intersection will increase the quality and vitality of the High Street corridor, significantly improve the public infrastructure, and create a high-quality place that prioritizes pedestrians and enhances High Street's urban fabric. The development will restore the historic front door to the University and create a signature gateway to the University District neighborhoods.

OSU will lease up to approximately 93,000 rentable square feet. Advancement will be relocating from existing offices at 1480 W Lane Avenue and other campus locations. The move will allow Advancement to consolidate many of its units and will better integrate them with other OSU groups which in turn will improve collaboration across University departments.

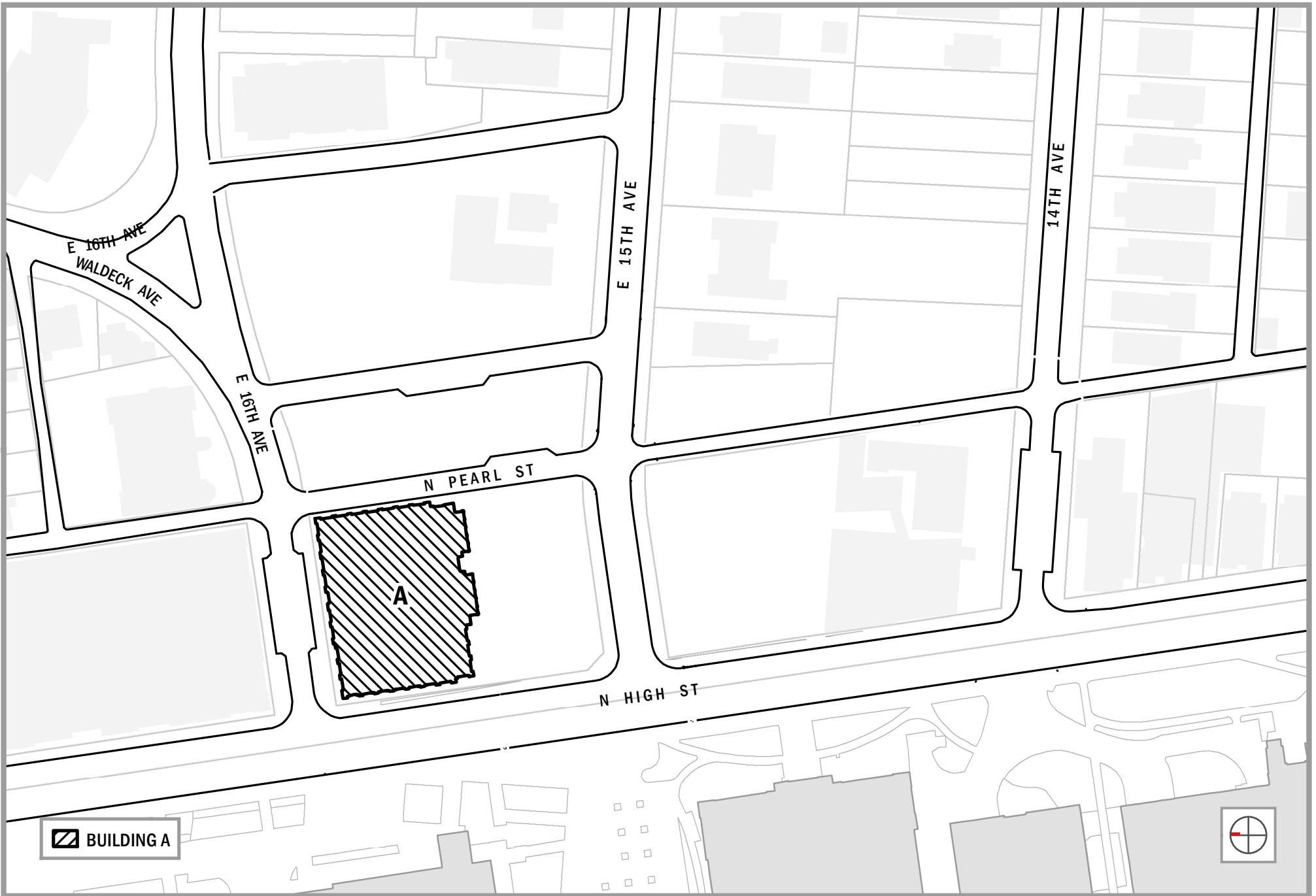
Redstone is obligated to construct the building under the 30-year lease. Construction is estimated to begin in Fall 2019, with completion projected in late 2020.

Location, and Description of Proposed Project

The proposed building will be located between 15th and 16th Avenues along High Street as part of the planned, new 15 + High development.

Authorization Requested

Authorization is requested to enter into a long-term lease and purchase option of a four-story office space within a building to be located between 15th and 16th Avenues along High Street, upon such terms and conditions that are deemed to be in the best interest of the university.



 BUILDING A



**BUILDING A LEASE
15TH AVENUE & HIGH STREET
COLUMBUS, FRANKLIN COUNTY, OHIO 43201**

**AUTHORIZATION TO ENTER INTO A LONG-TERM LEASE
AND PURCHASE OPTION**

15TH AVENUE AND HIGH STREET (BUILDING B)
COLUMBUS, OHIO

Synopsis: Authorization to negotiate and enter into a lease agreement providing for the construction and occupancy of a five-story building to be located at the corner of 15th Avenue and High Street as part of the planned new 15 + High development.

WHEREAS Campus Partners for Urban Community Redevelopment (Campus Partners), an affiliate of The Ohio State University (OSU), owns the desired site through Redstone Realty Company, LLC (Redstone), a wholly owned subsidiary of Campus Partners, and shall construct the office facility; and

WHEREAS the university, through its Office of Human Resources, Office of Legal Affairs, Administration & Planning and Business & Finance, will occupy floors two, three, four and five of the building constructed on the site through a 30-year lease with Redstone; and

WHEREAS the university has determined that this site and the proposed building meet the objectives and requirements of the groups planned to occupy the facility, and funds necessary to meet the university's obligations under the agreements will be provided through its Office of Human Resources, Office of Legal Affairs, Office of Administration & Planning and Business & Finance:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby authorizes that the President and/or Senior Vice President for Business and Finance be authorized to enter into a lease providing for the construction and occupancy of a five-story building located at the corner of 15th Avenue and High Street in Columbus, Ohio as part of the planned, new 15 + High development, on such terms and conditions as deemed to be in the best interest of the university, which shall include an option to purchase the site and building, subject to board approval and other conditions.

**AUTHORIZATION TO ENTER INTO A LONG-TERM LEASE
AND PURCHASE OPTION
15TH AVENUE AND HIGH STREET – BUILDING B
COLUMBUS, OHIO**

Background

The Ohio State University, seeks authorization to enter into a long-term lease and purchase option with Campus Partners for Community Urban Redevelopment (Campus Partners), through its wholly owned subsidiary Redstone Realty Company, LLC (Redstone), for certain property within a newly constructed building to be located at the corner of 15th Avenue and High Street.

The university will lease floors two, three, four, and five of the building upon completion of construction.

Project Summary

The space is being built as part of the planned, new 15 + High development. This area was identified as a strategic location by Ohio State in its 2010 Framework Master Plan and has been a primary focus of Campus Partners since 2013. The improvements planned near this intersection will increase the quality and vitality of the High Street corridor, significantly improve the public infrastructure, and create a high-quality place that prioritizes pedestrians and enhances High Street's urban fabric. The development will restore the historic front door to the University and create a signature gateway to the University District neighborhoods.

Several OSU departments will occupy approximately 82,219 rentable square feet in the proposed first phase of the building. Such groups include elements of the Office of Human Resources, Office of Legal Affairs, Office of Administration & Planning, Office of Business & Finance and other groups as needed.

Within the building, the offices will consolidate into a single space, in close proximity to the proposed location for the Office of Advancement, which will better integrate all parties. The groups will relocate from locations across campus such as the Gateway University District, Enarson Classroom Building, Central Services and other campus locations, making those spaces available for other uses.

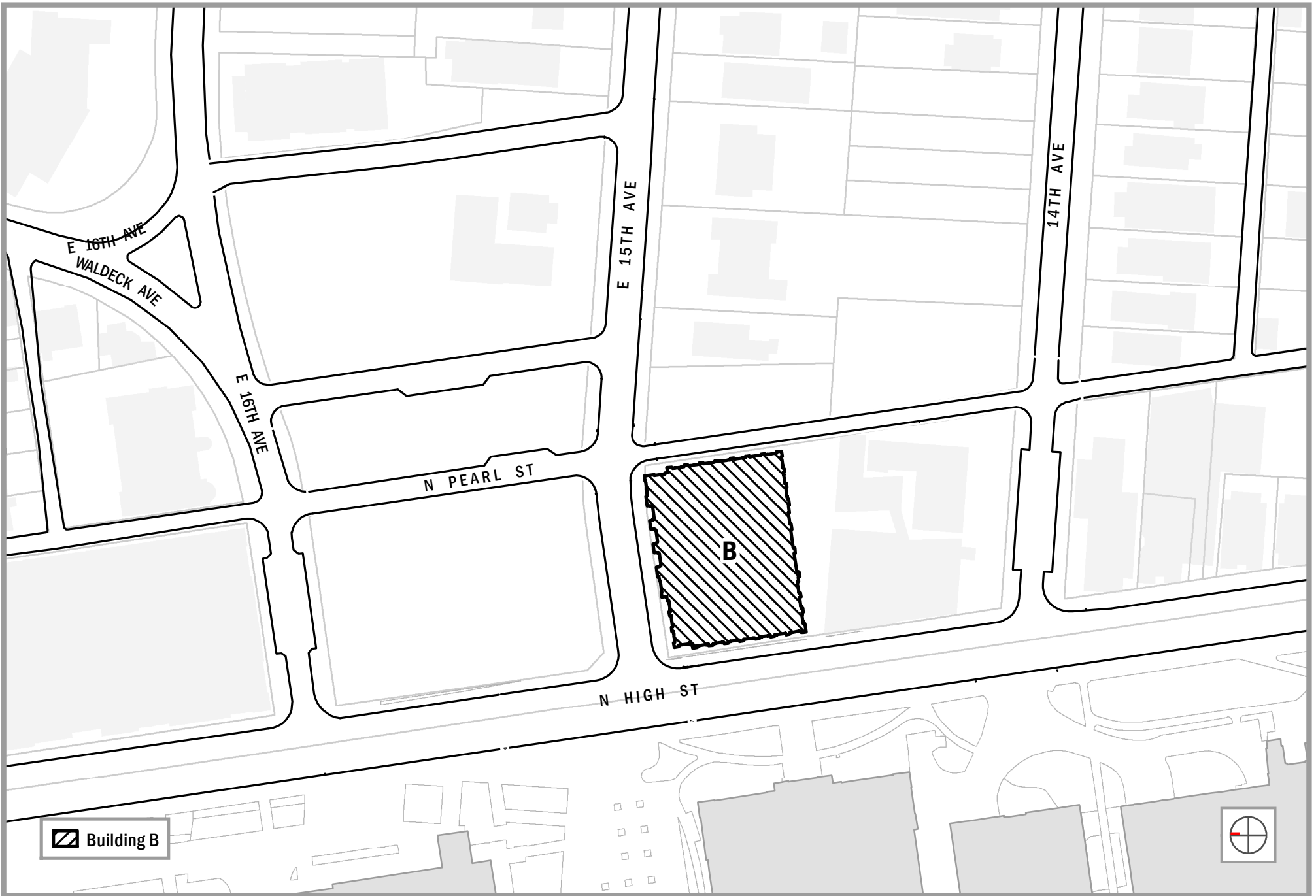
Redstone is obligated to construct the building under the 30-year lease. Construction is estimated to begin in Fall 2019, with completion projected in late 2020.

Location, and Description of Proposed Project

The proposed five-story building is to be located at the southeast corner of 15th Avenue and High Street as part of the planned, new 15 + High development.

Authorization Requested

Authorization is requested to enter into a long-term lease and purchase option of an office building to be located at the southeast corner of 15th Avenue and High Street, upon such terms and conditions that are deemed to be in the best interest of the university.



 Building B



BUILDING B LEASE
15TH AVENUE & HIGH STREET
COLUMBUS, FRANKLIN COUNTY, OHIO 43201

Prepared By: The Ohio State University
 Office of Planning, Architecture, and Real Estate
 Issue Date: August 15, 2019
 The Ohio State University Board of Trustees



THE OHIO STATE UNIVERSITY

Major Project Updates

Projects Over \$20M

August 2019



PROJECT STATUS REPORT

CURRENT PROJECTS OVER \$20M

PROJECT	COMPLETION DATE	APPROVALS		BUDGET	ON TIME	ON BUDGET
		Des	Con			
Ohio Stadium Upgrades	8/2019	✓	✓	\$39.1M		
Cannon Drive Relocation – Phase 1	12/2019	✓	✓	\$51.9M		
OSU East – West Wing Expansion/Renovation	3/2020	✓	✓	\$26.0M		
Wooster – New Laboratory Building	6/2020	✓	✓	\$33.5M		
Postle Partial Replacement	7/2020	✓	✓	\$95.0M		
Advanced Materials Corridor – Phase 1 (BMEC)	7/2020	✓	✓	\$59.1M		
Health Sciences Faculty Office and Optometry Clinic	8/2020	✓	✓	\$35.9M		
WMC Inpatient Hospital – Central Sterile Supply	11/2020	✓	✓	\$45.3M		
Ty Tucker Tennis Center	12/2020	✓	✓	\$22.8M		
Newark – John & Mary Alford Ctr for Sci and Technology	12/2020	✓	✓	\$32.0M		
WMC Inpatient Hosp Garage, Infr & Road Work	3/2021	✓	✓	\$102.1M		
WMC Regional Ambulatory Facilities-Hamilton Rd	5/2021	✓	✓	\$137.9M		
Newton Hall – Renovation and Addition	8/2021	✓		\$24.5M		
Arts District	11/2021	✓	✓	\$161.6M		
Celeste Lab Renovation	8/2022	✓		\$29.0M		
Interdisciplinary Health Sciences Center	7/2023	✓		\$155.9M		
Controlled Env Food Production Complex	TBD	✓		\$35.0M		



POSTLE PARTIAL REPLACEMENT

Replace the southern portion of the east wing and renovate/upgrade portions of the west wing.



PROJECT FUNDING

fundraising; state appropriations; department funds; university debt

CURRENT PROJECT BUDGET

construction w/cont	\$85.4M
total project	\$95.0M

CONSULTANTS

architect of record	Design Group
des architect	Robert AM Stern Arch
CM at Risk	Gilbane

PROJECT SCHEDULE

BoT approval	9/16
construction	6/18-7/20
facility opening	8/20

PROJECT UPDATE

First and second level structure steel is complete and continues on the third level. The concrete slab on the metal deck at the first level is complete. Demolition of the east end of the existing building is complete.





ARTS DISTRICT

Renovate and expand the School of Music building and construct a new Department of Theatre building.

The project will also extend Annie and John Glenn Avenue from College Road to High Street and make modifications to College Road and adjacent pedestrian spaces.

PROJECT FUNDING

university funds

CURRENT PROJECT BUDGET

construction w/cont	\$144.0M
total project	\$161.6M

CONSULTANTS

architect of record	DLR Group
CM at Risk	Holder Construction

PROJECT SCHEDULE

BoT approval	8/15
construction	6/19-11/21
facility opening	12/21

PROJECT UPDATE

Construction Documents are nearly complete. GMP is being negotiated.



On Time



On Budget



CONTROLLED ENVIRONMENT FOOD PRODUCTION RESEARCH COMPLEX

Construct a new facility to house research and support learning in several approaches to food production; research on greenhouse engineering, pest and pathogen management, and plant breeding

PROJECT FUNDING

fundraising

CURRENT PROJECT BUDGET

construction w/cont	\$31.8M
total project	\$35.0M

CONSULTANTS

architect of record	Erdy McHenry
CM at Risk	Corna/Kokosing

PROJECT SCHEDULE

BoT approval	6/17
construction	TBD
facility opening	TBD

PROJECT UPDATE

Design and cost estimating continue based on revised program.








THE OHIO STATE UNIVERSITY

Efficiency and New Resources Scorecard

Board of Trustees Finance Committee | Aug. 29, 2019

Highlights: Operational Excellence

FY19 efficiencies generate \$155.4M in savings to support our mission

Efficiency program	FY19 target	FY19 results	Progress to goal	Status
University	\$41M	\$53.8M	131%	
Wexner Medical Center	\$32M	\$48.7M	148%	
Capital efficiencies	\$52M	\$54.1M	104%	

NEW INITIATIVES FUNDED

➤ More than \$150 million has been committed through fiscal 2020 to fund four major initiatives

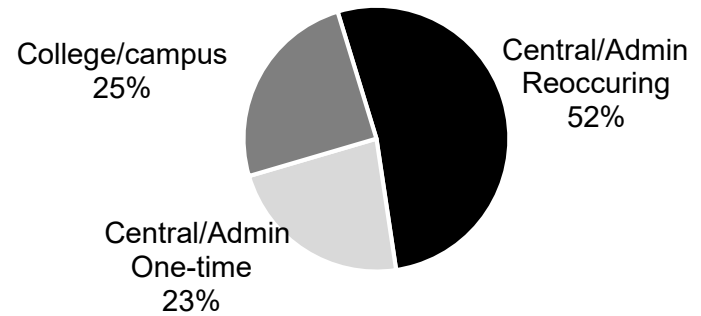
Strategic initiative	Description	Funding source
President's Affordability Grants	Aid for 15,000+ low- and moderate-income Ohioans per year	Administrative efficiencies
Buckeye Opportunity Program	Aid package covers tuition for Ohio students who qualify for Pell grants	Innovative funding
Digital Flagship	24,000 students receive iPad learning technology suite through FY20	Administrative efficiencies
136 University Institute for Teaching and Learning	Teaching excellence program available to faculty	Innovative funding

Operational efficiency scorecard

The university set a 5-year, \$200 million goal for non-WMC efficiencies

FY20 goal	\$200M		
Progress to date	Total	% of goal	Status
Through FY18	\$114.2M	57%	●
Through FY19	\$168.0M	84%	●
Projected through FY20	\$215.7M	108%	●

Savings through FY19 (June 2019)




OTHER EFFICIENCY HIGHLIGHTS

The university's 2020 goals focused on savings that could be redeployed to student financial aid and other strategic initiatives. Other initiatives reduce the cost of capital projects and operating costs at colleges and the Wexner Medical Center.

	Progress through FY19	Status	Notes
Strategic procurement	\$388M compared with FY12	●	Savings largely benefit colleges and units through discounted rates on goods and services
Wexner Medical Center	\$523.5M since FY15	●	Margin improvement has increased days cash on hand metric from 81 days to 168.2 days
(137) l projects	\$87.9M In FY18 and FY19	●	Costs avoided by improving project accounting, capturing bid favorability, budget reductions

New resource scorecard

The university set a 5-year, \$200 million goal for innovative funding

FY20 goal	\$200M	
Major projects	Upfront total	Annual funding through FY20
NIKE extension	\$22.5M	\$6.4M
Comprehensive Energy Management	\$1.07B	\$99.1M
Coca-Cola extension	\$6M	\$550,000
Total	\$1.1B 	\$106.0M

OTHER NEW RESOURCE HIGHLIGHTS

The university continues to benefit from innovative funding work that pre-dated the 2020 goal. Examples include:

Project	New resource metric	Notes
Parking	\$152M distributed FY13-FY19	Supports 200+ scholarships per year, 137 Discovery Themes faculty hires, Arts District and more
Affinity relationships	160+ internships per year	Relationships with Nationwide, Huntington and other partners support the campus in various ways