

THE OHIO STATE UNIVERSITY  
OFFICIAL PROCEEDINGS OF THE  
ONE THOUSAND THREE HUNDRED AND SECOND MEETING  
OF THE BOARD OF TRUSTEES

Columbus, Ohio, May 6, 1994

The Board of Trustees met at its regular monthly meeting on Friday, May 6, 1994, at The Ohio State University Fawcett Center for Tomorrow, Columbus, Ohio, pursuant to adjournment.

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Minutes of the last meeting were approved.

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May 6, 1994 meeting, Board of Trustees

The Chairman, Ms. Casto, called the meeting of the Board of Trustees to order on May 6, 1994, at 7:40 a.m. She requested the Secretary to call the roll.

Present: Deborah E. Casto, Chairman, Milton A. Wolf, Alex Shumate, Michael F. Colley, and George A. Skestos.

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Ms. Casto:

At this time I would like to request that the Board recess into Executive Session for the purpose of discussing personnel and legal matters.

Upon motion of Amb. Wolf, seconded by Mr. Skestos, the Board recessed into Executive Session by unanimous roll call vote.

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Ms. Casto reconvened the meeting at 10:55 a.m., and asked the Secretary to call the roll.

Present: Deborah E. Casto, Chairman, John W. Kessler, Milton A. Wolf, Leslie H. Wexner, Alex Shumate, Theodore S. Celeste, Michael F. Colley, George A. Skestos, Hiawatha N. Francisco, Jr., and Amira N. Ailabouni.

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**ELECTION OF OFFICERS  
BOARD OF TRUSTEES**

Resolution No. 94-120

Judge Duncan read the Nominating Committee's report in which the following slate of officers were recommended:

WHEREAS pursuant to paragraph (B) of rule 3335-1-02 of the Administrative Code, the officers of the Board are to be elected at the May meeting to take office immediately following adjournment of the meeting (May 6, 1994) and shall hold their office through the May 1995 meeting:

NOW THEREFORE

BE IT RESOLVED, That the following slate of officers for 1994-95 be elected:

John W. Kessler, Chairman

Milton A. Wolf, Vice Chairman

Robert M. Duncan, Secretary

James L. Nichols, Treasurer

Upon motion of Mr. Celeste, seconded by Mr. Colley, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

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**COMMITTEE APPOINTMENTS 1994-1995**

Resolution No. 94-121

BE IT RESOLVED, That the appointments to Committees and representatives to the Research Foundation Board of Directors, the Inter-University Council, the University Hospitals Board, The Arthur G. James Cancer Hospital and Research Institute Board, the Ohio State University Affiliates, Inc., Board of Directors, the Ad Hoc Committee on Planning, the University Foundation Board, the Wexner Center Foundation Board, the University Managed Health Care System, Inc. Board of Directors, and the University Master Plan Committee for 1994-95 be approved as follows:

Educational Affairs	George A. Skestos, Chair David L. Brennan, Vice Chair New Trustee
Investments Committee	Milton A. Wolf, Chair Michael F. Colley, Vice Chair Theodore S. Celeste
Standing Committee on Agricultural Affairs	Theodore S. Celeste, Chair Fred L. Dailey, Vice Chair, Ex Officio David L. Brennan
Student Affairs	Amira N. Ailabouni, Chair New Trustee, Vice Chair Thomas C. Smith
Fiscal Affairs	Alex Shumate, Chair Michael F. Colley, Vice Chair George A. Skestos David L. Brennan
Personnel Committee	John W. Kessler, Chair Milton A. Wolf, Vice Chair Leslie H. Wexner
Inter-University Council	New Trustee
Research Foundation Board of Directors	Theodore S. Celeste
University Hospitals Board	Theodore S. Celeste George A. Skestos
The Arthur G. James Cancer Hospital and Research Institute Board	Alex Shumate, Chair David L. Brennan
Ohio State University Affiliates, Inc.	John W. Kessler (term 1 year) Milton A. Wolf (term 2 years) Leslie H. Wexner (term 3 years)
University Foundation Ex Officio Class of Directors	John W. Kessler (term 1 year) Alex Shumate (term 2 years) To be announced (term 3 years)

**COMMITTEE APPOINTMENTS 1994-1995 (contd)**

Wexner Center Foundation Board	Leslie H. Wexner (term 2 years)
University Managed Health Care System, Inc. Board of Directors	Theodore S. Celeste
Committee on Planning*	Michael F. Colley, Chair George A. Skestos, Vice Chair Alex Shumate
University Master Plan Committee	Leslie H. Wexner

\*Serves as Board of Trustee's interface with the University's Planning Committee.

Upon motion of Amb. Wolf, seconded by Mr. Skestos, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**PRESIDENT'S REPORT**

President Gee:

Ladies and Gentlemen, welcome. We are delighted to have everyone here today.

First of all let me comment on the fact that this is the last day that our Board Chair, Debbie Casto, will preside over the Board of Trustees. Nine years of service and all of it with the highest degree of integrity and with an unbelievable degree of commitment to the University. Debbie, I know that your colleagues join me in thanking you for not only your nine years, but for your year of leadership.

This has not been an easy year for the University and certainly it has not been an easy year to be the chair of this institution. As such, you have done it with unbelievable grace and with great support for the best values of this University. For that we are all grateful. Would everyone please give her a great round of applause.

I want you to know that I went to my woodshop and constructed a plaque for you, Debbie. Nonetheless, we do have a wonderful plaque here that says, "In appreciation for sustained, superior leadership, commitment, and dedication to The Ohio State University," signed by all of those presently on the Board. I am honored to be able to give this to you, and to tell you that you are welcome to come back anytime. Now you are going to be sitting out in the rain with everyone else, so don't call us.

Ms. Casto:

Thank you, Mr. President. I have enjoyed my nine years on this Board. Last night we talked about the fact that I was thirty-two years old when I first joined this Board, and I feel like I have grown up on this Board. I have really enjoyed every moment, every experience, and every challenge that I have been able to accept. I thank you, very much, for all of your support.

## PRESIDENT'S REPORT (contd)

President Gee:

And, Jack, congratulations to you. I see you have put on your campaign button that says, "Ohio State or else." I can tell all of you that we are going to have a great year under Jack's leadership. A person of laid back qualities as we all know, and who through it all will exhibit the type of moral leadership that we need. Jack, I cannot tell you how delighted I am to work with you.

Hiawatha, congratulations to you for two years well served. We are so pleased that you have been part of this institution. I look forward to the day when I am going to be able to hand you your Ph.D. and have my name on that diploma. But your service has been well recognized and greatly appreciated. This is Hiawatha's last meeting, so let's give him a round of applause.

We do have a new Student Trustee, Tom Smith, a law student from Akron. I believe he is taking a final examination as we speak, so he will not be with us today.

Last evening, we had a gathering of current and past trustees to honor our outgoing chair. I was reminded of how fortunate this university has been to have such dedicated and committed leadership, through those that were there -- we had many former members of the Board -- and through those of you who are here present today. At this time of passage, it is important to remind ourselves of the dedication that all have given. I am very pleased to remind everyone in this room and at this great university of that service.

Let me now add that the pace of Spring Quarter has quickened as we move closer to the end of the academic year. Consider this line-up of activities on tap for tomorrow: you can attend the spring plant sale at the Chadwick Arboretum, run a 5K race for health sponsored by our Medical Center, participate in Parent's Weekend programs, go to the Medieval and Renaissance Festival, attend the Wexner Center Spring Arts Fair, go to Kurt Weill's opera "Street Scene," or hear Bo Diddley and his band play at the Ohio Union! This gives you a flavor of the myriad of activities that will be going on at the university tomorrow and to the vitality of this wonderful place.

I am delighted to report that our students continue to distinguish us by receiving a number of national honors. This month, John Wang has been named a Goldwater Scholar, our second in a row. The Goldwater Scholarship is awarded to the top 250 students in the nation who plan graduate work and careers in mathematics or the natural sciences. John is a third-year student from Hilliard, Ohio. He is working with Professor Kathleen Kendrick in microbiology.

Speaking eloquently to the point of teaching and research being intertwined in the process of learning, John said that working in Dr. Kendrick's laboratory, "has been educational, has piqued my curiosity, and has created a desire to contribute to microbiology." In addition to his rigorous academic program, John is vice president of Ohio Staters, an honors ambassador, and a member of the homecoming steering committee.

But that is not one piece of good news, it is just more good news that we have in a variety of other areas: thirteen Ohio State undergraduates were among the seniors receiving National Science Foundation Predoctoral Fellowships to support

## PRESIDENT'S REPORT (contd)

President Gee: (contd)

graduate study. This places us in the top 20 institutions in the country in this prestigious competition.

And to add to these honors, our Younger Scholar Award winner -- one of 50 from the National Endowment for the Humanities, one of the 80 Mellon Fellowship winners in the Humanities, and one of the 50 Phi Kappa Phi Fellowship winners! So in naming all of those you get a picture of the growing academic strength of our student body. Students can only compete for these honors with the mentoring, advising, and encouragement of our great faculty.

Among the faculty honors this month is the Guggenheim Fellowship won by Professor of Mathematics Karl Rubin. He was honored for his work in number theory. He is teaching two courses this quarter, and will use his fellowship to travel in order to collaborate with other mathematicians.

Winston Soboyejo, Professor of Materials Science and Engineering, received a Young Investigator Award from the Office of Naval Research, one of 17 such awards nationally. I might note, that I had him to dinner the other evening and he is an expert on fractures, which I think is absolutely fascinating. We could use his help sometimes ourselves. His research on failure mechanisms in new materials has application in high-temperature structural components for aircraft.

I am very pleased to report that Professor of Plant Biology Thomas Taylor has been elected to the National Academy of Sciences. His research on fossil plants that are hundreds of millions of years old has earned him one of the highest honors for a U.S. scientist. Professor Taylor is a research scientist with the Byrd Polar Research Center.

In addition to these academic honors, Ohio State has received national recognition in several other arenas. Our Forensics Program captured the National Championship in the Lincoln-Douglas Debate. The subject of the competitive debate was changing U.S. immigration policy, and participants discussed each side of the issue through ten rounds of debate in order to win the national title.

Our cheerleading squad placed fourth at the National Cheerleading Championships in San Diego, having won the national championship last year. The men's gymnastics team won the Big Ten title, finished third at the NCAAs, and ended the season ranked second in the nation. The men's 400-meter relay team finished second -- by only a few hundreds of a second -- in the prestigious Penn Relays. And the baseball team continues to be ranked in the top 10 in the nation, securing at least second place in the conference by sweeping four games from Michigan this past weekend.

All of this athletic success brings me to repeat the happy announcement that Andy Geiger has accepted the position of Director of Athletics. One of the nation's leading athletic administrators, Andy brings a strong record of achievement to this challenging post.

Today, I wish to recognize our outstanding student government leadership. I believe this is the final meeting for Council of Graduate Students President Frank Chloupek, and I want to thank him for his effective leadership this year. He has done a wonderful job. Frank, by the way, is a graduate student in Physics and is

**PRESIDENT'S REPORT (contd)**

President Gee: (contd)

working full-time toward that Ph.D., and the fact that he has taken his time and energy to serve as president is certainly appreciated.

Wes Bishop is attending his last meeting as the head of our Interprofessional Council. Wes is finishing his finals this week also. He has a law school examination at 1:00 p.m., and is sitting there studying as we speak -- do very well, Wes. He has likewise been a strong voice for professional students.

Chris Norman and Jennifer Novelli's terms of service to the Undergraduate Student Government will end May 18. Chris and Jennifer have been very able advocates for the undergraduate students at this institution.

The reason I wanted to make these points today is that as we change leadership, we will certainly have new and able leadership step forward. But nonetheless, our students are dedicated, able, committed members of this academic community and we need to thank and recognize them for all of the good work that they do. So let's give them all a round of applause.

Madam Chair, that is my report.

Ms. Casto:

Thank you, President Gee. I mentioned before that I participated recently in my Student-for-a-Day experience, and I was extremely impressed with our faculty and our students. I was just saying to Les that the dynamics have certainly changed over the last nine years, and that is something we can be proud of.

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**UPDATE ON THE UNIVERSITY RESTRUCTURING**

Provost Sisson:

Once again I am pleased to report progress in the restructuring of the University. Rather than repeat or merely provide you with an update of items which we have previously discussed, I want to bring to your attention today a number of new restructuring initiatives which I will soon present to the Board for consideration and approval. Many of these are administrative actions that I propose to implement to enhance the administration of Academic Affairs and to improve management coordination in the University.

One initiative, however, is far more complex and will need to be discussed fully by the University community before being brought to the Board. As a matter of fact, I am also consulting with respect to the administrative proposals that I am going to advance to the Board.

As you know, I have proposed that the College of Social Work be reorganized as a school within the College of Education. I have sent this proposal to the Steering Committee of the Senate, the Chair of which is sitting to my left. It has been forwarded by the Chair to, among other units, the Council on Academic Affairs and the Senate Ad Hoc Committee on Restructuring. Within the past week, I have met, together with several Associate Provosts, with the faculties of both

## UPDATE ON THE UNIVERSITY RESTRUCTURING (contd)

Provost Sisson: (contd)

colleges. I am optimistic -- I tend to be optimistic under almost all circumstances -- that this proposal will be accepted by the colleges and approved by the appropriate committees and the Senate, and that it can be brought forward to the Board for action.

Let me now turn to the administrative initiatives to which I just referred. First of all with respect to the organization of the Council of Deans -- one of the things that you will find in my comments here is a pattern of decentralization, the reorganization of units to areas where the density of information, expertise, and concern is most evident. The talent, time, and wisdom of the deans must be used to the maximum extent possible. To this end, the Council will be organized. I will meet with the Council as a committee of the whole, but I propose that there be four groupings.

The first is the Colleges of Arts and Sciences, which has a long tradition of meeting and conferring on matters of common interest, with one of the members serving as a coordinating dean. I think that much more can be done with respect to pro-active action among the deans of the Colleges of Arts and Sciences, and I so propose that we move in that direction. To encourage that, I propose that the coordinating dean be extended the title of an Executive Dean and will also assume line-management responsibilities. In this there is no change in the direct reporting relationship of deans of the arts and sciences, they will continue to report directly to the Provost.

Not so in the next case. This has to do with the colleges of the health sciences where the Office of Health Sciences will be created, headed by a Vice President for the Health Sciences. This position I propose to hold separate from that of the Dean of the College of Medicine. The Vice President for Health Sciences will serve as the Chief Executive Officer for the Health Sciences Center and will report to the President for all administrative and fiscal affairs, as encompassed in the responsibilities of the current position of Vice President for Health Services. The Vice President for Health Sciences will report to me on all matters pertaining to academic policies, programs, and resources, as the designee of the Senior Vice President for Academic Affairs and Provost.

The Vice President for Health Sciences will be responsible for providing academic and fiscal leadership for the Colleges of Dentistry, Medicine, including the School of Allied Medical Professions, Nursing, Optometry, Pharmacy, and Veterinary Medicine. The Vice President for Health Sciences will serve as a member of the President's Executive Committee, as I propose that the Executive Dean for the Arts and Sciences so serve, as well as an Executive Dean for the Professional Colleges -- those colleges other than the health colleges.

The fourth cluster -- the third being the professional colleges -- is composed of our Regional Campuses. It is important that the regional campus deans meet and confirm with deans of relevant colleges on the Columbus campus about curricular and academic personnel matters. There are many issues, however, that concern the regional campuses specifically. These issues are not addressed with the regularity that they require in current meetings of the Council of Deans. I propose the current arrangement of a Coordinating Dean at the Regional Campuses be continued.



**UPDATE ON THE UNIVERSITY RESTRUCTURING (contd)**

Provost Sisson: (contd)

The Office of Academic Affairs is leaner now than it was in the distant past and even in the recent past, in terms of staff and also in terms of the number of units that report directly to the Office of Academic Affairs. And when I say the Office of Academic Affairs, I mean the Office of the Provost and, in fact, the Provost. But there continue to be some 37 units that report directly to the Provost, in addition to 6 senior administrative associates.

Now while there is much to be said on behalf of flat organizational structures, there is a limit where flatness creates such expanse that horizons may go unseen and sounds may go unheard. It is important that reporting relationships be nested where fullest information is available and accountability can be maintained. It is critical -- I believe, for the quality and efficiency of the academic organization of our University -- that these reporting relationships be streamlined and rationalized. The number of units that currently report to the Provost would be better served by an alternative set of administrative relationships. I am not going to detail all of these, but there are several which I propose report directly to the Executive Dean for the Arts and Sciences.

Another case which is quite important -- that I want to bring to your attention -- is the Office of International Affairs. There was a transfer of a number of units in this office.

There was a transfer last year to two different deans, but the Office of the Vice Provost has continued to be maintained within the Provost's Office with 2 units reporting. In that regard, I feel that it is very important that it is absolutely essential that we continue to maintain support for international programs and activities for distinct excellence to be maintained. In the near future, we can expect to get very positive announcements in terms of our competition for Title VI grants -- federal grants for international study centers. But I believe that this support can be extended effectively, more simply, and less expensively by the discontinuance of the Office of International Affairs, and the grouping of these various regional study centers under a lead director reporting to the Senior Vice Provost for Academic Affairs.

The organization of management responsibilities in the Office of Academic Affairs will also be streamlined and rationalized. Currently every unit reports directly to the Provost, with Associate Provosts primarily having an advisory role with respect to particular domains. This system results in an inordinate amount of information and requirements for review and decisions coming directly to the Provost. I propose to change this. I propose that each of the Associate Provosts have line and management responsibilities, which I will delineate for you in a subsequent meeting. And reflecting that change, the titles will be changed from Associate Provost to Vice Provost. Instead of six such senior officers in the Office of the Provost, there will end up being five.

I am pleased to report that substantial progress is being made in our efforts to restructure The Ohio State University so that it will be better able to use existing resources effectively, to support existing areas of excellence, and to respond appropriately to the needs of emerging areas of excellence. The process has been a collaborative one involving students, faculty, staff, trustees and others.

**UPDATE ON THE UNIVERSITY RESTRUCTURING (contd)**

Provost Sisson: (contd)

There is always unevenness in this, but I think that we have done quite well overall. It is my conviction that while there is much work yet to be done, that our University is facing the challenges poised by internal and external changes, and seizing the opportunity to position itself in the front ranks of premiere teaching and research universities in the nation. I think that our experience to date bodes well for our future. Thank you, Madam Chair. I would like to call upon Tom York and Harry Allen to add their comments.

Dr. Tom York

I want to make a few general comments this morning. I think restructuring is the most important activity going on and Professor Allen, Chair of the Faculty Council, has agreed to review the details for you. What I want to do is take a minute and talk about the larger question that is intimately involved in restructuring. This is something that came before you, the Board, several years ago, and it is the question of governance.

One of the things that is happening simultaneously as part of the process of restructuring is that to a certain extent we are reinventing shared governance -- and it's working. I think the kind of things that are happening, the way they are happening, the way faculty are taking on new initiatives and these are being received by the administration, the way students are moving within the governance structure, is actually the way it was originally conceived. So as one has defined many times -- that problems always present opportunities -- I think this was an opportunity for the kind of transition that was needed in developing true shared governance within the University.

The one problem actually that has been a little bit more difficult to deal with -- being a faculty member, but also being Chair of the Steering Committee and the Senate -- is the incorporation of staff into the shared governance structure. I think that is going to take a bit more time, but I know the President and his office are sensitive to it, and we in the Senate are sensitive to it. I think that it is very important to continue looking at this question and to attempt to incorporate staff appropriately into the governance structure of the University.

Those are my general comments, and I think things are going well. Again, Professor Allen may want to address several other things, but will also discuss for you how we have progressed in restructuring.

Dr. Harry Allen:

Thank you, Tom. The Oversight Restructuring Committee has met with the college administrations from Agriculture, Engineering, and Vet Medicine. It has hosted open forums for faculty, staff, and students, and administration for each of these colleges separately to meet with OCR and to discuss the restructuring issues of the particular college. We are in the process of drafting final reports for each of these colleges. The Council on Academic Affairs has reviewed the Engineering proposal and the Veterinary Medicine proposal, and has acted on them this past week. It is expected that they will also act on the Agriculture proposal shortly.

**UPDATE ON THE UNIVERSITY RESTRUCTURING (contd)**

Dr. Allen:

The Steering Committee has called for a special meeting of the University Senate to be held on Saturday, May 21, to review the recommendations coming from the Council on Academic Affairs for administrative change within these three colleges. The Faculty Council will meet on May 19, prior to the Senate meeting, to discuss the CAA recommendations to the Senate.

That is the end of my report.

Provost Sisson:

Madam Chair, let me just make one summary comment to give you a sense of the order of magnitude of what may result from bringing to closure these reviews and presenting them to the Board.

If the proposals are adopted as proposed -- the proposals in Agriculture, Engineering, Veterinary Medicine, and Human Ecology -- the number of departments through a process of restructuring, reconfiguration, downsizing, and what not, will be reduced by 15 percent. Thank you.

Ms. Casto:

Does anyone have any questions or anything to add?

Mr. Shumate:

If I could make just one comment. First of all, I appreciate the reports and the updates, and the hard work that is going on. But in the message of communication about restructuring, it's also important that we don't lose the fact that we are not de-emphasizing certain areas. As an example, the international affairs area that you discussed. Simply because that is being restructured, as I understand it, does not mean that we are in any way de-emphasizing or not increasing our focus in that area, particularly as we think about the growth of global markets and the importance of internationalization. So as we communicate about restructuring, that is an important message to also include.

Provost Sisson:

That message is correct. There is no de-emphasis at all of our commitment to international and comparative programs. It also so happens that the Provost and the Senior Vice Provost have spent most of their professional lives dealing with major issues of international trade and international politics.

President Gee:

You know, Alex, I think that this is one of the struggles that we go through. Change is a very difficult thing to characterize. Those who don't want to have change take place characterize it as a de-emphasis or a down scaling or an elimination. Those who want to have change take place characterize it as an enhancement. The truth of the matter is is that I believe -- and certainly I think that both Tom and Harry will concur with this -- those who sit on our Oversight Committee have looked very carefully at the issues and at the things that we do well to emphasize those. But one of the most discouraging things -- and I will tell

**UPDATE ON THE UNIVERSITY RESTRUCTURING (contd)**

President Gee: (contd)

this story very quickly -- that I hear at Ohio State -- among the 500 wonderful things - - is when someone says, "Well, Dr. Gee you can't do that," and I say, "Why?" They say, "Well that's not the way we do things at Ohio State." It's that emphasis on the fact that we have a heavy hand in tradition. Tradition is important, but the new tradition of change, I think, is going to be the imperative for American society and certainly higher education needs to take the leadership in that regard. If someone answered that question in a doctoral dissertation by saying, "Well you can't do that because that is not the way that we do things," we would throw them out the front door.

The second thing is that I received a wonderful letter from a dear friend and colleague on this faculty about 3 or 4 weeks ago. A four page letter on how we could really restructure the University and many of those were along the lines that we talked about here. It went into great detail about how you can eliminate and how you can enhance it, and a variety of other things. I got right to the end of the letter and I noticed that he didn't say one thing about his department, so I called him up. I said, "Well what about your department?" and he said, "Mine is fine." The point, again, is that we have wonderfully bright, creative people within the academic community who know how to restructure other people's business, but do not want to deal with their own in some way. Change within the managed environment that we have is an important new asset, but the way that we characterize as constantly looking for the higher ground is very important. I think that's what we always need to do.

Mr. Wexner:

I think that it is very important that the University change and I think that it's very important that the colleges change. I'm supporting what you and Dr. Sisson have said. The greater risk is not changing, and that's my view of it. We would all probably agree -- supportive of what you said about your colleague -- that the world is going to be different and that we would conceptually have to match the difference. I think that obviously there have been trying times, and there will be difficult decisions ahead. I think the risk of not changing -- and I know that we are being prudent and reflective, so I take that prudence and reflectiveness as a given, which doesn't mean that we work perfectly and insightfully -- is a more horrible risk than being stuck awaiting perfection. I am very encouraging of the process and in getting it through thoughtfully, but quickly.

President Gee:

I am very encouraged by the fact that we are doing this, too. I would say that most people at this institution now agree with that point and that three or four years ago that would not have been a widely held view. The truth of the matter is that most people view the issue the same way that I do. That is, that we are on this very large aircraft carrier that sailed off appropriately to Hong Kong. The only problem is that someone in the early '90's shifted all the goods and services to Singapore. And unless we shift and land at Singapore, we are all going to starve to death. If we do land in Singapore, it won't be nirvana, but at least we'll be very competitive in the world in which we are going to engage. It is that issue that we are about right now.

**UPDATE ON THE UNIVERSITY RESTRUCTURING (contd)**

Provost Sisson:

The first steps of change are the most difficult ones. I think that once change occurs and one realizes that the world does not disappear and that there are new possibilities, it makes change easier in subsequent steps. I agree with you totally that to not change is unacceptable. There has to be some kind of change, not only to adapt to new kinds of things that are occurring in the world, but to enable us to participate in leading how we address those things. Also to lead that change in the world, participate in the changing of the world itself, and changing the environment. Hopefully, out of this we will be better positioned to be active agents in determining our environment, as well as in determining how we respond to changes in our environment.

Mr. Wexner:

The purpose in which I use the word risk -- because I think there are some changes that are acceptable, understood, and they are comfortable. It's when you get to the change that has the risk associated with it, that you get the opportunity to perhaps really change an institution or change a world. This means that you are also accepting perhaps being wrong or perhaps failing. I am encouraging to push the envelope.

President Gee:

I think that we have accepted the fact that as we push this along, we are going to make some mistakes. We have built into it the reality check that both our faculty and others will keep checking it, but together we are going to push that envelope. I think that is what's been helping. That is really what Tom was addressing, in terms of the fact that we have moved to a new level of sharing responsibility at this institution which is enormously important right now. Thank you.

Ms. Casto:

That's wonderful. Thank you.

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**REPORT ON RESEARCH FOUNDATION**

Mr. Celeste:

Madam Chair, in the continuation of the discussion of changes for the good, I would like to add my congratulations to you for your leadership. And also suggest that your help and support for the areas that I have been working on have been most appreciated, certainly through Student Affairs, the Research Foundation, and OSU Hospitals. I would like to add my word of thanks to you in that process.

Summaries of the Grants and Contracts received by The Ohio State University Research Foundation during the month of March can be found at Tab 1 in your Research Foundation Report located on the table. Overall, awards for the period July 1993 through March 1994 are, for the first time in several months, up 2 percent ahead of the same time snapshot of the preceding year.

## REPORT ON RESEARCH FOUNDATION (contd)

Mr. Celeste: (contd)

You will note some significant variations by sponsors. Most are due to differences in the timing of large multi-year projects. For example, I would like to call your attention to the Department of Defense, which is up 84 percent. This is largely due to two major Technology Reinvestment awards, also called Defense Conversion awards, which I will mention in a minute. As Defense contracting shifts to commercial applications there is a stronger link to University research programs.

At Tab 2 there is a summary of expenditures for the months of July through March, Fiscal Year 1994 compared to 1993. Total expenditures for FY 1994 through March, exceed FY 1993 expenditures by 10.2 percent.

Several projects funded in the month of March are described at Tab 3. Professor William Baeslack, Department of Welding Engineering, received \$1.3 million from the Department of the Air Force in the new federal Technology Reinvestment Project (TRP) that I mentioned earlier. This project entitled, *National Excellence in Materials Joining Education (NEMJET)*, will offer a comprehensive education program for retraining engineers and technologists who have lost or may lose their jobs in defense manufacturing.

A second TRP project of interest is entitled, *A Practice-Oriented Manufacturing Engineering Program (POMEPE)*. Professors Allen Miller, Jose Cruz, and John Demel, from the College of Engineering, received about \$700,000 from the Department of the Air Force to design a master's degree program that focuses on developing expertise in manufacturing. A cornerstone of the program is a 2-quarter practicum with industry, a national lab, or an advanced development institute such as the Edison Welding Institute.

A project funded by the Ohio Department of Development also offers practical value to the commercial sector. It is entitled, *Enterprise Ohio: A Minority Economic Development Planning Project*. Professor Joseph Russell, Office of Academic Affairs, received almost \$29,000 to design and develop a statewide research and leadership training program, and a small and medium scale enterprise venture development program.

This week I visited with Professor Clark Anderson, Department of Internal Medicine, one of this year's Distinguished Scholars. We discussed his groundbreaking work on the molecular biology of human antibodies, toured his lab, met with several of his graduate students, and discussed his views on the synergistic role of research and teaching at a comprehensive university such as OSU.

I also want to report to the Board that Professor Thomas Taylor, Departments of Plant Biology and Geological Sciences and a member of the Byrd Polar Research Center, has been elected to the National Academy of Sciences. This is one of the highest honors accorded a U.S. scientist.

Tab 4 contains a list of all projects funded in March.

At Tab 5 are abstracted press releases issued by University Communications highlighting recent research activity. There is also a press release for the Younger Scholars Award from the National Endowment for the Humanities to Marcus Jones, an undergraduate student.

**REPORT OF RESEARCH CONTRACTS AND GRANTS**

Resolution No. 94-122

Synopsis: The reports on research and other sponsored program contracts and grants and the summary for March 1994 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from governmental, industrial, and other agencies in support of research, instructional activities, and service; and

WHEREAS such monies are received through The Ohio State University Research Foundation:

NOW THEREFORE

BE IT RESOLVED, That the research agreement between The Ohio State University and The Ohio State University Research Foundation for the contracts and grants reported herein during the month of March 1994 be approved.

Upon motion of Mr. Celeste, seconded by Mr. Skestos, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**REPORT ON THE OHIO STATE UNIVERSITY FOUNDATION**

Mr. Shumate:

The Board of Directors of The Ohio State University Foundation met on April 15, and in that meeting the Board reviewed the campaign planning process in which we are presently engaged and also talked about a possible timetable for the next University-wide campaign. The Board voted to formally recommend to the University Board of Trustees that the public phase of a new University-wide campaign be launched as soon as possible.

Vice President Jerry May continues to work with President Gee, Provost Sisson, and the academic leadership and senior administrative leadership of the University on determining the appropriate timetable for the public phase of the next campaign. We are becoming increasingly confident that that public phase should begin in the fall of 1995. The time between now and the fall of 1995 will constitute the leadership gift phase or the nucleus fund of the campaign. We are well into the planning and the implementation stage, and will continue to update this Board on the progress.

In this regard, the Board's Campaign Planning Committee also met to consider a number of important issues. The Committee's deliberations will continue in the months ahead, but among the issues under review are the following: the campaign timetable phases and the public announcement; the naming of gift endowment levels and donor recognition levels; the needs and the funding objectives of the campaign; the campaign organization and the volunteer structure; the campaign counting policies; the campaign themes and the University vision; and prospect identification and sources of private support, as well as campaign goals, objectives, and the unit goals.

**REPORT ON THE OHIO STATE UNIVERSITY FOUNDATION (contd)**

Mr. Shumate: (contd)

The Foundation Board also heard reports of the campaign projects that are now in progress -- campaigns which will be components of the next University-wide campaign. Specifically, the Foundation Board heard reports on the campaigns for the Fisher College of Business, the Food Science and Technology, and the Alumni House.

The Board heard a report on the process being used by the College of Education to determine its campaign funding needs. This presentation was given by Dean Nancy Zimpher and it was very well received. This portion of the campaign funding needs process is very important as we all know. The Board also heard and endorsed a report on the campaign financing plan that's also going to be detailed in the Fiscal Affairs Committee report.

Just a couple of personal comments, Madam Chair. I think that the working relationship between the Foundation Board and this Board is excellent, and it is really benefitting the University. I'd also like to commend Vice President Jerry May on his outstanding leadership in bringing about that success, as well as his effective communication with both Boards. He is doing an outstanding job and we look forward to the announcement of the campaign. That's my report.

Ms. Casto:

Thank you, Mr. Shumate. It was also your leadership that brought the two entities together and your insight, and we thank you.

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**HOSPITALS BOARD REPORT**

Mr. Skestos:

Madam Chair, on April 28 the Strategic Planning Committee continued its discussion of actions that could help the Hospitals prepare for the advent of managed care. Physicians and management are working together to increase service quality, become more cost effective, and develop and implement measures of functional health status and patient outcomes. Consistent with these efforts the budget process will focus on reducing operating costs per discharge. The Committee urged that consultation with legal counsel on the ramifications of special task force proposals for restructuring the Hospitals continue without delay.

The Executive Committee endorsed a proposal for the creation of a captive insurance company in Bermuda, subject to several specific comments. The captive insurance company would be restructured as a wholly owned corporation of the University and could serve specific needs of the University. Recommendation will be forwarded to the Fiscal Affairs Committee of the Board of Trustees in the near future. That concludes my report.

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**JAMES CANCER HOSPITAL BOARD REPORT**

Mr. Kessler:

I would like to recommend the following resolution:

**THE ARTHUR G. JAMES CANCER HOSPITAL  
AND RESEARCH INSTITUTE BOARD APPOINTMENTS**

Resolution No. 94-123

Synopsis: Appointment of members to The Arthur G. James Cancer Hospital and Research Institute Board is proposed.

WHEREAS the Board of Trustees on September 1, 1993 approved the establishment of The Arthur G. James Cancer Hospital and Research Institute Board; and

WHEREAS it has been stipulated in Bylaw 3335-1-03 (W) that the Cancer Hospital Board shall be comprised of two members of the university board and a senior physician and faculty member, two senior university administrators, and two citizens from the general public who shall be appointed by the university board of trustees in consultation with the president; and

WHEREAS the following named persons have been selected for immediate appointment to the Cancer Hospital Board:

Alex Shumate, Trustee (Reappointment)  
David L. Brennan, Trustee (Appointment)  
Henry G. Cramblett, M.D., Senior Physician and Faculty Member (Reappointment)  
Edward F. Hayes, Senior University Administrator (Reappointment)  
William J. Shkurti, Senior University Administrator (Reappointment)  
Richard J. Solove, General Public Member (Reappointment)  
Ellen Hardymon, General Public Member (Reappointment)

NOW THEREFORE

BE IT RESOLVED, That the foregoing nominees be appointed, effective immediately, as members of The Arthur G. James Cancer Hospital and Research Institute Board for a term ending April 30, 1995.

Upon motion of Mr. Kessler, seconded by Mr. Wexner, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

Mr. Kessler:

The next meeting of the James Cancer Hospital Board is May 23 and if there aren't any questions that concludes my report.

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**EDUCATIONAL AFFAIRS COMMITTEE REPORT**

Mr. Kessler:

The Educational Affairs Committee met this morning and heard the final report on the Molecular Life Sciences, an update on the Early Retirement Incentive Program,

**EDUCATIONAL AFFAIRS COMMITTEE REPORT (contd)**

Mr. Kessler: (contd)

an update on the Faculty Workload Guidelines, and discussed the proposal to establish the OSU Marion Board of Trustees. The Educational Affairs Committee recommends the following resolutions at this time:

**COMPUTER LABORATORY FEE IN BUSINESS**

Resolution No. 94-124

Synopsis: Authorization of a computer laboratory fee in the College of Business is proposed.

WHEREAS the College of Business has established an immediate need for improving computer services for instructional purposes; and

WHEREAS current University funding is inadequate to meet the costs of those instructional needs; and

WHEREAS the College of Business is one of two colleges encouraged by the Office of Academic Affairs to develop a plan for enhancing its computing laboratories; and

WHEREAS the College of Business has followed closely the experience of the College of Engineering in implementing a similar computer laboratory fee and modified its own plan accordingly; and

WHEREAS the College of Business has a plan for a computer laboratory fee for majors only that assigns funds collected solely to the provision of instructional computing services:

NOW THEREFORE

BE IT RESOLVED, That full-time undergraduate majors (12 credit hours or more) will be assessed a computer laboratory fee of \$95 per quarter and full-time graduate students (8 credit hours or more) will be assessed a computer laboratory fee of \$120 per quarter beginning Autumn Quarter 1994. The fee will be prorated at \$8 per credit hour for undergraduate majors enrolled for less than 12 credit hours and at \$15 per credit hour for graduate students enrolled for less than 8 credit hours. For subsequent years, the full-time computing fee will be limited to 10% of the resident undergraduate or graduate tuition, respectively. Prorated fees for students enrolled less than full-time will be adjusted correspondingly; and

BE IT FURTHER RESOLVED, That the use of the Business computer laboratory fee will be reviewed by the Office of Academic Affairs and approved by the Board of Trustees annually until the fee is eliminated or replaced by a University-wide computing fee; and

BE IT FURTHER RESOLVED, That approval of the Business computer laboratory fee constitutes the completion of consideration of college-specific computing fees by the Office of Academic Affairs. Subsequent proposals for computing fees, if any, must be University-wide.

Upon motion of Mr. Kessler, seconded by Mr. Shumate, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**CONTINUATION OF COMPUTER LABORATORY FEE  
IN ENGINEERING**

Resolution No. 94-125

Synopsis: Authorization to continue with a computer laboratory fee in the College of Engineering is proposed.

WHEREAS the College of Engineering was authorized to implement a computer laboratory fee for its majors in Spring 1993; and

WHEREAS a review of the first year has shown the income from that fee to have been invested as planned and the planned first-year improvements in instructional computing services to have been accomplished; and

WHEREAS a survey of engineering students has shown substantial satisfaction with the improvements already made; and

WHEREAS the College of Engineering has monitored the use of computing laboratories and taken steps to increase accessibility as needed by students; and

WHEREAS there is a need to continue the implementation of the College of Engineering computer laboratory plan; and

WHEREAS students who are majors in computer and information science in the College of Mathematical and Physical Sciences make substantial use of Engineering computing laboratories, approximately 2/3 as much as their counterparts in Engineering, but are not currently assessed the computing fee:

NOW THEREFORE

BE IT RESOLVED, That the College of Engineering is authorized to continue assessing undergraduate majors and graduate students in the college a computer laboratory fee. Beginning Autumn Quarter 1994 full-time undergraduate majors (12 credit hours or more) and full-time graduate students (8 credit hours or more) will be assessed \$120 per quarter. The fee will be prorated at \$10 per credit hour for undergraduate majors enrolled for less than 12 credit hours and at \$15 per credit hour for graduate students enrolled for less than 8 credit hours. For subsequent years the computing fee will be limited to 15% of the resident undergraduate tuition and the prorated fees for students who are not full-time will be adjusted correspondingly; and

BE IT FURTHER RESOLVED, That majors in computer and information science who are enrolled in the College of Mathematical and Physical Sciences will be assessed a computing laboratory fee by the College of Engineering beginning in Autumn Quarter 1994 at the rate of 2/3 of the amount assessed engineering majors; and

BE IT FURTHER RESOLVED, That the use of the Engineering computer laboratory fee will be reviewed by the Office of Academic Affairs and approved by the Board of Trustees annually until the fee is eliminated or replaced by a University-wide computing fee.

Upon motion of Mr. Kessler, seconded by Mr. Shumate, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**DEGREES AND CERTIFICATES - SPRING QUARTER COMMENCEMENT**

Resolution No. 94-126

Synopsis: Approval of Degrees and Certificates for Spring Quarter is proposed.

WHEREAS pursuant to paragraph (E) of rule 3335-1-06 of the Administrative Code, the Board has authority for the issuance of degrees and certificates; and

WHEREAS the faculties of the colleges and schools shall transmit, in accordance with rule 3335-9-29 of the Administrative Code, for approval by the Board of Trustees, the names of persons who have completed degree and certificate requirements; and

WHEREAS the Colleges of the Arts and Sciences have recommended that Jennifer Jane Burdick be awarded a Bachelor of Arts degree posthumously in the College of Biological Sciences, and John Doner Galyk be awarded a Bachelor of Arts degree posthumously in the College of Social and Behavioral Sciences:

NOW THEREFORE

BE IT RESOLVED, That the degrees and certificates be conferred on June 10, 1994, to those persons who have completed the requirements for their respective degrees and certificates and are recommended by the colleges and schools, and that the names of those persons awarded degrees and certificates be included in the minutes of this meeting.

Upon motion of Mr. Kessler, seconded by Mr. Celeste, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**PERSONNEL ACTIONS**

Resolution No. 94-127

RESOLVED, That the personnel actions as recorded in the Personnel Budget Records of the University since the April 8, 1994 meeting of the Board, including the following Appointments, Appointment/Reappointment of Chairpersons, Leaves of Absence Without Salary--Continuation, Professional Improvement Leave, Emeritus Titles, as detailed in the University Budget be approved.

Appointments

Name: FERDINAND A. GEIGER  
Titles/Terms: Special Assistant to the Vice President for Student Affairs,  
effective May 16, 1994 - June 30, 1994  
Director of Athletics, effective July 1, 1994  
Office/Department: Student Affairs/Athletics  
Salary: \$130,000.00  
Present Position: Director of Intercollegiate Athletics, University of Maryland at College Park

Name: WAYNE K. HOY  
Title: Professor (Novice G. Fawcett Chair in Educational Administration)  
Department: Educational Policy and Leadership  
Effective: October 1, 1994  
Salary: \$103,008.00  
Present Position: Professor, Graduate School of Education, Rutgers University, New Brunswick, NJ

**PERSONNEL ACTIONS (contd)**

Appointment of Chairperson

October 1, 1994 through September 30, 1998

Finance

Stephen A. Buser

Reappointment of Chairpersons

July 1, 1994 through June 30, 1998

Cell Biology, Neurobiology, and Anatomy  
Emergency Medicine  
Preventive Medicine

James S. King  
Douglas A. Rund  
Randall E. Harris

Leaves of Absence Without Salary--Continuation

KA-KEUNG C. CHAN, Associate Professor, Department of Finance, effective Autumn Quarter 1994, Winter Quarter and Spring Quarter 1995, to continue to do research at the Hong Kong University of Science and Technology.

ROY JOSHUA, Assistant Professor, Department of Mathematics, effective February 16, 1994, through March 31, 1994, to continue his visit at the University of Paris XIII.

Professional Improvement Leave

ANNE S. PRUITT, Director of the Center for Instructional Resources and Professor in the Department of Educational Policy and Leadership, effective July 1, 1994, through June 30, 1995.

Emeritus Titles

OSCAR E. BRADFUTE, Department of Plant Pathology, with the title Professor Emeritus, effective April 1, 1994.

ALEXANDER M. MAIN, School of Music, with the title Professor Emeritus, effective July 1, 1994.

Upon motion of Mr. Kessler, seconded by Mr. Celeste, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

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**INVESTMENTS COMMITTEE REPORT**

Mr. Shumate:

Madam Chair, the Investments Committee met this morning and reviewed the Monthly and Quarterly Endowment Portfolio reports. I am going to ask Mr. Nichols to give that report.

Mr. Nichols:

Thank you, Mr. Chairman. For the last period, the market value of the Endowment was \$490.4 million, which is about \$21.8 million below the report of last month. The equity portion decreased \$18.3 million and the fixed income portion decreased

**INVESTMENTS COMMITTEE REPORT (contd)**

Mr. Nichols: (contd)

\$3 million, due to the substantial movements in the markets over the period at date.

Net new additions to the Endowment Fund totaled \$900,000 for the month. Since July 1, the Endowment Fund has had a decrease overall of \$2.8 million, which includes net new additions of \$9.4 million. Current asset allocation for the Endowment is 60 percent in equities, 25 percent in fixed income, 8 percent in real estate, and 7 percent in cash, which is at our target allocations.

The Investments Committee also discussed the Quarterly Endowment Report of March 31. It was reported that the Endowment Fund withstood the market correction quite well, compared to the major indices, at a total rate for the 9 months of 1.9 percent; compared to 0.8 for the S&P 500; and 0.2 for the Lehman Corporate Government Index. The Endowment will distribute \$24.2 million to its nearly 2,100 funds during the 1994 Fiscal Year.

Finally, the Investments Committee reviewed the refinancing proposal for the debt for the River Road Hotel Corporation that was presented. The Committee voted to recommend that resolution for approval and that is submitted for your consideration.

Mr. Skestos:

I would like to make a comment on the River Road Hotel Corporation. I noticed from your figures that you have used a figure of 7.85 percent on refinancing. I know that there is some concern that we could do much better since we would be applying the full faith and credit of the University behind this refinancing. My only thoughts is that I would like to see some alternative methods of financing -- we might look at a floater or a seven-day roll over. Because every difference we save in the short period of term that we are talking about, would help us reduce not only those unsecured obligations that the University has out there, but would also help us take down the total loan of the \$8.5 million.

So I hope that maybe at the next Investments Committee, you could give the Committee some of the differences in rates and risks. To make sure that we do secure obviously the smallest amount of interest during the short period of time because it is very critical, I think, to our investment.

Mr. Nichols:

The numbers presented were presented intentionally in a conservative mode because of the dramatic movements in the markets in the last couple of months. There are seven investment banking firms that have submitted proposals in a wide variety of scenarios, Mr. Skestos. I will be glad to bring all of those forward at the next meeting.

Amb. Wolf:

Madam Chair, I also want to express reservations about moving forward at this moment. Because to replace the small amount of guarantee by a full guarantee with the credit of the University behind it, I don't believe that we have improved our position. Any time the University wants to guarantee a loan, it could get a mortgage rate at that interest level or better.

**INVESTMENTS COMMITTEE REPORT (contd)**

Amb. Wolf: (contd)

I would like to know what the interest rate would be had we kept the same \$1 million guarantee that the University has previously pledged? That would reflect the deterioration or the lowering of interest rates that have generally taken place. I can't separate whether the new mortgage rate reflects the reduction in interest rates generally or if it reflects just the personal guarantee of the University?

Mr. Nichols:

It reflects the drop in the interest rates. The investment banking firms discussed this and all felt that they could not be able to proceed unless the guarantee was in place.

Amb. Wolf:

I believe that the reflection is strictly substituting the University's guarantee for that debt, for their physical property's guarantee for the debt; not the reduction, in general, the interest rates have had in the last 6 months.

Ms. Casto:

Does anyone else want to comment on the situation? It passed the Committee and is on our agenda.

Mr. Shumate:

Madam Chair, the Committee has fully debated these various issues and determined that there is an appropriate financial benefit to the University in moving forward with the proposal, so I will move the motion.

**REFINANCING OF DEBT OF RIVER ROAD HOTEL CORPORATION  
BY THE OHIO STATE UNIVERSITY ENDOWMENT FUND**

Resolution No. 94-128

Synopsis: Authorization is requested to refinance the debt of River Road Hotel Corporation.

WHEREAS The Ohio State University Endowment Fund is the sole shareholder of River Road Hotel Corporation, which owns and operates the Ramada University Hotel and Conference Center at 3110 Olentangy River Road, Columbus, Ohio; and

WHEREAS River Road Hotel Corporation has an outstanding mortgage with John Hancock Mutual Life Insurance Company at an interest rate of 10 percent per annum; and

WHEREAS interest rates have decreased substantially in recent years which makes refinancing attractive; and

WHEREAS it is in the interest of the University Endowment Fund to refinance the mortgage to incur a lower interest charge, and be the ultimate beneficiary of increased cash flow; and

WHEREAS Arthur Andersen, the University's tax consultant, has reviewed the proposed transaction and has advised the University as to the advantages of such transaction:

**REFINANCING OF DEBT OF RIVER ROAD HOTEL CORPORATION  
BY THE OHIO STATE UNIVERSITY ENDOWMENT FUND (contd)**

NOW THEREFORE

BE IT RESOLVED, That the Treasurer be authorized to refinance up to \$8.5 million of the debt of River Road Hotel Corporation on behalf of The Ohio State University Endowment Fund, and sign the necessary agreements and documents; and

BE IT FURTHER RESOLVED, That the Treasurer be authorized to utilize the University Endowment Fund to guaranty debt of River Road Hotel Corporation to a maximum of \$8.5 million.

Upon motion of Mr. Shumate, seconded by Mr. Celeste, the Board of Trustees adopted the foregoing resolution with seven affirmative votes cast by Ms. Casto, and Messrs. Kessler, Wexner, Shumate, Celeste, Colley, and Skestos, and an abstention by Amb. Wolf.

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Mr. Shumate:

Also, Madam Chair, in the Investments Committee meeting this morning, we received a report on private support for the University for July - March, compared with the same period. That report is in the Development section of the Board books.

Through March total dollars contributed is 10 percent less than last year at this time. Much of this can be attributed to a number of estate gifts from alumni which were received last year. I would like to point out the following items: first of all non-alumni giving is, in fact, up 22 percent; gifts from private foundations are up 32 percent; gifts for building and equipment are running 19 percent ahead of last year; private support for student financial aid continues to be ahead of last year, it is up 15 percent; and unrestricted gift segment to colleges and departments is also up by 15 percent.

At this time, I would like to recommend to the Board the establishment of seven named endowed funds totaling \$349,381.48 in restricted support to the University and the change in name and description of two named endowed funds. In addition, I recommend the acceptance of \$626,365.00 in gift receipts to endowed funds and \$1,948,659.00 to current use funds received during the month of March.

**REPORT ON UNIVERSITY DEVELOPMENT**

Resolution No. 94-129

Synopsis: The report on the receipt of gifts and the summary for March 1994 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Development Fund and The Ohio State University Foundation; and

WHEREAS this report includes the establishment of seven (7) new named endowed funds and amendments to two (2) endowed funds :

NOW THEREFORE



**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

BE IT RESOLVED, That the acceptance of the report from The Ohio State University Development Fund and The Ohio State University Foundation during the month of March 1994 be approved.

Upon motion of Mr. Shumate, seconded by Mr. Kessler, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

SUMMARY  
TOTAL UNIVERSITY PRIVATE SUPPORT  
July-March  
1992-93 compared to 1993-94  
GIFT RECEIPTS BY DONOR TYPE

	Dollars		<u>% Change</u>
	July through March		
	<u>1992-93</u>	<u>1993-94</u>	
Individuals:			
Alumni (Current Giving)	\$13,653,944	\$ 9,339,931	(32)
Alumni (From Bequests)	<u>2,044,300</u>	<u>1,570,695</u>	(23)
Alumni Total	\$15,698,244	\$10,910,626	(30)
Non-Alumni (Current Giving)	\$ 5,755,927	\$ 7,470,744	30
Non-Alumni (From Bequests)	<u>2,161,758</u>	<u>2,198,626</u>	2
Non-Alumni Total	\$ 7,917,685	\$ 9,669,370	22
Individual Total	\$23,615,929	\$20,579,996	(13) <sup>A</sup>
Corporations/Corp Foundations	\$16,778,079	\$14,971,657	(11) <sup>B</sup>
Private Foundations	\$ 4,085,113	\$ 5,408,578	32 <sup>C</sup>
Associations & Other Organizations	<u>\$ 3,082,307</u>	<u>\$ 1,973,010</u>	(36) <sup>D</sup>
Total	\$47,561,428	\$42,933,241	(10)

**NOTES**

- A Non-alumni individual giving is up 22% largely due to an increase in gifts of \$10,000 or more (92 for \$5.5 million last year; 98 for \$6.9 million this year). Alumni giving is down 30%. The five largest gifts from alumni thus far this year total \$2.8 million. For the same period of time last year, the five largest alumni gifts totaled \$7.6 million.
- B Corporate giving is down 11%. This is largely due to the \$3.2 mainframe computer given by IBM last year in January. No corporate gift of this magnitude has been received this year. However, if the \$3.2 million computer is factored out, corporate giving is up 10%.
- C Gifts of \$10,000 or more from private foundations are \$1.3 million ahead of the same time last year.
- D Last year during July-March, 76 associations or other organizations gave \$10,000 or more (\$2,146,447). This year during the same period only 52 organizations gave at this level for a total of \$1,223,473.  
(Note: Of the \$42,933,241 in current year gift receipts, \$3,184,215 or 7% is the result of the payment of pledges from The Ohio State University Campaign).

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

SUMMARY (contd)  
 TOTAL UNIVERSITY PRIVATE SUPPORT (contd)  
 July-March  
 1992-93 compared to 1993-94 (contd)  
GIFT RECEIPTS BY PURPOSE

	<u>1992-93</u>	<u>1993-94</u>	<u>% Change</u>
Gift Additions to Endowment:	\$17,019,584	\$14,646,758	(14)
Gifts to Current Use Funds:			
Buildings/Equipment	\$ 5,403,894	\$ 6,443,185	19
Program Support	\$17,463,860	\$13,281,496	(24)
Student Financial Aid	\$ 2,333,502	\$ 2,686,086	15
Annual Funds-Colleges/Departments	\$ 4,423,278	\$ 5,082,010	15
Annual Funds-University	<u>\$ 917,310</u>	<u>\$ 793,706</u>	(13)
Total	\$47,561,428	\$42,933,241	(10)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

Establishment of Named Endowed Funds

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
The Helen O'Brien Hefner Cancer Research Endowment Fund (Cancer Research - The Arthur G. James Cancer Hospital and Research Institute)		\$95,542.26	\$95,542.26
The Harry E. Ashmead Memorial Fund in Electrical Engineering (Teaching and Research - College of Engineering, Department of Electrical Engineering)		\$18,203.47	\$18,203.47
The David H. Adamkin Athletic Scholarship Fund in Honor of Randall Dale Ayers (Scholarships - Athletics, Men's Basketball)		\$15,318.75	\$15,318.75
Jean W. and Clarence J. Cunningham 4-H Leadership Fund (Programs and Activities - College of Agriculture or College of Human Ecology)		\$15,000.00	\$15,000.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds (contd)

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
The Heldt Family Scholarship in Veterinary Medicine (Scholarships - College of Veterinary Medicine)	\$7,500.00	\$7,500.00	\$15,000.00
The Donald J. Pearson, M.D. and Ruth M. Pearson Memorial Endowment Fund (Cancer Research - The Arthur G. James Cancer Hospital and Research Institute)		\$15,000.00	\$15,000.00

Change in Name and Description of Named Fund

From: Ronald L. and Sharon Smith Redick Home Economics Graduate Fellowship Fund  
To: Ronald L. and Sharon Smith Redick Home Economics Graduate Fellowship/Scholarship Fund

THE OHIO STATE UNIVERSITY FOUNDATION

Establishment of Named Endowed Fund

Marjorie C. Martin/American Maltese Association Paladin Veterinary Research Fund (Research - College of Veterinary Medicine)	\$175,317.00	\$175,317.00
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Change in Name and Description of Named Fund

From: The Harold E. Burtt Chair in Industrial Psychology Fund  
To: The Harold E. Burtt Chair in Psychology Fund

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

Establishment of Named Endowed Funds

The Helen O'Brien Hefner Cancer Research Endowment Fund

The Helen O'Brien Hefner Cancer Research Endowment Fund for The Arthur G. James Cancer Hospital and Research Institute was established May 6, 1994, by the Board of Trustees of The Ohio State University, with a gift to The Ohio State University Development Fund from the estate of Helen O'Brien Hefner.

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University with the right to invest and reinvest as occasion dictates.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds (contd)

The Helen O'Brien Hefner Cancer Research Endowment Fund (contd)

The annual income shall be used to support cancer research in The Arthur G. James Cancer Hospital and Research Institute as approved by the Director of The Arthur G. James Cancer Hospital and Research Institute and the Vice President of Health Services.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the Director of The Arthur G. James Cancer Hospital and Research Institute and the Vice President of Health Services in order to carry out the desire of the donor.

\$95,542.26

The Harry E. Ashmead Memorial Fund in Electrical Engineering

The Harry E. Ashmead Memorial Fund in Electrical Engineering was established May 6, 1994, by the Board of Trustees of The Ohio State University, with a contribution to The Ohio State University Development Fund from the estate of Harry E. Ashmead (B.E.E. '29, M.S. '31).

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income will be used at the discretion of the Department of Electrical Engineering's Chairperson to enhance electrical engineering teaching and research at the University.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate college dean, department chairperson, or program administrative officer in order to carry out the desire of the donor.

\$18,203.47

The David H. Adamkin Athletic Scholarship Fund in Honor of  
Randall Dale Ayers

The David H. Adamkin Athletic Scholarship Fund in Honor of Randall Dale Ayers was established May 6, 1994, by the Board of Trustees of The Ohio State University, with gifts to The Ohio State University Development Fund from David H. Adamkin (B.S.Agr. '70) Louisville, Kentucky, in honor of Randall Dale Ayers.

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University with the right to invest and reinvest as occasion dictates.

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds (contd)

The David H. Adamkin Athletic Scholarship Fund in Honor of  
Randall Dale Ayers (contd)

The annual income shall be used to supplement the grant-in-aid scholarship costs of student-athletes who are members of the varsity men's basketball team pursuing undergraduate degrees at The Ohio State University. Recipients will be selected by the Director of Athletics in consultation with the University Committee on Student Financial Aid.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees as recommended by the Director of Athletics in order to carry out the desire of the donor.

\$15,318.75

Jean W. and Clarence J. Cunningham 4-H Leadership Fund

The Jean W. and Clarence J. Cunningham 4-H Leadership Fund was established May 6, 1994, by the Board of Trustees of The Ohio State University, with gifts to The Ohio State University Development Fund from family and friends along with a special gift from Clarence J. Cunningham in memory of his wife, Jean W. Cunningham.

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used for leadership development programs and activities that will recognize outstanding leadership among older 4-H members and/or former 4-H members who are student leaders enrolled at The Ohio State University. Funding of a national leadership recognition trip to a national 4-H event for an outstanding member shall be the first priority in use of available funds each year. The second priority for use of the available funds shall be for leadership development programs/activities of former 4-H members who have demonstrated outstanding undergraduate student leadership. Students enrolled in the College of Agriculture or in the College of Human Ecology shall be given priority. Any unused funds shall be retained for later years use or reinvestment in the principal account. Selection of award recipients shall be made by the assistant director (state leader) for 4-H or his/her designee who shall have responsibility for the implementation of details deemed to be in keeping with the intent of the late Jean W. Cunningham and her husband, Clarence J. Cunningham.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the University's Board of Trustees in consultation with the director, Ohio State University Extension in order to carry out the desire of the donors.

\$15,000.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

Establishment of Named Endowed Funds (contd)

The Heldt Family Scholarship in Veterinary Medicine

The Heldt Family Scholarship in Veterinary Medicine was established May 6, 1994, by the Board of Trustees of The Ohio State University, with gifts to The Ohio State University Development Fund from Lewis Rolfes Heldt, (M.A. Education, '51) of Toledo in memory of pets "Cat," "Coco," "Snoopy," "Boots," "Charley/Orangy," and "Mama Cat and Four Kittens."

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide one or more scholarships for students in veterinary medicine. The recipient should be committed to the study and practice of animal geriatrics and the dealing with the pet owner in a caring, compassionate, supporting, and consoling manner. Students shall be selected upon the recommendation of the Dean, College of Veterinary Medicine, and in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate college dean, department chairperson or program administrative officer in order to carry out the desire of the donor.

\$15,000.00

The Donald J. Pearson, M.D., and Ruth M. Pearson  
Memorial Endowment Fund

The Donald J. Pearson M.D., and Ruth M. Pearson Memorial Endowment Fund for The Arthur G. James Cancer Hospital and Research Institute was established May 6, 1994, by the Board of Trustees of The Ohio State University, with a gift to The Ohio State University Development Fund from Mrs. Ruth M. Pearson.

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support cancer research in The Arthur G. James Cancer Hospital and Research Institute as approved by the Director of The Arthur G. James Cancer Hospital and Research Institute and the Vice President of Health Services.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the Director of The Arthur G. James Cancer Hospital and Research Institute and the Vice President of Health Services in order to carry out the desire of the donor.

\$15,000.00

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

**THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)**

Change in Name and Description of Named Endowed Fund

Ronald L. and Sharon Smith Redick  
Home Economics Graduate Fellowship/Scholarship Fund

The Ronald L. and Sharon Smith Redick Home Economics Graduate Fellowship Fund was established June 2, 1989, by the Board of Trustees of The Ohio State University, with gifts to The Ohio State University Development Fund from Ronald L. (M.A. '64, Ph.D. '69) and Sharon Smith Redick (B.S.H.E. '60, M.A. '64) of Columbus, Ohio. The name and description were revised May 6, 1994.

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University with the right to invest and reinvest as occasion dictates.

The income shall be added to the principal until the principal reaches \$10,000.00. The annual income shall be used to fund a graduate fellowship or scholarship. The fellowship or scholarship shall be awarded to students preparing for positions in Home Economics Education. Preference is to be given to students with the following characteristics in priority order: 1) minorities or males; 2) students with high academic credentials; 3) those with prior experience as officers or advisors in Future Homemakers of America, and those active in home economics education related professional and/or honorary societies; and 4) applicants from Morrow County, Ohio. The recommendation for the recipient will be made by the faculty implementing the home economics teacher education program, in consultation with the University Committee on Student Financial Aid.

In the event that The Ohio State University should no longer support a home economics teacher education program, this account will be moved to the College of Education for graduate fellowships/scholarships. Preference is to be given to students with an interest in the study of curriculum and instruction.

Should the need for this fund cease to exist or so diminish as to provide unused income, then the income may be used for any purpose whatsoever as determined by the Board of Trustees, with preference being given to the recommendation of the Dean of the College of Human Ecology or the Dean of the College of Education.

**THE OHIO STATE UNIVERSITY FOUNDATION**

Establishment of Named Endowed Fund

Marjorie C. Martin/American Maltese Association  
Paladin Veterinary Research Fund

The Marjorie C. Martin/American Maltese Association Paladin Veterinary Research Fund was established May 6, 1994, by the Board of Trustees through funds received by the University from The Ohio State University Foundation, which has established an endowed fund with gifts from the estate of Marjorie C. Martin, in cooperation with the American Maltese Association.

One-half of the annual income shall be reinvested by the Foundation in the original fund. The remaining one-half of the annual income shall be distributed to The Ohio State University to fund veterinary research into diseases, defects, injuries and treatment of Maltese dogs and related toy breeds (i.e. breeds in which a typical adult animal is seven pounds or less) with particular emphasis

**REPORT ON UNIVERSITY DEVELOPMENT (contd)**

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

Establishment of Named Endowed Fund (contd)

Marjorie C. Martin/American Maltese Association  
Paladin Veterinary Research Fund (contd)

on problems of reproduction, hypoglycemia, risks of surgery, and use of anesthetics. However, as research and veterinary science advance, the need for research into various topic areas may change.

The College shall report use of funds and research performed to the American Maltese Association annually. The College shall also consider suggested ideas and areas of research interest from the Association. This in no way is intended to restrict the University's use of the funds or to interfere with scientific or veterinary ethics or the scientific or veterinary legitimacy of the research.

\$175,317.00

Change in Name and Description of Named Endowed Fund

The Harold E. Burt Chair in Psychology Fund

The Harold E. Burt Chair in Industrial Psychology Fund was established June 1, 1990, by the Board of Trustees of The Ohio State University, with gifts to The Ohio State University Foundation from Ruth and Frank (Ph.D. Psychology, 1935) Stanton, New York, New York. The name and description were revised May 6, 1994.

All gifts are to be invested in the University's permanent endowment fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University with the right to invest and reinvest as occasion dictates.

Income provided by the Foundation shall be added to the principal until the minimum amount for funding an endowed chair (\$1,250,000) has been reached. At that time, the annual income shall be used to provide salary and program support for the work of a distinguished teacher and scholar in the Department of Psychology whose interests focus on issues of fundamental research and theory related to the application of psychology in areas such as communication, organizations, public policy, and information-processing decision-making and choice behavior. Appointment to the Harold E. Burt Chair will be recommended by the Dean of the College of Social and Behavioral Sciences to the Provost and approved by The Ohio State University Board of Trustees.

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate college dean, department chairperson, or program administrative officer in order to carry out the desire of the donors.

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## STUDENT AFFAIRS COMMITTEE REPORT

Mr. Francisco:

This morning during our Committee meeting, Mary Daniels commented on the student health insurance which will be coming forth at the June Board meeting. Also, Larry Romanoff and Kate Riffie, from the Department of Athletics, talked about academic and life support for our student athletes. May I also comment, that we have four academic counselors who are doing a terrific job with 800 athletes in 32 different sports. I think they're doing a heck of a job.

I would like to now go on to the student government reports. Wes Bishop reported today on IPC's year in review and bid his farewell to the Committee. Wes had to go and take an exam today. The other two presidents will be speaking a little later. The Committee also presented resolutions to Frank Chloupek, Chris Norman, and Wes Bishop this morning, expressing the Board's appreciation for their commitment and exceptional service to the University as Student Government Presidents during this past year. Madam Chair, a motion is needed to ratify these expressions of appreciation.

### EXPRESSION OF APPRECIATION

Resolution No. 94-130

WHEREAS Wesley T. Bishop, a student in the College of Law, has served as President of the Inter-Professional Student Council during the past year; and

WHEREAS Wes also has served the University with distinction on several committees; and

WHEREAS his achievements include national recognition in his field of study; and

WHEREAS he has earned the respect of students, faculty, and staff for his commitment to the University:

NOW THEREFORE

BE IT RESOLVED, That this Board expresses appreciation to Wesley T. Bishop for his service and leadership to The Ohio State University and wishes him happiness, health, and success in the future.

Upon motion of Mr. Celeste, seconded by Mr. Skestos, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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### EXPRESSION OF APPRECIATION

Resolution No. 94-131

WHEREAS Frank R. Chloupek, a doctoral candidate in physics, has served as the President of the Council of Graduate Students during the past year; and

WHEREAS Frank has served the University with competence and commitment on several committees during the last three years; and

WHEREAS he has demonstrated the finest qualities of leadership; and

**EXPRESSION OF APPRECIATION (contd)**

WHEREAS he has maintained the highest academic standards and shows great promise of outstanding scholarship in the future:

NOW THEREFORE

BE IT RESOLVED, That this Board expresses appreciation to Frank R. Chloupek for his dedication and commitment to The Ohio State University and wishes him, happiness, good health, and success in the future.

Upon motion of Mr. Celeste, seconded by Mr. Skestos, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**EXPRESSION OF APPRECIATION**

Resolution No. 94-132

WHEREAS Christopher T. Norman, an undergraduate student, has served as the President of the Undergraduate Student Government during the past year; and

WHEREAS he has demonstrated outstanding leadership skills during his undergraduate experience at the University; and

WHEREAS Chris has worked tirelessly for the University as a student representative both on campus and in intercollegiate associations; and

WHEREAS he has extended his commitment of service to the larger community, especially in his work with children and the elderly:

NOW THEREFORE

BE IT RESOLVED, That this Board expresses appreciation to Christopher T. Norman for his service and leadership to The Ohio State University and wishes him happiness, health, and success in the future.

Upon motion of Mr. Celeste, seconded by Mr. Skestos, the Board of Trustees adopted the foregoing resolution by unanimous voice vote.

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**REPORTS FROM STUDENT GOVERNMENT PRESIDENTS**

Mr. Francisco:

Now, I would like to call on Frank Chloupek and Chris Norman to address the Board.

Mr. Frank Chloupek:

Thank you, Madam Chair. Good morning ladies and gentlemen, I am pleased to be speaking to you today as the elected representative of Ohio State's more than 11,000 graduate students.

## REPORTS FROM STUDENT GOVERNMENT PRESIDENTS (contd)

Mr. Chloupek: (contd)

Graduate students fill many roles at Ohio State: participating in and often initiating the cutting edge research that goes on here; seeing to the education of undergraduates; and, perhaps most importantly, learning -- being here to obtain an advanced degree to take back to the professional, academic, or governmental world.

I am pleased to be here today to bring you some of their concerns, including those of unsupported graduate students, enrollment and placement issues, graduate associate support, the 1994-95 student health plan, and student fees.

**Unsupported Graduate Students.** The traditional image of a graduate student is that of an individual devoting their full attention to their studies while serving a paid teaching or research apprenticeship. That picture is becoming less valid today. Many students are supported by their savings, loans, or earnings from their full-time jobs, as they pursue their advanced degree. CGS applauds the initial efforts of the University to have certain administrative offices open at night and hope to see that trend of accessibility continue. Further, we urge the University to stress the importance of the prompt delivery of financial aid and advocate the existence of adequate support services for these graduate students.

**Graduate student enrollment and placement.** It has often been mentioned that increasing graduate student enrollment would promote a richer academic environment. Any plan to increase either the number or proportion of graduate students on campus will require careful thought at all levels. Specifically, care must be taken to address: the departmental capacities, in terms, of advising and teaching; increase numbers of graduate students since graduate courses are by nature limited in size and more faculty intensive; the availability of support for additional graduate students, especially if fewer teaching associate positions are available as a result of departmental restructuring; issues of recruitment and retention of graduate students from underrepresented populations; and the relationship between the size of OSU programs and the outside job market.

I refer you to an excellent article on this topic which appeared in the March 23, 1994 issue of *The Chronicle of Higher Education*. There will be a short quiz on this article at the next Board meeting.

**Graduate Associate Support.** With the recent increases in health insurance premiums, parking permit costs, and other University fees, the purchasing power of a graduate stipend has not kept up with the cost of living in Columbus. The Council appreciates the efforts made this year by the Vice President for Finance and others involved in the budget process, to see that this situation is remedied somewhat. I hope they will continue their diligence to ensure that the compensation package is fairly and equitably distributed among new and returning graduate students. It will certainly be a multi-year project to ensure that graduate stipends are at a level that can assure Ohio State's competitiveness for the best and brightest graduate students.

Furthermore, CGS applauds the efforts of the Graduate School, through its Graduate Associate and Fellowship Committee, to study assistantships across the University to ensure that half-time associateships adequately represent 20 hours of work. The Graduate School and its committees provide an objective view in this matter, as they are independent from the concerns of individual departments. Ohio

**REPORTS FROM STUDENT GOVERNMENT PRESIDENTS (contd)**

Mr. Chloupek: (contd)

State must ensure that graduate students are provided with every opportunity to attain their degree in a timely fashion.

**Student Health Plan.** Numerous hours of student labor, assisted by dedicated administrators, staff, and faculty, have produced an excellent plan and I would encourage its full adoption, including the plans for domestic partner coverage by this Board at its June meeting. This provision is strongly welcomed by the Council of Graduate Students.

The 1994-95 Student Health Plan Proposal has received the unanimous endorsement of the Council on Student Affairs. The Student Health Plan is funded 100 percent through voluntary student premiums. No University funds would be used for domestic partner care or coverage. I urge you to follow the lead of peer institutions, such as the University of Chicago and the University of Iowa, and validate the independent student health plan by approving it in its entirety.

**Finally, Student Fees.** Some students attracted to Ohio State through fellowship and assistantship offers have been surprised to find that they have been given a bill for \$120.00 for departmental computers.

To expand upon the practice of individual college computing fees can lead to numerous college computing bureaucracies, and incompatible college systems. Students may have to learn different operating systems and software as they move from class to class. A central, uniform approach can result in a better educational experience for all students. A hodge-podge of individual college fees additionally sets a bad public relations precedent for the University by appearing to be an attempt to circumvent the State imposed cap on tuition and fees.

As an alternative, the Council endorses the Academic Computing Plan, which includes plans for a University-wide computing fee as a portion of its funding. The Council of Graduate Students is willing to work with the administration and the State Legislature to insure a properly funded central approach to address Ohio State's computing needs.

I have mentioned some of the major issues facing Ohio State graduate students today: unsupported graduate students, enrollment and placement issues, graduate associate support, the 1994-95 student health plan, and student fees. The Council of Graduate Students looks forward to working with you, and especially with the very able student members of the Board, to address these or any other issues facing The Ohio State University.

Thank you very much, Madam Chair. I will be happy to answer any questions the Board may have.

Ms. Casto:

Any questions? Thank you.

**REPORTS FROM STUDENT GOVERNMENT PRESIDENTS (contd)**

Mr. Chris Norman:

Once again, thank you for allowing me to speak today. I am here not only as the President of the Undergraduate Student Government, but also as a student who is going to be graduating real soon -- June 10.

I don't want to go into too much about what I think needs to be done, because I think that you all know first-hand by participating in Student-for-a-Day. I think that Mr. Celeste has seen some real stiffs in the classroom, and Jerry May has proven himself to be in better shape than myself in his Student-for-a-Day when he participated in the Greek run. I think Provost Sisson got a chance to see what it was like in a Chemistry classroom and what students have to deal with. So in that aspect, you have been out there, you are seeing what's going on, and I would encourage that we do it a little bit more. Let's turn the tables and give the students an opportunity to shadow you for a day, and to see what your lives are like in your busy roles. I think that is very important.

I'm just going to try and tell you a little bit about what has happened to me. This is my fifth year at Ohio State. I started out at ATI in Wooster, several years ago and that's where I proved myself academically and moved on to Ohio State to further my education. Living in a residence hall, I had some interesting experiences with several different roommates who came and went for a variety of reasons. One roommate set my room on fire two times in the same day, that was really a very interesting experience.

I have always loved Ohio State and have always been very active. I have a great fondness for Ohio State; it's really a part of me. As I have progressed through the past few years, I've thought of different ways to get involved and to become a part of the community, to share my experiences with other people, and to get them involved, too. I think that is why I became student government president. I am not a political science major and I am not going on to Law School. Actually, I am going to be working for the Ohio Farm Bureau when I graduate. Hopefully, I will be returning to the family farm one day to become a farmer, an agriculture producer. The reason that I did become USG President was because I cared very much for the University. I cared for the students here. I cared for just the entire environment that we live in, and I wanted to be very much a part of that.

I've seen a lot of good things at Ohio State, but I have seen some bad things too. I have had to say good bye to students that I never had the chance to meet. With Stephanie Hummer's death, I saw a call to action from the students. The student government answered that call by planning an open forum where students could address University administrators, community leaders, and also state leaders. They were able to get their questions answered on how can we make this a better and safer community.

I would like to let you know some things that USG has done this past year. I am not trying to praise myself, I am trying to praise the students who have been out there serving on the committees and working with all of you to give their input, and to help make this a better University. Starting last quarter, I don't think too many of us can forget the Jeep Eagle Health and Fitness Tour that came to our campus, where we got to see President Gee stretched out on a velcro wall.

## REPORTS FROM STUDENT GOVERNMENT PRESIDENTS (contd)

President Gee:

You should have seen me in my sumo wrestling suit this week!

Mr. Norman:

We saw the need to help educate our peers about safer sex. Not just the physical act and what safety precautions we need to take and the maturity level that needs to be there, but also the emotional commitment of that aspect of our lives. We saw programs like, "Coffee, Tea, and USG," which was an open forum to discuss women's issues and the climate forum on campus. One forum was held at President Gee's house and he was very receptive to what we had to say. We have been very active with the Ohio Coalition Against Sexual Assault. We participated in a variety of different parades to get Ohio State's name out and to get our name out and to help publicize students more.

We talked about physical abuse and talked about something that is not covered a lot and that is emotional abuse in relationships that we are in. We've cosponsored and participated in blood drives. We participated in disability simulation support, cosponsored by the Students for Disability Awareness. Every quarter, USG sponsors something called, "President for a Day." This is where one undergraduate student gets to shadow President Gee for a day. Autumn Quarter that was Nathan Traucht, and Winter Quarter it was Amanda Sutherland. It is a great experience for the students and I think also for President Gee to see both sides.

I think USG has been an active discussion leader and participant in involving discussions on a new student union, activity fees, restructuring, financial aid reform, disability concerns, diversity, traffic and parking -- Janet, thank you for the information you gave me the other day -- senior finals, sexual harassment, and on and on and on. In my five years -- I have only been involved in student government for two years -- I have never seen students on this campus be so actively involved in what goes on at a university. I think there is room for a lot of improvement in student activism, but I definitely think we are heading in the right direction.

USG specifically hosted the Association of Big Ten Student Government Conference. We have attended many leadership conferences -- not because we just wanted to get away and see what everyone was doing -- but because Ohio State was actively sought out to participate in these conferences. We are well respected, not just in the Big Ten, but throughout the nation. If any of you saw C-Span the other night, you would have seen six members of the Undergraduate Student Government on C-Span attending the National Student Leader Youth Convention in Washington, D.C.

I think the best thing I started was the Student-for-a-Day, to give you the opportunity to see what our lives are like on a day-to-day basis at the University. I think it was very rewarding, not only for you, but I think the students had a great opportunity to visit with you also.

I want to talk a little bit about the academic-side just to wrap up. I want to acknowledge some outstanding teachers that I have had the experience of coming in contact with and some others that have been mentioned to me over and over again: Isaac Mowoe from Black Studies; Sebastian Knowles from the Department

**REPORTS FROM STUDENT GOVERNMENT PRESIDENTS (contd)**

Mr. Norman: (contd)

of English; Alice Walters from Agriculture Communication; Fred Stephens from Poultry Science; Matt Ramsey, who I currently have for my English 291 class -- who is an awesome graduate student professor, he does a great job. I would also like to acknowledge my Chemistry G.A.s, who don't get enough credit a lot of times -- Doug Gernert and Louis Salvati, they are both a great, great help getting me through that course and a great help to the students who are also sharing that course with me; and also, Felecia Jones and Gerald Kosicki both from Journalism. There are many, many more. I could go on, but those are the ones that really stand out in my mind. And when I leave Ohio State, I will take these names with me and the help that they gave me. I will be contributing back to Ohio State, not just in the financial sense, but also in the verbal support and the emotional support. I will always be willing to come back to Ohio State and help you out in any way I possibly can.

I look forward to seeing everyone June 10, 9:30 a.m., in the Stadium -- be there. We have a great commencement speaker, I think everyone is going to be very, very pleased with him. I am sorry Hillary couldn't come, she was booked and Maya Angelou cost too much. But Mark is definitely a very inspirational person and you will all enjoy him very much.

President Gee:

Mark Goldston, a graduate of the University, is the Chief Executive Officer of LA GEAR. He is the guy who invented the shoes that light up when you walk along and that is what he is going to talk about -- how you light up shoes! He is going to be lots of fun and the students are going to enjoy him. It will be a challenge for all of us.

Chris, I must say that you have done a remarkable job. One of the things that strikes me is that you represent, in so many ways, the things that I think are wonderful about Ohio State. You are a young man who came off the family farm, went to ATI, had a good academic experience there, and decided to come to the University full-time. And just to hear you talk, all of a sudden you are talking about these wonderful, interesting, and enlightening issues. I suspect that five years ago, you didn't know that these things existed in terms of date rape, sexual harassment, and a number of the other issues which are of enormous importance in a community like this, but yet you have taken a leadership role.

Just one final comment to you, obviously you have contributed a great deal to Ohio State. The question of your own personal growth -- and I won't say enlightenment -- but the enhancement of your own opportunities to come in contact with people of different views, has that been an enormously productive experience, too?

Mr. Norman:

Very much so. I wouldn't have traded it for anything. I think what I got in the classroom was incredible, but what I got outside -- my participation, my service to the University -- goes above and beyond anything I could have ever gotten out of a book. It has been a unique experience to meet with state and federal representatives, personally to meet with other administrators from other universities, to work so closely with so many of you. There are a few of you I haven't had a chance to meet - Mr. Skestos and Mr. Wexner -- but I have wanted to. Time

**REPORTS FROM STUDENT GOVERNMENT PRESIDENTS (contd)**

Mr. Norman: (contd)

doesn't always allow that. I have very fond memories and I feel very, very prepared for my career. I graduate June 10 and start work June 13.

President Gee:

Chris, you have emphasized this June 10 so much. Do you have problems in a class that you need some help with?

Mr. Norman:

No. It has been a good term, it has been a good run. I am just looking forward to getting on and experiencing another aspect of life.

President Gee:

Well, I think that is a wonderful tribute to you and to the University. I appreciate that.

Ms. Casto:

I would like to call on Mr. Celeste.

Mr. Celeste:

Excuse me, Hiawatha, before you continue, one of the things that we would like to do is present you with this plaque for your service. It reads, "In appreciation to Hiawatha N. Francisco, Jr., for his dedication, commitment, and praiseworthy service to The Ohio State University."

President Gee:

I might note, Hiawatha, with that shoddy undergraduate degree that you have, that it is about time that you are getting some academic excellence in your life.

Mr. Hiawatha:

Thank you, Gordon. Half my blood is now Scarlet and Gray. The last thing I would like to add is that the President has started hosting student breakfasts. We had our first one last week, and the second one is later this month.

That concludes my report.

Ms. Casto:

I, too, will miss you. I have enjoyed working with you very much.

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**FISCAL AFFAIRS COMMITTEE REPORT**

Mr. Skestos:

The Committee met earlier this morning and discussed the proposed distribution of licensing revenue and the Third Quarter Report.

(See Appendix XXXIX for a chart on the FY 1994 Third Quarter Report, page 929.)

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Mr. Skestos:

The Fiscal Affairs Committee is recommending the following resolutions:

**WAIVERS OF COMPETITIVE BIDDING REQUIREMENTS  
JANUARY - MARCH 1994**

Resolution No. 94-133

Synopsis: Acceptance of the quarterly report on waivers of competitive bidding requirements is proposed:

WHEREAS the Purchasing Policy of The Ohio State University, adopted by the Board of Trustees on September 7, 1984, and revised on February 7, 1992, provides that the President and/or the Vice President for Business and Administration may grant a waiver from competitive bidding in the event of an emergency, when a sufficient economic reason exists, or when the goods or services can be purchased from only a single source, with a report on such waivers to be made quarterly to this Board; and

WHEREAS the Vice President for Business and Administration has submitted a report on waivers of competitive bidding requirements granted for the period of January - March, 1994; and

WHEREAS during the period covered, the Vice President for Business and Administration, at the requests of the departments making the purchases and upon the recommendation of the Purchasing Department, granted 36 waivers of competitive bidding requirements for annual purchases totaling approximately \$5,694,800.00, as shown on the enclosed exhibit:

NOW THEREFORE

BE IT RESOLVED, That the report on waivers of competitive bidding requirements for the period of January - March 1994, is hereby accepted.

Upon motion of Mr. Kessler, seconded by Mr. Celeste, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

(See Appendix XL for background information, page 931.)

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**REQUEST FOR CONSTRUCTION BIDS**

Resolution No. 94-134

MCCAMPBELL HALL - HEART REHABILITATION UNIT  
OARDC - SELBY HALL ROOF REPLACEMENT  
RHODES HALL - CARDIAC CATHETERIZATION LABORATORY  
POSTLE HALL - ASBESTOS ABATEMENT  
TURFGRASS FIELD SERVICES BUILDING

Synopsis: Authorization to request construction bids for the listed projects is proposed.

WHEREAS the College of Medicine desires to renovate rooms 188 and 192 in McCampbell Hall to provide an exercise area with supporting offices and examination rooms to accommodate the relocation of the cardiac rehabilitation program from Larkins Hall; and

WHEREAS an addition to the project design will provide cosmetic renovation including floor coverings, wall fabric, and paint, for the third floor of the Nisonger Center; and

WHEREAS the total estimated project cost is \$215,170, and the total estimated construction cost is \$209,667, with funding provided by the College of Medicine; and

WHEREAS the University desires to replace the badly deteriorated and leaking roof on Selby Hall at the OARDC campus; and

WHEREAS the current deteriorated condition of the building roof has made this project a high priority; and

WHEREAS the total estimated project cost is \$125,000, and the total estimated construction cost is \$110,000, with funding provided from House Bill 904; and

WHEREAS University Hospitals desires to proceed with the construction of a corridor from the second floor Radiology Department to connect with new, modular, pre-fabricated catheterization laboratories and to connect all three modular units; and

WHEREAS the total estimated project cost is \$300,000, and the total estimated construction cost is \$250,000, with funding provided by University Hospitals; and

WHEREAS the University desires to proceed with asbestos abatement work in mechanical rooms 048 and 161 in Postle Hall; and

WHEREAS the total estimated project cost is \$163,000, and the total estimated construction cost is \$129,000, with funding provided by the Board of Regents Asbestos Abatement fund (\$146,700) and Department of Physical Facilities (\$16,300); and

WHEREAS the Ohio Turfgrass Foundation has donated a new building (valued at approximately \$500,000) for use by the Agronomy Department and the Turfgrass Management Program; and

WHEREAS the total project cost for the site work and utilities for the building is \$200,000, and the total estimated construction cost for the site work and utilities is \$164,000, with funding for site work and utilities provided by the College of Agriculture:

NOW THEREFORE

**REQUEST FOR CONSTRUCTION BIDS (contd)**

MCCAMPBELL HALL - HEART REHABILITATION UNIT  
OARDC - SELBY HALL ROOF REPLACEMENT  
RHODES HALL - CARDIAC CATHETERIZATION LABORATORY  
POSTLE HALL - ASBESTOS ABATEMENT  
TURFGRASS FIELD SERVICES BUILDING (contd)

BE IT RESOLVED, That the President and/or Vice President for Business and Administration be authorized to request construction bids on these projects in accordance with established University procedures, and if satisfactory bids are received, to award contracts, with all actions to be reported to this Board at the appropriate time.

Upon motion of Mr. Celeste, seconded by Mr. Shumate, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

(See Appendix XLI for maps, page 933.)

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Ms. Pichette:

This particular item was reviewed by the Fiscal Affairs Committee and we are seeking authorization to sell a portion of Barnebey Center, located in Fairfield and Hocking Counties. There is background information and a map in your materials. The College of Agriculture and the School of Natural Resources have determined that the Center no longer can be operated economically and an opportunity has been presented to sell this property to the Columbus and Franklin County Metropolitan and Park District.

The Board previously approved the sale of the entire Center to Metro Parks, but the Park Board has concluded that for financial reasons they can proceed now with the purchase of only a portion of the Center. This sale should not effect the value of the remaining acreage or ability to market it effectively, but it will relieve the University of a liability issue with respect to the deteriorating and vacated facilities.

Proceeds from the sales will fund two scholarship accounts for agricultural students. Vice President Moser is here and we would be happy to respond to any questions you might have.

**SALE OF REAL PROPERTY**

Resolution No. 94-135

470 ACRES OF THE BARNEBEY CENTER  
FAIRFIELD AND HOCKING COUNTIES, OHIO

Synopsis: Authorization to sell approximately 470 acres of the Barnebey Center, located in Fairfield and Hocking Counties, is proposed.

WHEREAS the Board of Trustees of The Ohio State University owns approximately 1,278 acres of real property located in Madison Township of Fairfield County and Good Hope Township of Hocking County and known as the Barnebey Center; and

**SALE OF REAL PROPERTY (contd)**

**470 ACRES OF THE BARNEBEY CENTER  
FAIRFIELD AND HOCKING COUNTIES, OHIO (contd)**

WHEREAS the School of Natural Resources and College of Agriculture have determined that this property no longer is needed for, and cannot be operated economically in support of, the educational and research programs of the School; and

WHEREAS the Columbus and Franklin County Metropolitan Park District has offered to purchase approximately 470 acres of this property, including timber and mineral rights, for \$500,000, and the value of this portion of the property, based on the average of two appraisals, is approximately \$535,100, and

WHEREAS the net proceeds from the sale of this property shall be used to establish two Endowment accounts, The Barnebey Family Scholarship Fund and The Annabelle Hoge Scholarship Fund, for undergraduate and graduate scholarships for students in the School of Natural Resources; and

WHEREAS the appropriate University offices have determined that this sale is in the best interest of the University:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Vice President for Business and Administration be authorized, in the name of the Board of Trustees of The Ohio State University, to sell all of the University's right, title, and interest in this 470 acre portion of the Barnebey Center property, including all timber and mineral rights, to the Columbus and Franklin County Metropolitan Park District for no less than \$500,000.00, upon such terms and conditions as are deemed to be in the best interest of the University.

Upon motion of Mr. Kessler, seconded by Mr. Shumate, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

(See Appendix XLII for background information and map, page 939.)

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Mr. Skestos:

I would like to now call on Provost Richard Sisson, Dr. Ed Ray, and Mr. Bill Shkurti to present a resolution that is found in your agenda book.

Provost Sisson:

Thank you, Mr. Chairman. I would like to take just a moment to review the objectives that we have had with respect to the development of the budget this year. You will recall that on July 9, 1993, the Board approved two overriding objectives for the 1994-95 current funds budget. These are: to allocate resources consistent with the priorities of the academic planning process in order to improve the quality of our institution; and to establish the foundation that would enable us to achieve financial equilibrium by the end of Fiscal Year 1995, by balancing the FY '94 and FY '95 budgets, focusing on academic priorities, reducing multi-year spending plans, and streamlining our bureaucracy.

Provost Sisson: (contd)

Let me just say something about the academic priorities. The following areas have been identified through academic planning as those areas where additional resources should be focused for maximum benefit to our institution and competitive compensation for participants in our community: academic enrichment, computers -- critical, diversity -- critical, our research infrastructure, scholarships and other student services, and deferred maintenance. The financial equilibrium is critical also to the long-term stability and quality of our institution. I'd like to call on my colleague Bill Shkurti to elaborate in that regard.

Mr. Shkurti:

Thank you, Dr. Sisson. One of the things the Board has encouraged us to do consistently is think ahead, instead of lurching from one financial crisis to another. So the spirit behind this move toward financial equilibrium is to set a longer term financial goal for the University. This is detailed on page 4 of your handout. I won't go over all the details, but rather highlight what we are trying to do in this budget, which we really started last year. First, we want to define what financial equilibrium is -- which is to, overall, have our income and revenues in balance over the long run. This is not a guarantee. It doesn't happen by itself. The conditions that help us get there -- including the recruitment and retention of qualified students -- and then how this particular budget furthers the goal of financial equilibrium, which we hope to reach in fiscal year 1996, a year from now.

The other thing that I would stress is that as desirable as financial equilibrium is, it is not an end in itself. It really is a stable financial environment that promotes not the holding on to the status quo, but promotes constructive change, which is what we have been talking about this morning. So I think that gives us a sense of what we hope financially to accomplish in this budget. I will now turn to Dr. Ray who will talk about the academic priorities in the budget.

Dr. Ed Ray:

Thank you. To repeat a point made earlier, as part of the discussion about planning the targeting of University resources for longer than an annual period, but over a longer period of time as part of the planning process last year we settled on a number of priorities. Rather than simply repeat those and assert that, in fact, resources will be brought to bear on those areas of focus, let me match up some numbers for you.

We expect that in the overall budget we are looking at for Fiscal '95, that expenses will increase approximately 2.9 percent, compared with a cost of living increase of about 3 percent. So basically, in real terms, we have the same real resources to manage for the next year that we had this past year. Nonetheless, one of our chief priorities was to have competitive compensation packages. And so within this overall increase in expenditures of 2.9 percent, we have targeted for merit compensation increase purposes an amount equal to 4 percent.

We also indicated, last academic year, that we wanted to develop academic enrichment pools so that we could invest resources in new -- and to expand on existing -- areas of excellence in the academic enterprise. As part of the package that will be brought forward to you we anticipate putting \$2.5 million in new annual rate in cash into multi-year commitments. Those multi-year commitments include:

Dr. Ray: (contd)

\$1 million in cash and annual rate to be invested in specific academic program proposals. We have received proposals from deans, faculty, and chairs and we will be making decisions over the course of the next month about how to target those resources most effectively. We also indicated that, for example, computing and research infrastructure, student scholarships, and diversity were all among the objectives for the University.

Again, let me just point out quickly that \$800,000 in annual rate in those multi-year commitments is money to go toward high ability scholarship funds for students on a continuing basis that had not been part of our program before. In addition, we anticipate money for both administrative and academic computing purposes; and on the research support-side, an increase in overall expenditures of 7.8 percent. Again, this is within a budget that will be increasing only at 2.9 percent. With regard to student financial aid, we will be augmenting the monies that we are putting into student financial aid in the amount of 6.7 percent. So, again, I think if we look at the comparison between the areas that we have identified as priorities and where we are putting our money in a differential way, we are putting it where we said it counts the most.

Finally, let me end with deferred maintenance. This was an area in which we said we also need to pay closer attention and put resources. In the facilities and utilities area, we have targeted for an increase of 6.1 percent. So, again, I think that rhetoric and the reality of the resource allocations, in general, that we propose match up fairly well.

Mr. Skestos:

Are there any questions or any discussion?

**1994-95 CURRENT FUNDS BUDGET GUIDELINES**

Resolution No. 94-136

Synopsis: The budget guidelines for fiscal year 1994-95 are being submitted for adoption.

WHEREAS the levels of resources have been identified for the second year of the 1993-95 biennium; and

WHEREAS appropriate planning and consultation within the University has been accomplished; and  
WHEREAS the President is now prepared to present his 1994-95 Budget guideline recommendations:

NOW THEREFORE

BE IT RESOLVED, That the guidelines for the University's Current Funds Budget for fiscal year 1994-95, be developed from the accompanying text and tables; and

BE IT FURTHER RESOLVED, That the compensation package for fiscal year 1994-95 as presented in the accompanying documents be implemented by the President for faculty, staff and students; and

**1994-95 CURRENT FUNDS BUDGET GUIDELINES (contd)**

BE IT FURTHER RESOLVED, That tuition and fees be increased for all students beginning Autumn Quarter 1994 as specified in the accompanying guidelines incorporated in this resolution which is in compliance with current legislation; and

BE IT FURTHER RESOLVED, That the Secretary be instructed to incorporate all supporting documents into the minutes of this meeting, and to file these materials with the official records of this University.

Upon motion of Mr. Skestos, seconded by Mr. Celeste, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

(See Appendix XLIII for background information, page 943.)

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Mr. Skestos:

I would like to call on Mr. Shkurti to present the funding for the next development campaign.

Mr. Shkurti:

This was discussed in exhausting detail in the Investments and the Fiscal Affairs Committees. So I will just say that this provides a way of funding the next development campaign that protects the general fund; it also keeps faith with the donors that every penny in principal that they donate to the University will be used for the intent of the gift; and it represents the combined efforts of the Offices of Finance and Development in a method that we think funds the next campaign appropriately.

**FUNDING THE NEXT DEVELOPMENT CAMPAIGN**

Resolution No. 94-137

WHEREAS the University is about to embark on a major campaign; and

WHEREAS the University needs to invest in the resources to make such a campaign successful; and

WHEREAS General Fund resources are limited and additional reallocations in academic units must be avoided:

NOW THEREFORE

BE IT RESOLVED, That

1. The University be permitted to charge restricted and unrestricted development accounts received after July 1, 1994, an administrative charge of up to one percent of the value of the gift for the duration of the campaign as described in the attached text, provided that such charge does not reduce the principle of the gift.
2. The University may provide additional start up support for the campaign from unrestricted gift money as appropriate.

**FUNDING THE NEXT DEVELOPMENT CAMPAIGN (contd)**

3. The Vice President for Finance and the Vice President for Development report annually to the Investment Committee and Fiscal Affairs Committee of the Board of Trustees and to the University Foundation Board on the acquisition and expenditure of administrative funds.
4. This resolution shall expire at the end of the campaign (December 31, 2000) unless specifically re-authorized by the Board of Trustees; and

BE IT FURTHER RESOLVED, That the Secretary be instructed to incorporate all supporting documents into the minutes of this meeting, and to file these materials with the official records of this university.

Upon motion of Mr. Kessler, seconded by Mr. Shumate, the Board of Trustees adopted the foregoing resolution by unanimous roll call vote.

(See Appendix XLIV for background information, page 955.)

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President Gee:

One item we forgot -- Ed needs to say one thing about compensation.

Dr. Ray:

I think to the extent that everyone is comfortable with the overall budget package that's good, but we wanted to provide at this point, for informational purposes, a little bit more detail about the compensation package that's proposed. As I indicated, we anticipate a merit package of 4 percent available for faculty and staff. The goals that we had for putting this package together were to protect competitive compensation, our competitive compensation position, to maintain purchasing power, specifically to reward performance on a merit basis, to maintain equity within the system, and to do so in a way that is financially sound.

The package that we propose, as I indicated, is a merit based increase that amounts to 4 percent in total for faculty and staff. It is important to appreciate that because it is a merit package that, in fact, individuals will not automatically get 4 percent. There is not an across-the-board character to this raise package. We do talk about a basic merit increase for people who are performing appropriately in their duties as faculty and staff. For individuals in that category we have proposed an increase of \$600 for faculty and staff with salaries up to \$30,000, with the understanding that beyond \$30,000, the base unit of merit increase would be \$300, plus 1 percent. Some of the reasoning that went into that you have already gotten some inkling of in our discussion of the changes in the health benefit cost that individuals will be expected to bare. Again, we are talking about fixed dollar amounts below \$30,000, and a dollar amount plus a percentage above \$30,000. We believe that dealing in dollars rather than percentage terms will work relatively to the advantage of less well paid faculty and staff. This is the equity element of the package that we talked about.

I want to remind the Board that in Fiscal '93, faculty received no salary increase, staff received zero to one and a half percent, and we had no monies for specials and wages. In '94, faculty received a 2 percent merit package, again, many individuals did not get raises last year; one and a half to two percent for staff; and



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Dr. Ray: (contd)

a 2 percent specials increase.

In this regard -- and in response to the observation that Frank Chloupek made, that I think is a compelling one -- we need to stay competitive in our ability to attract and maintain high quality, high ability graduate students in this budget, we propose a 3 percent increase in specials and wages. So that's part of the compensation package that we are looking at. I thank you for your time.

Ms. Casto:

Thank you, Dr. Ray.

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**REPORT - UNIVERSITY'S ENDOWMENT FUND**

Resolution No. 94-138

RESOLVED, That the report on the University's Endowment Fund, dated April 15, 1994, as submitted to the Investments Committee of the Board of Trustees, be received and filed with the official records of the Board.

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**REPORT - UNIVERSITY'S ENDOWMENT FUND  
QUARTERLY REPORT**

Resolution No. 94-139

RESOLVED, That the report on the University's Endowment Fund Quarterly Report, dated March 31, 1994, as submitted to the Investments Committee of the Board of Trustees, be received and filed with the official records of the Board.

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Thereupon the Board adjourned to meet Friday, June 3, 1994, at The Ohio State University Fawcett Center for Tomorrow, Columbus, Ohio.

Attest:

Robert M. Duncan  
Secretary

Deborah E. Casto  
Chairman