



BOARD OF TRUSTEES
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**BOARD OF TRUSTEES
 MIAMI UNIVERSITY
 Minutes of the Finance and Audit Committee
 Meeting February 16, 2017
 104 Roudebush Hall**

The Finance and Audit Committee of the Miami University Board of Trustees met on February 16, 2017 in Roudebush Hall, Room 104, on the Oxford campus. The meeting was called to order by Committee Chair John Altman at 1:30 p.m., roll was called with a majority of the members present, constituting a quorum. Attending with Chair Altman, were Committee members, Trustees Jagdish Bhati, David Budig, Sandra Collins, and Mark Ridenour, and National Trustee Robert Coletti, along with Trustees John Pascoe and Robert Shroder, and National Trustees Terry Hershey and Diane Perlmutter. Committee member National Trustee C. Michael Gooden, was absent.

In addition to the Trustees, David Creamer, Senior Vice President for Finance and Business Services, and Treasurer; Phyllis Callahan, Provost and Executive Vice President; Jayne Brownell, Vice President for Student Affairs; Tom Herbert, Vice President for Advancement; Michael Kabbaz, Vice President for Enrollment Management and Student Success; and Pete Natale, Vice President for Information Technology, were present. Also present were; Robin Parker, General Counsel; Deedie Dowdle, Associate Vice President for Communications and Marketing; David Ellis, Associate Vice President for Budgeting and Analysis; Bruce Guiot, Chief Investment Officer; Kim Kinsel, Associate Vice President for Auxiliaries; Cody Powell, Associate Vice President for Facilities, Planning and Operations; Sarah Persinger, Controller; Troy Travis, Assistant Vice President for IT, Enterprise Operations; Dr. Amit Shukla, Chair, Fiscal Priorities and Budget Planning Committee; John Seibert, Director, Planning, Architecture and Engineering; Claire Wagner, Director of University News and Communication; and Ted Pickerill, Secretary to the Board of Trustees.

Public Business Session

Executive Session

Chair Altman welcomed all to the meeting. Trustee Ridenour moved, Trustee Budig seconded and by unanimous roll call vote, with six voting in favor, none opposed, the Committee moved into executive session to Consult with Consul, as provided by the Open Meetings Act, Ohio Revised Code Section 121.22.

Following Executive Session, the Committee returned to the Public Business Session.

Approval of the Minutes

Trustee Ridenour moved, Trustee Budig seconded, and by voice vote, the minutes from the prior meeting of the Finance and Audit Committee were unanimously approved.

Report on Facilities, Construction and Real Estate

Associate Vice President Cody Powell updated the Committee on facilities, and capital project construction. He informed the Committee that they have completed the Athletic Performance Center, and he then updated the Committee on the status of major projects.

He reported Armstrong Student Center, Phase II is on schedule and within budget; the estimated completion date is in July, 2017. Clawson Hall and Hamilton Hall are on schedule for August 2017 delivery. Hughes Hall C-Wing, will be swing space to support Pearson renovation, and work is on schedule for move in this June. The residence hall at the former tennis court site, and the Withrow Court site residence hall, are being worked together, saving in construction costs. The Western Campus' additional geothermal wells are now complete and in operation. Renovation on Pearson Hall is scheduled to begin in Summer 2017, with plans to include an atrium space in the center to replace the existing open courtyard space, which is difficult to maintain and to navigate. Funding for the atrium space is through a donation to the University.

Dr. Creamer provided an update on the housing master plan. Total beds at the start of the plan numbered approximately 7,200 and will be approximately 8,078 once complete. However, it is expected that total beds will then begin to decline, as the university enters a renovation and maintenance phase, with will increase the square footage per bed, leaving each renovated residence hall with fewer beds at renovation's end.

Dr. Creamer was asked if some students would be placed in contracted housing next Fall. He replied that the university has contracted for approximately 240 off-campus beds to accommodate all first and second year students for Fall 2017.

Resolutions

Dr. Creamer then presented three construction resolutions for consideration. Pearson Hall Phase I Renovation, with Trustee Collins moving for approval by the full Board, Trustee Bhati seconding, and with a voice vote unanimously recommending approval by the full Board of Trustees. The MacCracken and Richard Hall renovations were next considered with Trustee Bhati moving for approval, National Trustee Coletti seconding, and with a voice vote unanimously recommending approval by the full Board of Trustees. The third resolution, the renovation of Minnich and Scott Hall was presented with Trustee Ridenour moving for approval, Trustee Budig seconding, and with a voice vote unanimously recommending approval by the full Board of Trustees.

Associate VP Powell's report and presentation, along with the resolutions are included as Attachment A.

Year-to-Date Operating Results Compared to Budget

Senior Vice President Creamer reviewed operating results to date. He stated projections remain on target as reported in December, with one caveat; the final value for the State appropriation is about \$1.2M less than estimated. He also explained that the recent positive variances in the university budget have been largely due to higher than expected enrollment, and an increase in the portion of out-of-state students.

Senior Vice President Creamer's presentation is included as Attachment B.

FY 2018 Budget Planning

Senior Vice President Creamer started with a review of the budget assumptions for Fiscal Year 2018, which include 3,750 incoming students, with 43.1% of them from out-of-state. Estimates of state support included best case and worse case estimates. The currently planned tuition change is a 1.3% increase for the entering in-state tuition promise cohort, and 5% for the out-of-state cohort. For those not on the Tuition Promise, a 2% increase is planned.

Dr. Creamer reported an increase in choices for international students, and a likely resulting decrease in ACE enrollment next year. Dr. Creamer also informed the Committee that the budget estimates do not include the proposed requirement to provide textbooks to students (less \$300 per year per student from a new student fee).

The Committee then discussed the *Five Forces Reshaping Higher Education*.

Senior Vice President Creamer's presentation is included as Attachment C.

Endowment Administrative Fee and Non-Endowment

The Committee discussed how the current fee policy does not work for major gifts, and that Advancement requires flexibility to negotiate a lower rate or no rate at all, rather than the currently required 1% for all gifts. The proposed resolution provides flexibility, and requires approval by the Senior Vice President for Finance and Business Services, and the Vice President for Advancement, for any deviation from the standard 1% rate. It is expected that the Foundation Directors will also consider and adopt a flexible policy.

The resolution to allow flexibility in setting the administrative fee was then proposed. National Trustee Coletti moved, Trustee Budig seconded and by voice vote the Committee unanimously recommended approval by the full Board of Trustees.

Next, Mr. Bruce Guiot reviewed the non-endowment investment policy. The non-endowment pool has three categories; cash, core cash, and long-term capital. He reviewed the relative sizes of each category, and explained the three tiers of asset categories which meet Ohio law requirements and allow some investment in the endowment.

An adjustment to align the long-term capital pool with the endowment pool was discussed, with an implementation expected to take 18 months to 2 years, and the concurrence of the Foundation Board and the Board of Trustees. There was discussion on the relationship between the Board of Trustees and the Foundation, a key feature being the membership of two Trustees on the Foundation Board.

The resolution and Mr. Guiot's report are included as Attachment D.

Forward Agenda

There was discussion that budget trends should be examined, particularly those showing expenses exceeding revenues beginning in approximately FY2019/FY2020, and that strategies to address these trends must be developed.

Additional Reports

Vice President Herbert provided a presentation drawing upon his submitted written report. He reported the goal for FY2107 is \$100 million by the end of June. He also explained that they were looking to extend the graduating Champions Campaign by one year. He stated the Farmer School of Business Campaign was doing very well, due in large part to the Farmer gift. He also reported that the Humanities Center is making steady progress. Vice President Herbert also reported the initial series of visits and phone calls planned to introduce President Crawford are now complete.

Vice president Herbert's report and presentation are included as Attachment E.

The following written reports were provided for the Committee's information and review:

Enrollment Report, Attachment F
Internal Audit Report, Attachment G
Lean Project Update, Attachment H
Series 2017 Bonds, Attachment I

Adjournment

With no more business to come before the Committee, Trustee Bhati moved, Trustee Ridenour seconded and by unanimous voice vote the Finance and Audit Committee adjourned at 4:00 p.m.

A handwritten signature in black ink, appearing to read 'T. O. Pickerill II', with a long horizontal flourish extending to the right.

Theodore O. Pickerill II
Secretary to the Board of Trustees



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Status of Capital Projects Executive Summary February 16, 2017

1. Projects completed:

Six major projects were completed since the last report. The first phase of Shriver Center's renovation has been completed. Admission's new Welcome Center offers a tremendous first experience at Miami for new and prospective students. Improved facilities for Disability Services and Rinella bring together these two important services for more efficient and effective use by our students. The opening of the Athletic Performance Center offers state-of-the-art training, rehabilitation, team meeting, and office spaces for our football program. The installation of an artificial playing surface at McKie Field and Hayden Park allows for all-weather play and the ability to increase utilization of our baseball facility. Both athletics projects were made possible by generous gifts to our Inter-Collegiate Athletics program. The remaining projects improved classrooms, library spaces, and roof replacements. The projects were completed within budget, returning approximately 1.5% of the project revenues. Twelve projects under \$500,000 were completed since the last report.

2. Projects added:

Nineteen projects under \$500,000 were added during this reporting period. No new major projects were added during this reporting period.

3. Projects in progress:

The East Wing of Armstrong Student Center remains on schedule. Inside the building, flooring, wall coverings and ceiling finishes are being installed on all levels. The majority of the building envelop work is complete. Decent weather has permitted much of the final landscape to be completed around the perimeter of the site. In Clawson and Hamilton residence halls, work on the exterior of both buildings is nearing completion. The slate roof replacement and installation of new windows at Clawson is substantially complete. Inside, mechanical and electrical equipment installations are nearing completion in both buildings. Noticeable progress has been made on the two new residence halls located on the north end of campus. The concrete frame structures are rising out of the ground at a rapid pace. Despite the winter weather, the concrete frames are on-track to be complete in early March 2017. The Western Campus Geothermal Infrastructure, Phase 2 project has made terrific progress. Buildings have been added to the geothermal system earlier than expected, allowing us to take advantage of the efficiency and environmental benefits.

Respectfully submitted,

Cody J. Powell, PE
Associate Vice President –
Facilities Planning & Operations

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Miami University
Physical Facilities Department
Status of Capital Projects Report

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<u>Summary of Active Projects</u>		
	<u>Number of Projects</u>	<u>Value</u>
Under Construction	10	\$168,600,000
In Design	9	\$106,330,000
In Planning	1	tbd
Projects Under \$500,000	75	\$15,020,335
	Total	\$289,950,335

<u>New Projects Over \$500,000</u>
None

<u>Projects Completed Since Last Report</u>	
Athletic Performance Center	\$23,000,000
Hughes Hall Laboratories 141/161 Renovation	\$1,400,000
McKie Field Turf Replacement	\$1,100,000
Middletown Campus - Gardner Harvey Library Renovation	\$880,500
Millett Hall Roof Replacement 2016	\$2,000,000
Shriver Center Renovations – Phase 1	\$20,000,000
	Total
	\$48,380,500

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Physical Facilities Department
Status of Capital Projects Report

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Miami University
Physical Facilities Department
Status of Capital Projects Report

UNDER CONSTRUCTION
(Under Contract)
Projects Requiring Board of Trustees Approval

1. Armstrong Student Center, Phase 2, East Wing: (BOT Sep '15)

Russell

This project will complete the Armstrong Student Center through the adaptive reuse of Culler Hall. The project will renovate the interior of Culler Hall in a similar manner to the adaptive reuse of Gaskill and Rowan Halls. The project will address needed rehabilitation to the core and shell of the Culler Hall building. The East Wing renovation of Culler Hall will adjoin the existing Armstrong Student Center by a two-story atrium link, creating a unified Armstrong Student Center. The renovation, addition, and connection will be executed in such a way that the Student Center will be perceived as one building, comprised of distinct but complementary spaces.

Safety for the workers and all those adjacent to the construction site is our prime concern. All involved are aware that with school in session there needs to be a heightened awareness of pedestrian activity surrounding the site. Work is progressing without incident.

Final detailing of the monumental staircase and railings are being completed. Ceiling grid is being installed on all floors. Ceiling pads are being installed from the top floor down. Painting continues on all levels. The reclaimed wood floor from the Withrow Court has been installed. The Student Senate wall finishes are being installed. The wood wall finishes in the Café Lux and the Red Zone are complete. Tile flooring is being installed throughout. The majority of the landscaping has been installed. The project is on schedule and within budget.



Under Construction

Miami University
Physical Facilities Department
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Armstrong Student Center, Phase 2, East Wing (continued):



Delivery Method: Construction Manager at Risk

Project Cost	
Design and Administration	\$2,094,100
Cost of Work	\$18,428,075
Contingency	\$1,000,000
Owner Costs	\$2,077,825
Total	\$23,600,000

Funding Source	
Gifts	\$12,850,000
Local	\$7,975,000
HDRBS CR&R	\$2,600,000
University Building CR&R	\$175,000
Total	\$23,600,000

*\$10,000,000 to be funded from the redirecting of a portion of the Rec Center Student Fee. The balance is to be from gifts.

Contingency Balance: 11%
Construction Complete: 90%
Project Completion: July 2017

Under Construction

**Miami University
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2. Clawson Hall Renovation: (BOT Feb '16)

Heflin

This project will renovate Clawson Residence Hall as a continuation of the 2010 Housing and Dining Master Plan. Clawson Hall will receive an upgrade in the mechanical systems, fire suppression, energy efficiency, and minor interior renovations. The design includes improvements in the heating, cooling, electrical, life safety systems and building envelope, and is expected to extend the life of the facility.

The heating, ventilation, and air-conditioning units are being installed. Electrical and fire protection installation continues. Drywall, plaster repairs, and painting is in progress. The slate roof replacement and window installation are substantially complete. The project is on schedule and within budget.



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$1,338,417
Cost of Work	\$12,243,583
Contingency	\$1,060,000
Owner Costs	\$358,000
Total	\$15,000,000

Funding Source	
Bond Funds	\$14,000,000
Local	\$1,000,000
Total	\$15,000,000

Contingency Balance: 95%
Construction Complete: 60%
Project Completion: August 2017

Under Construction

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

3. Hamilton Hall Renovation: (BOT Jun '15)

Porchowsky

This project will renovate Hamilton Residence Hall as a continuation of the 2010 Housing and Dining Master Plan. Hamilton Hall will receive a comprehensive interior renovation and upgrade of all building systems, fire suppression, energy efficiency, accessibility improvements, landscaping, and site utility connections.

The Hamilton Hall renovation will repurpose Hamilton Dining Hall, providing space for additional sorority suites and multipurpose space, in addition to improved common living areas for the residents. The increase in sorority space in Hamilton Hall provides necessary swing space during future housing renovations.

Mechanical piping is installed and being insulated. Fan coil units and variable air volume boxes are installed and piped. Major mechanical systems are complete. Third floor restroom tile is complete and tile is being installed on the second level. The project is on schedule and within budget.



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$1,475,252
Cost of Work	\$18,400,977
Contingency	\$1,830,630
Owner Costs	\$1,293,141
Total	\$23,000,000

Funding Source	
Bond Funds	\$23,000,000
Total	\$23,000,000

Contingency Balance: 72%
Construction Complete: 63%
Project Completion: August 2017

Under Construction

**Miami University
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4. Hughes Hall C-Wing Renovation: (BOT Jun '16)

Porchowsky

The Hughes Hall C-Wing Renovation is an enabling project supporting the renovation of Pearson Hall. The project will provide flexible interdisciplinary swing space to house occupants of Pearson Hall as sections of the building are renovated. Once the renovation work in Pearson is completed, the labs will serve as interdisciplinary space and support specific needs in the College of Engineering and Computing.

Mechanical and electrical rough-in is complete. Drywall installation is complete. The second floor ceilings and walls have been primed and painted. Acoustical ceiling grid installation is ongoing. The project is on schedule and within budget.



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$1,117,256
Cost of Work	\$8,812,694
Contingency	\$742,550
Owner Costs	\$327,500
Total	\$11,000,000

Funding Source	
Local	\$11,000,000
Total	\$11,000,000

Contingency Balance: 71%
Construction Complete: 65%
Project Completion: June 2017

Under Construction

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

5. New Residence Hall – North Quad Tennis Court Site: (BOT Jun ‘16)

Christian

The increase in student population has created a demand for on-campus beds beyond the Long Range Housing Master Plan’s original projection. The Master Plan called for 7,100 beds total on campus. Current projections call for a demand of 8,100 beds on campus.

The site at the location of the varsity tennis courts was one of four sites originally identified in the Master Plan. This site can take advantage of utilities being upgraded in the current renovation of the North Quad. The program calls for approximately 350 beds. The new residence hall will be designed to the current design standards used on the other new residence halls built within the last three years. This residence hall will likely have a Neo-Georgian architectural style, utilizing materials seen on the other North Quad halls. The project will include hardscape/landscape design to integrate the new hall into the existing pedestrian and vehicular network in this area of campus.

Construction of the concrete frame is ongoing. The elevated decks are divided into four zones, and each zone is scheduled for a pour to occur each Friday through the first week of March.



Delivery Method: Construction Manager at Risk

Project Cost	
Design and Administration	\$3,085,625
Cost of Work	\$32,765,162
Contingency	\$1,731,713
Owner Costs	\$917,500
Total	\$38,500,000

Funding Source	
Bond Funds	\$38,500,000
Total	\$38,500,000

Contingency Balance: 59%
Construction Complete: 25%
Project Completion: July 2018

Under Construction

**Miami University
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6. New Residence Hall – North Quad Withrow Court Site: (BOT Jun '16)

Christian

The increase in student population has created a demand for on-campus beds beyond the Long Range Housing Master Plan’s original projection. The Master Plan called for 7,100 beds total on campus. Current projections call for a demand of 8,100 beds on campus.

The site at the location of Withrow Court was one of four sites originally identified in the Master Plan. The program calls for approximately 270 beds. The new residence hall will be designed to the current design standards used on the other new residence halls built within the last three years. This residence hall will likely have a modified Neo-Georgian architectural style, utilizing materials seen on the other North Quad halls, and incorporating design elements from Withrow Court including replicating the cupola and salvaging selected stone elements for re-use on the main entrance. The project will include minimal hardscape and landscape to connect it to a larger district landscape plan being developed as a separate project. A 2,600 square foot retail space is included in the program in anticipation of a second Starbucks Coffee store.

Construction of the concrete frame is ongoing. Similar to the Tennis Court site building, the elevated decks are divided into zones, although there are three zones at the Withrow site building. Each zone is scheduled for a pour to occur on Friday’s through the first week of March.



Delivery Method: Construction Manager at Risk

Project Cost	
Design and Administration	\$2,688,750
Cost of Work	\$31,027,500
Contingency	\$2,441,250
Owner Costs	\$842,500
Total	\$37,000,000

Funding Source	
Bond Funds	\$37,000,000
Total	\$37,000,000

Contingency Balance: 59%
Construction Complete: 20%
Project Completion: July 2018

Under Construction

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

7. Western Campus Geothermal Infrastructure, Phase 2: (BOT Feb '16)

Heflin

The University introduced geothermal heating and cooling on the Western Campus in the first phase of this project in 2013-2014. In the first phase, the heating and cooling needs of the new buildings constructed on the Western Campus were served by the new geothermal plant. The existing Western Campus buildings remain on the central heating plant. Plans were made for a future expansion of the geothermal system to convert existing buildings on Western Campus to geothermal in later phases.

The existing geothermal system will be expanded to include approximately 400 additional deep wells. The project will add 1,400 tons of available cooling capacity to the geothermal plant. This project will address the infrastructure needs for connecting five (5) existing buildings onto the Western Campus geothermal system – Havighurst, Child Development Center, Clawson, Hoyt and Presser.

Well field construction is complete. Mechanical systems conversion in Hoyt Hall, Presser Hall, and the Child Development Center are complete. The York Chiller installation in the Geothermal plant is complete. The balance of the geothermal plant chiller installation will be complete by mid-July 2017. The project is on schedule and within budget.



Delivery Method: Construction Manager at Risk

Project Cost	
Design and Administration	\$929,078
Construction	\$14,050,344
Contingency	\$931,648
Owner Costs	\$688,930
Total	\$16,600,000

Funding Source	
Local	\$15,540,000
Bond Funds	\$1,060,000
Total	\$16,600,000

Contingency Balance: 100%
Construction Complete: 90%
Project Completion: July 2017

Under Construction

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

**UNDER CONSTRUCTION
(Under Contract)
Projects Between \$500,000 and \$2,500,000**

1. Western Campus Bridge Rehabilitation:

Dole

This project will consist of selective structural demolition and reconstruction of an existing stone bridge on Miami’s “Western College” Campus. The focus of the project is to bring the previously deteriorating bridge up to modern structural and safety standards. The historically significant bridge built in 1910 is over 250 feet long and is a main pedestrian artery through the heart of the Western Campus. The iconic stone bridge is being reconstructed to safety serve many future generations of Miami University students.

All deconstruction and structural stabilization is completed. Currently the arches, posts, and parapet walls are being reconstructed. Additional structural stabilization has been added to the project scope extending the completion from March to April 2017. Preparation for site restoration has begun. **This will be the last report.**



Delivery Method: Single Prime Contracting

Project Cost	
Design and Administration	\$100,500
Cost of Work	\$1,056,900
Contingency	\$305,100
Owner Costs	\$137,500
Total	\$1,600,000

Funding Source	
Local	\$1,600,000
Total	\$1,600,000

Contingency Balance: 44%
Construction Complete: 85%
Project Completion: April 2017
(Revised since last report – March 2017)

Under Construction

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

2. Western Walk – Phase II:

Heflin

As part of the Long Range Housing Master Plan, the first phase of the Western Walk was created in 2014. Phase II of this project extends the Western Walk south past Clawson Hall to Boyd and McKee Halls. This provides an improved connection for students living in Peabody Hall. This plan also establishes a large open commons space for students and continues to improve the aesthetic of the Western Campus.

The walks opened for use for Spring Semester, 2017. Final landscaping, irrigation and sod are ongoing. Completion of the drives and curbs will occur in Summer 2017. The project is on schedule and within budget.

Delivery Method: Design Build

Project Cost	
Design and Administration	\$175,000
Cost of Work	\$1,478,500
Contingency	\$46,500
Owner Costs	\$0
Total	\$1,700,000

Funding Source	
University Building CR&R	\$1,535,000
Bond Funds	\$165,000
Total	\$1,700,000

Contingency Balance: 20%

Construction Complete: 60%

Project Completion: July 2017

3. Yager West Renovations:

Morris

This phased project provides minor renovations and upgrades to Yager West to accommodate sports teams moving into spaces vacated by football.

Phases 1 and 2 are underway to accommodate relocation of the soccer and golf teams. Phase 3 is expected to begin in July 2017.

Delivery Method: Construction Manager at Risk

Project Cost	
Design and Administration	\$37,000
Cost of Work	\$434,000
Contingency	\$40,000
Owner Costs	\$89,000
Total	\$600,000

Funding Source	
Local	\$600,000
Total	\$600,000

Contingency Balance: 80%

Construction Complete: 20%

Project Completion: September 2017

(Revised since last report - August 2017)

Under Construction

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

**IN DESIGN
(Pre-Contract)**

1. Campus Avenue Building Lower Level Rehab: (BOT Dec '16)

Dole

The CAB Lower Level Rehab project will allow the University to relocate and consolidate the offices of University Communications and Marketing into space vacated by Student Disability Services and Rinella Learning Center, which will relocate to the renovated Shriver Center. University Communications and Marketing is currently located in three separate buildings on campus: Glos Center, MacMillan Hall, and Williams Hall. The CAB project will also realign some of the remaining work groups with the Division of Enrollment Management and HOME, completing the University's goal of creating a one-stop service center for students.

The project is expected to be bid in early February 2017.

Delivery Method: Single Prime Contracting
Estimated Budget: \$3,500,000
Estimated Start: April 2017
(Revised since last report – May 2017)
Estimated Completion: January 2018

Funding Source	
Local	\$3,500,000
Total	\$3,500,000

2. Central Campus High Voltage Conversion, Phase 2:

Fellman

The Central Campus High Voltage Phase 2 project continues to convert academic facilities in the core from the historical 5kv electrical system to the new 12.5kv loop. This project will convert King Library, Hall Auditorium, Irvin Hall, and Bishop Hall to the new 12.5kv distribution system.

The project is expected to be bid in early February 2017.

Delivery Method: Single Prime Contracting
Estimated Budget: \$850,000
(Revised since last report - \$800,000)
Estimated Start: May 2017
Estimated Completion: January 2018

Funding Source	
Local	\$850,000
Total	\$850,000

3. Central Campus Transportation and Parking Improvements:

Seibert

Several improvements to the central campus have occurred or are planned to occur in the near future. Armstrong Student Center attracts many visitors. Once the East Wing is complete, Armstrong will become home to the Career Services Center and other important services. Renovations within Shriver Center will result in a new campus welcome center. The welcome center will be the first point of contact for many new families visiting the campus. The Center for Performing Arts is adjacent to Shriver Center and hosts performances throughout the year. Planning for transportation and parking improvements serving this area of campus has occurred over the past year as the University sought a Federal TIGER Grant in conjunction with the Butler County Regional Transportation Authority. While the partnership was unsuccessful in securing the highly competitive grant, the need for improved transportation and parking solutions still exist. The project will continue and further refine earlier planning to consider the flow of traffic and parking needs supporting the activities in this area of campus.

In Design

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

Central Campus Transportation and Parking Improvements (continued):

Traffic engineers gathered data and built a traffic model to review various flow and signalization options. Design is underway for Summer 2017 improvements to four adjacent parking lots, the Art Quad landscape and hardscape, gutter and curb repairs on Maple Street, tunnel top/integral structured sidewalk replacements on Maple Street, and associate signage and way-finding to the Admission Visitor Center. The project may need to be completed in phases to accommodate various activities impacting this area of campus.

Delivery Method: Single Prime Contracting
Estimated Budget: TBD
Estimated Start: April 2017
Estimated Completion: Phase 1, August 2017

Funding Source	
TBD	TBD
Total	TBD

4. Hoyt Hall Renovation:

Russell

Career Services is scheduled to vacate the second floor of Hoyt Hall in the summer of 2017. The vacated second floor will then be renovated to accommodate Information Technology Services staff that shall be centralized here from at least four separate remote locations on campus, the goal being to increase efficiency in the department. As a further step toward increased efficiency, the IT personnel, currently housed on the first and third floors at Hoyt Hall, has had their team interaction assessed. Their work areas will be re-configured to enable and encourage more logical group interaction and provide a LEAN use of both existing and new personnel and physical resources.

The A/E firm is currently finalizing the Construction Documents. The project is expected to be bid in spring 2017.

Delivery Method: Single Prime Contracting
Estimated Budget: \$2,250,000
Estimated Start: Summer 2017
Estimated Completion: Winter 2017

Funding Source	
Local	\$2,250,000
Total	\$2,250,000

5. Maplestreet Station Dining Reconfiguration

Heflin

This project is to provide modifications and renovation of the south half of the Maplestreet Station Dining venue in order to provide buffet menu services to support the dining meal plan. The renovations will create a single point of entry, reconfiguration of serving lines and back of house support, food service equipment reconfiguration, and associated MEP, framing, and life safety modifications.

The Design-Build contract was awarded in December 2016 to expedite scope, budget, and bid documents for summer 2017 completion. The project is in the construction documentation phase.

Delivery Method: Design-Build
Estimated Budget: \$1,400,000
Desired Start: May 2017
Desired Completion: August 2017

Funding Source	
Local	\$1,400,000
Total	\$1,400,000

In Design

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

6. Minnich and Scott Halls Renovation:

Heflin

This project will renovate two co-located residence halls in the Central Quad. Selection of these two residence halls aligns with progress on implementing the Utility Master Plan. The Minnich and Scott Hall programs will include new sorority suites, which creates swing space for sorority suites as the balance of the Central Quad residence halls are renovated.

Construction documents are 90% complete. GMP negotiations were held in February 2017. Project is expected to be bid in April 2017.

Delivery Method: Design-Build
Estimated Budget: \$55,000,000
Estimated Start: May 2017
Estimated Completion: August 2018

Funding Source	
Bond Funds	\$55,000,000
Total	\$55,000,000

7. Pearson Hall Renovations Phase 1:

Porchowsky

Pearson Hall, built in 1985, serves the biological sciences including the Departments of Biology and Microbiology. This phased, occupied rehabilitation will renovate teaching and research labs, offices, common areas, mechanical, electrical, plumbing and fire systems, and circulation spaces. Because the building is occupied, the work is expected to occur over approximately four years.

Phase 1 is expected to address at least 50% of the necessary heating, cooling, and lab exhaust systems; modernize the public areas, and approximately 50% of the teaching and research laboratories. The large lecture halls have been modernized in recent years and will not be impacted by this project.

The Guaranteed Maximum Price (GMP) negotiations were held in February 2017. Construction of the first phase is to begin June 2017 and be complete August 2018. A gift has been received allowing for the existing underutilized, open-air courtyard to be put under roof. The space will add multipurpose classrooms, student presentation space, as well as collaborative informal learning and gathering spaces.

Delivery Method: Design-Build
Estimated Budget: \$32,630,000
(Revised since last report: \$30,100,000)
Estimated Start: June 2017
Estimated Completion: August 2019
(Revised since last report - August 2018)

Funding Source	
State Appropriations	\$23,900,000
Local	\$8,730,000
Total	\$32,630,000

In Design

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

8. Roof Replacements/Repairs 2017:

Moss

This project includes the replacement of the lower ballasted flat roof at the Art Building and the entire EPDM roof at the Art Museum. While at the Art Museum, the exterior rotted trusses on the east side of the building will be replaced/repared. At the Farmer School of Business, the east side breezeway walkway metal roof, scuppers, gutters and downspouts will be repaired.

Design is underway. The project is expected to be bid in spring 2017.

Delivery Method: Single Prime Contracting

Estimated Budget: \$1,200,000

Estimated Start: May 2017

Estimated Completion: August 2017

Funding Source	
Local	\$1,200,000
Total	\$1,200,000

9. Shriver Center Renovations – Phase 2: (BOT Dec '16)

Christian

Phase 2 of the Shriver Center Renovations includes the following scopes and is broken down into three bid packages in order to prioritize revenue-producing and student service spaces required by August of 2017. *Bid Package 1:* Retail Space. This scope consists of the lower level expansion of bookstore retail space. Completion is scheduled for August, 2017. *Bid Package 2:* Package Center and Dock Expansion, Third Floor IT Center, and Stairwell Renovations. Completion is scheduled for August, 2017. *Bid Package 3:* Bookstore renovations, Main Entrance/Vestibule/Driveway modifications, Dolibois Rooms renovations, and former 1809 Room renovations. Completion is scheduled for May, 2018.

The schedule demands have dictated an accelerated design schedule that compresses the Schematic Design and Design Development stages. The AE is currently engaged in programming and/or designing all aspects of Phase 2. The projected design schedule is as follows: *Bid Pack 1:* Bids were within the budget and construction will begin in February 2017. *Bid Pack 2:* 75% construction documents are complete. A GMP amendment is expected to be negotiated in February 2017. *Bid Pack 3:* The bookstore program was confirmed prior to winter break, and Schematic Design commenced in January 2017. A GMP is targeted for late June, with construction expected to begin in September 2017.

Delivery Method: Construction Manager at Risk

Estimated Budget: \$9,500,000

Estimated Start: January 2017

Estimated Completion: May 2018

Funding Source	
Local	\$9,500,000
Total	\$9,500,000

In Design

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

**IN PLANNING
(Pre-A&E)**

1. Hamilton Campus – Knightsbridge Building Renovation:

This project will provide for the renovation of the recently acquired 23,500 square feet Richard Allen Academy building located on the Hamilton Campus at the intersection of Knightsbridge Drive and University Boulevard in Hamilton. A facility assessment to be used in developing program and renovation cost has been completed. The assessment has identified the need for mechanical/electrical upgrades as part of the renovation, reporting approximately \$4,000,000 in probable cost. A recent professionally-prepared campus space plan is contributing to the programmed scope of this project.

Planning is underway to align the campus space requirements, academic priorities, and existing facilities condition/needs.

Proposed Budget: TBD

Desired Start: TBD

Desired Completion: TBD

Funding Source	
Hamilton Campus CR&R	TBD
Total	TBD

In Planning

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

Intentionally blank

In Planning

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

COMPLETED PROJECTS

1. Athletic Performance Center:

Morris

This project added a new facility housing the varsity football locker rooms, training and rehabilitation facilities, a weight room, hydrotherapy, offices for coaches, a team lounge, break out rooms, and a team meeting room. The facility connects Yager Stadium to the new Dauch Indoor Sports Center.

Delivery Method: Construction Manager at Risk

Project Revenue	
Design and Administration	\$2,050,000
Cost of Work	\$19,200,000
Contingency	\$650,000
Owner Costs	\$1,100,000
Total	\$23,000,000

Project Expense	
Design and Administration	\$2,065,000
Cost of Work	\$19,126,000
Contingency	\$611,000
Owner Costs	\$1,158,000
Total	\$22,960,000

Est. Contingency Balance Returned: \$39,000

Est. Contingency Balance Returned Percent of Total: 6%

Est. Bid Savings / VE: \$0

Est. Final Total: \$39,000

2. Hughes Hall Laboratories 141/161 Renovation:

Moss

This project renovated Hughes Laboratories 141 and 161 lecture halls. The renovated space enhanced the utilization rate and allowed the construction of two additional classrooms in the basement of Hughes Laboratories. The project included new finishes, MEP systems, A/V and demonstration stations. New seating, new LED lighting and new AV systems bring 141/161 up to current facility and pedagogical standards.

Delivery Method: Single Prime Contracting

Project Revenue	
Design and Administration	\$118,000
Cost of Work	\$807,000
Contingency	\$256,000
Owner Costs	\$219,000
Total	\$1,400,000

Project Expense	
Design and Administration	\$132,000
Cost of Work	\$851,000
Contingency	\$44,000
Owner Costs	\$143,000
Total	\$1,170,000

Est. Contingency Balance Returned: \$212,000

Est. Contingency Balance Returned Percent of Total: 83%

Est. Bid Savings / VE: \$18,000

Est. Final Total: \$230,000

Completed Projects

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

3. McKie Field Turf Replacement:

Morris

This project replaced the natural turf and clay baseball field with a new artificial surface. The project also replaced windscreens and pads on the fence and provided new surface in the baseball practice cage.



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$78,078
Cost of Work	\$924,870
Contingency	\$86,040
Owner Costs	\$11,012
Total	\$1,100,000

Project Expense	
Design and Administration	\$36,000
Cost of Work	\$941,000
Contingency	\$68,000
Owner Costs	\$8,300
Total	\$1,053,000

Est. Contingency Balance Returned: \$18,040
 Est. Contingency Balance Returned Percent of Total: 21%
 Est. Bid Savings / VE: \$28,960
 Est. Final Total: \$47,000

Completed Projects

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

4. Middletown Campus – Gardner Harvey Library Renovation:

Morris

This project added partitions on the first floor to allow for new study rooms, offices and a maker space. The project provided additional electrical panels and receptacles to support electronic devices presently in use, as well as provided for future expansion. Minor updates were made to IT infrastructure. The existing lift was replaced with a new ADA compliant elevator.

Delivery Method: Single Prime Contracting

Project Revenue	
Design and Administration	\$70,700
Cost of Work	\$661,070
Contingency	\$66,000
Owner Costs	\$82,730
Total	\$880,500

Project Expense	
Design and Administration	\$75,000
Cost of Work	\$661,071
Contingency	\$60,000
Owner Costs	\$77,188
Total	\$873,259

Est. Contingency Balance Returned: \$6,000
 Est. Contingency Balance Returned Percent of Total: 9%
 Est. Bid Savings / VE: \$1,200
 Est. Final Total: \$7,200

5. Millett Hall Roof Replacement 2016:

Moss

This project replaced the roof around the lower concourse of Millett Hall. The work included correction of a flashing detail around the limestone columns and installation of additional roof drains.

Delivery Method: Single Prime Contracting

Project Revenue	
Design and Administration	\$167,000
Cost of Work	\$1,539,700
Contingency	\$160,000
Owner Costs	\$133,300
Total	\$2,000,000

Project Expense	
Design and Administration	\$167,000
Cost of Work	\$1,524,700
Contingency	\$24,000
Owner Costs	\$109,300
Total	\$1,825,000

Est. Contingency Balance Returned: \$136,000
 Est. Contingency Balance Returned Percent of Total: 85%
 Est. Bid Savings / VE: \$39,000
 Est. Final Total: \$175,000

Completed Projects

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

6. Shriver Center Renovations – Phase 1:

Christian

As a result of many functions relocating to the new Armstrong Student Center, this project initiated renovation of the Shriver Center. The scope of Phase 1 included the following elements. *General Exterior:* Limited parking, delivery, and south entry modifications. *General Interior:* Mechanical, Electrical, and Plumbing upgrades, as well as whole-building fire protection and new passenger and freight elevators. *First Floor:* An admission welcome center including pre-function space, a 250-seat auditorium, and associated admission offices, counseling rooms, and support spaces; expanded bookstore retail space; a new convenience store; and renovated circulation and restrooms. *Second Floor:* Catering kitchen; an event planning and building management office suite; renovated main lobby, circulation and restrooms. *Third Floor:* Rinella Learning Center, Student Disability Services, and renovated circulation and restrooms.

Delivery Method: Construction Manager at Risk

Project Revenue	
Design and Administration	\$2,003,877
Cost of Work	\$16,021,136
Contingency	\$624,987
Owner Costs	\$1,350,000
Total	\$20,000,000

Project Expense	
Design and Administration	\$2,064,813
Cost of Work	\$16,021,136
Contingency	\$624,987
Owner Costs	\$1,102,982
Total	\$19,813,918

Est. Contingency Balance Returned: \$0

Est. Contingency Balance Returned Percent of Total: 0%

Est. Bid Savings / VE: \$186,082

Est. Final Total: \$186,082

Completed Projects

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

Projects Between \$50,000 and \$500,000

Project	Budget
Airport Pavement Repair 2017	\$230,000
Airport RSA Grading Project	\$128,320
Anderson Hall – Room Ventilation Improvements	\$491,000
Armstrong Student Center – Stair Tread Replacement	\$107,000
Art Building – Room 011 Photo Darkroom Renovation	\$145,000
Art Building – Classrooms 016, 020, 022 Renovations	\$361,220
Art Building – Flat Roof Replacement	\$155,000
Art Building – Room 154 Classroom Renovation	\$138,680
Art Building – Stormwater Sewer Project	\$445,000
Art Museum – Wood Truss Repairs	\$50,000
Benton Hall – Agile Classroom	\$50,000
Boyd Hall – Fashion Design Studio	\$105,375
Campus Dead Tree Removal	\$350,000
Campus Emergency Responder Radio Coverage System Upgrades	\$470,000
Center for Performing Arts – Room 76 and 80 Renovations	\$137,550
Center for Performing Arts – Room 078 Dye Vat Installation	\$147,100
Central Campus Electrical Modifications – Phase II	\$230,665
Cole Service Building Reconfiguration	\$187,310
Demske Culinary Support Center – New Sidewalk	\$50,000
E & G Buildings – Fan Energy Upgrades	\$72,000
E & G Buildings – Heating Pumps Energy Upgrades	\$160,000
E & G Buildings – LED Retrofits 2017	\$142,460
E & G Buildings – Relamping	\$350,000
Edwards Parking Lot Rehabilitation	\$450,000
Emergency Phones Phase II	\$465,000
Engineering Building – Fume Hood Exhaust Fan Resolution	\$150,000
Equestrian Center – Turnout and Fence Replacement	\$91,745
Farmer School of Business – East Breezeway Roof Trim	\$265,000
Farmer School of Business – Exterior Entrance Door Repairs	\$150,000
Farmer School of Business – Room 3075 Dean Renovation	\$53,850
Goggin Ice Center – Heat Recovery Loop and Damper Work	\$99,000
Goggin Ice Center – Stair Repair/Replacement	\$219,600
Hamilton Campus – Wilks & Schwarm LED Lighting Retrofit	\$90,000
Harrison Hall – Classroom Upgrades	\$459,000
Havighurst Hall – Lighting Upgrades 2016	\$345,750
Hiestand Hall - Room 200 - Lab Refresh and Update	\$75,000
HDRBS – MEP Improvements 2017	\$196,000
HUB Quad Engraved Brick Replacement	\$145,500
Hughes Hall - Domestic Hot Water System Improvements	\$130,000
Hughes Hall - Still Replacement	\$160,000
Irvin Hall – Classrooms 50 & 60 Renovations	\$225,000
Irvin Hall – Room 126 A/V Upgrades	\$95,000
King Library – Esporting	\$52,220
Kreger Hall - Furniture Package	\$300,000
Lewis Place - Landscape Improvements	\$75,000
MacCracken Hall – Fiber Hub Relocation	\$100,000

**Miami University
Physical Facilities Department
Status of Capital Projects Report**

Marcum Conference Center –Building Window Replacement	\$104,000
Marcum Conference Center – Zone Heating/Cooling Pumps	\$175,000
McGuffey Drive – Water Line Extension	\$250,000
McGuffey Hall – Rooms 318/322F Renovation	\$115,000
Middletown Campus – Bennett Rec Center Fire Alarm Upgrade	\$75,000
Middletown Campus – SWORD Roof and Building Repair	\$395,000
Middletown Campus – Thesken Hall Fire Alarm	\$93,900
Middletown Campus – Verity Lodge Fire Alarm Upgrades	\$75,000
Millett Hall – Electrical Modifications – 4kv to 12.5kv Conversion	\$240,000
North Campus Parking Modifications	\$484,000
Peabody Hall – Liebert Unit Replacement	\$60,000
Peabody Hall – Lighting and Mechanical Upgrades 2016	\$499,000
Pearson Hall – Room 267 B-F, G & H Lab Renovation	\$145,850
Phillips Hall – Entryway Repairs	\$75,000
Phillips Hall – Room 103L Renovation	\$107,190
Recreational Sports Center – Envelope Evaluation	\$145,000
Recreational Sports Center – Exterior Repairs	\$105,000
Recreational Sports Center – Exterior Sealant Replacement	\$90,000
Recreational Sports Center – Lightning Protection	\$50,000
Recreational Sports Center – VFD and Damper Replacement	\$134,000
Rental Property Demolition and Grounds Restoration (406 E. Chestnut Street)	\$160,000
Sawyer Gym Renovation	\$400,000
South Refrigeration Plant - Air Conditioning Upgrades	\$200,000
Switch House 2 Decommissioning	\$110,000
Steam Plant – Generator Hall Wartsila Redundant Power Upgrade	\$90,000
Upham Hall - Emergency Generator Replacement & Unit Sub Consolidation	\$764,050
VOA – Exterior Repairs	\$100,000
Western Campus – Alumnae Legacy Project	\$350,000
Western Campus – Water Main Extension	\$332,000

Projects Closed Between \$50,000 and \$500,000

Project	Original Budget	Returned Funds
Emerson Hall Emergency Power Upgrades	\$125,000	\$22,262
Engineering Building – Second Floor Lounge	\$65,600	\$7,490
Hamilton Campus – One Stop Enrollment Management	\$260,160	\$88,450
Havighurst/Clawson-Emergency Generator	\$100,000	\$2,137
HDRBS – MEP Improvements 2016	\$400,000	\$32,350
HDRBS – Residence Halls 2x2 Lighting Retrofit	\$80,000	\$260
Hoyt Hall – Rooms 107, 111, 313 and 314 MEP/Finishes Improvements	\$73,270	\$17,712
Maplestreet Station – Starbucks Renovation	\$445,670	\$62,410
Psychology Building – Lab Improvements	\$55,000	\$761
Recreational Sports Center – Scoreboard Replacement	\$500,000	\$59,025
Richard Hall – Electrical Modifications	\$199,600	\$9,145
Thomson Hall – Spline Ceiling Replacement	\$55,000	\$1,202

Miami University
Physical Facilities Department
Status of Capital Projects Report

Glossary of Terms

Construction Manager at Risk (CMR) – is a delivery method which entails a commitment by the construction manager to deliver the project within a Guaranteed Maximum Price (GMP). The owner contracts the architectural and engineering services to perform the design from concept through construction bid documents using the construction manager as a consultant. The construction manager acts as the equivalent of a general contractor during the construction phase. CMR arrangement eliminates a "Low Bid" construction project. This method will typically be used on projects with high complexity and demanding completion schedules.

Contingency – includes both owner contingency and the D/B or CMR contingency where applicable.

Cost of the Work – is the cost of construction. This includes general condition fees, contractor overhead and profit, D/B or CMR construction stage personnel.

Design & Administration – includes all professional services to support the work. This consists of base Architect/Engineer (A/E) fees, A/E additional services, A/E reimbursables, non-error/omission A/E contingency fees, geotechnical services, special inspection services partnering services, multi-vista photo documentation of projects, D/B or CMR pre-construction services, third party estimator, and local administration fees.

Design Build (D/B) – is a project delivery method in which the design and construction services are contracted by a single entity and delivered within a Guaranteed Maximum Price (GMP). Design Build relies on a single point of responsibility contract and is used to minimize risks for the project owner and to reduce the delivery schedule by overlapping the design phase and construction phase of a project. This method will typically be used on projects with less complexity and have demanding completion schedules.

Guaranteed Maximum Price (GMP) – is the negotiated contract for construction services when using D/B or CMR. The owner negotiates a reasonable maximum price for the project (or component of the project) to be delivered within the prescribed schedule. The D/B firm or CMR is responsible for delivering the project within the agreed upon GMP. This process eliminates bidding risks experienced by the owner, allows creative value engineering (VE) to manage the budget, and permits portions of the work to begin far earlier than traditional bidding of the entire project.

Multiple Prime Contracting – is a project delivery method historically allowed by the State of Ohio. The owner contracts the architectural and engineering services to perform the design from concept through construction bid documents. The construction services are divided into various trade specialties – each bid as a separate contract (general, plumbing, mechanical, electrical, sprinkler, etc.). The owner is responsible for managing the terms of each contract and coordinating the work between the multiple contractors.

Owner Costs – are costs directly borne by the owner to complete the project. This includes furniture, fixtures, and equipment (FF&E), audio/visual (A/V), IT networking, percent for art (applicable on State funded projects exceeding \$4 million), printing and advertising expenses, and any special moving or start-up funds.

Preconstruction Services – are the development and design services provided by a D/B firm or CMR to the owner. These services are typically performed for an identified cost prior to the negotiation of a GMP. These services are included in "Design and Administration."

Single Prime Contracting – is a project delivery method in which the owner contracts the architectural and engineering services to perform the design from concept through construction bid documents. The construction services are contracted separately, but through a single entity. Single Prime Contracting is beneficial on projects with specialized construction requiring more owner oversight or control. This method will typically be used on projects with high complexity and low schedule importance.

Business Session
Item 2biFebruary 17, 2017
Finance and Audit**RESOLUTION R2017-xx**

WHEREAS, the Pearson Hall Phase One Renovation project involves the installation of new mechanical, electrical, data, and fire suppression systems, safety and functional improvements to teaching and research labs, and modernization of classroom and collaborative learning spaces; and

WHEREAS, Miami University has determined that reduced costs from speed of implementation, improved constructability, and coordination may be gained by utilizing the Design Build project delivery method; and

WHEREAS, Miami University has identified state and local funds in the amount of \$32,630,000 for the Pearson Hall Phase One Renovation project; and

WHEREAS, the receipt of the Guaranteed Maximum Price (GMP) is planned for February 2017; and

WHEREAS, the Board of Trustees desires to award a contract to the most responsive and responsible Design Build firm;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer, in accordance with all State guidelines, to proceed with the award of contract for the Pearson Hall Phase One Renovation project with a total project budget not to exceed \$32,630,000.

Executive Summary
For the
Pearson Hall Phase One Renovation
February 16, 2017

This project is for the renovation of Pearson Hall for the biological sciences including the Departments of Biology and Microbiology. This phased, occupied renovation will address deferred maintenance issues with the facility through the installation of new and efficient mechanical, electrical, data, and fire suppression systems. The project also includes lab safety improvements and fully renovated research labs, classrooms and collaborative learning spaces. The project is planned to occur in two phases and will be occupied during both phases.

Phase One is expected to address at least 50% of the necessary heating, cooling, and lab exhaust systems; replace electrical switchgear, modernize the public areas, and modernize approximately 50% of the teaching and research laboratories. A gift has been pledged allowing the infill and fit-out of the existing courtyard. The new atrium space creates collaborative classrooms and student meeting spaces.

Project Component:	Budget:	Funding Source:
Est. Consulting Services:	\$2,702,000	State Funds / Local Funds
Est. Cost of Work:	\$25,800,000	State Funds/ Local Funds/Gifts
Est. Owner's Costs:	\$1,650,000	Local Funds
Owner's Contingency:	\$2,478,000	Local Funds
 Total:	 \$32,630,000	 State Funds \$23,900,000/ Local Funds

Business Session
Item 2biiFebruary 17, 2017
Finance and Audit**RESOLUTION R2017-xx**

WHEREAS, the MacCracken and Richard Halls Renovation project involves the renovation of two existing residence halls; and

WHEREAS, Miami University has determined that reduced costs from economy of scale, speed of implementation, and coordination may be gained by combining the projects into a single Design Build project delivery method; and

WHEREAS, Miami University has identified bond funds in the amount of \$3,750,000 to advance the design, cost estimating, early site development needs, and preconstruction services required to develop a Guaranteed Maximum Price (GMP); and

WHEREAS, the Board of Trustees desires to award a contract to the most responsive and responsible Design Build firm;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer, in accordance with all State guidelines, to proceed with the award of contract for the preconstruction phase of the MacCracken and Richard Halls project which includes planning, design, estimating and all related preconstruction services necessary to prepare the Guaranteed Maximum Price (GMP) for a budget not to exceed \$3,750,000.

Executive Summary
for the
MacCracken and Richard Halls Renovations
February 16, 2017

This project will result in the renovation of MacCracken and Richard Halls as part of the Long Range Housing Master Plan. The project will be delivered using Design-Build methodology to reduce time taken from design through construction, reduce the cost of construction, and minimize the risk to the University.

Renovations will include new windows, ADA accessibility improvements, elevators, insulating of attics, new corridor ceilings, interior lighting, plumbing systems, sprinkler system, electrical distribution, HVAC systems, life safety and fire alarm systems, utility tie-ins, site utilities, selective addition and/or demolition of bedroom walls, and new bedroom finishes. Student life programming elements such as community rooms, group study rooms, and other support spaces will be included.

Renovation also includes modernized sorority suites in the lower level of both Halls. This project will complete the renovation of sorority suites in the Housing Master Plan.

MacCracken Hall is home to MacCracken Market, a highly-utilized convenience market supporting this region of the campus. Changes to the housing meal plan and increased demand for products and services in this area of campus require an assessment of the nature of the facilities required to meet students dining and market needs in this area of campus. The early design will evaluate options and provide guidance for the construction stage of the project.

<u>Project component:</u>	<u>Budget:</u>	<u>Funding Source:</u>
Est. Consulting Services:	\$4,720,000	Bond and Local Funding
Est. Cost of Work:	\$46,000,000	Bond and Local Funding
Est. Owner's Costs:	\$2,680,000	Bond and Local Funding
Owner's Contingency:	<u>\$4,600,000</u>	Bond and Local Funding
Total:	\$58,000,000	

Business Session
Item 2biiiFebruary 17, 2017
Finance and Audit**RESOLUTION R2017-xx**

WHEREAS, the Minnich and Scott Halls Renovation project involves the renovation of two existing residence halls; and

WHEREAS, Miami University has determined that reduced costs from economy of scale, speed of implementation, and coordination may be gained by combining the projects into a single Design Build project delivery method; and

WHEREAS, the opening of Maplestreet Station dining facility allowed the closure of Scott Dining Hall; and

WHEREAS, the renovation of Scott Hall allows the opportunity to deconstruct end of useful life Dining Hall space improving the residential function of the residence hall, building entry points and supporting green space; and

WHEREAS, the receipt of the Guaranteed Maximum Price (GMP) is planned for February 2017; and

WHEREAS, Miami University has identified funds in the amount of \$55,000,000 for the Minnich and Scott Halls Renovation project; and

WHEREAS, the Board of Trustees desires to award a contract to the most responsive and responsible Design Build firm;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer, in accordance with all State guidelines, to proceed with the award of contract for the Minnich and Scott Halls Renovation project with a total project budget not to exceed \$55,000,000.

Executive Summary
for the
Minnich and Scott Halls Renovations
February 16, 2017

This project will result in the renovation of Minnich and Scott Halls as part of the Long Range Housing Master Plan. The project will be delivered using Design-Build methodology to reduce time taken from design through construction, reduce the cost of construction, and minimize the risk to the University.

Renovations will include new windows, ADA accessibility improvements, elevators, insulating of attics, new corridor ceilings, interior lighting, plumbing systems, sprinkler system, electrical distribution, HVAC systems, life safety and fire alarm systems, utility tie-ins, site utilities, selective addition and/or demolition of bedroom walls, and new bedroom finishes. Student life programming elements such as community rooms, group study rooms, and other support spaces will be included.

The renovation will also include modernized sorority suites in the lower level of both buildings. Minnich Hall currently houses four sorority suites and is expected to have three suites following the renovation. Scott Hall currently does not house any sorority suites, but will house two new suites following the renovation. This work, in conjunction with the work being completed now in Hamilton hall, will create sorority swing space necessary to accommodate future residence hall renovations.

The vacated Scott Hall Dining facility is a one-story east side appendage of the residence hall structure. It will be removed to create a new safe, attractive, ADA accessible entry, improved ingress to interior residence life spaces and similar green space and set back as the other four residence halls on the west side of Maple Street.

<u>Project component:</u>	<u>Budget:</u>	<u>Funding Source:</u>
Est. Consulting Services:	\$4,320,000	Bond Series 2017
Est. Cost of Work:	\$44,380,000	Bond Series 2017
Est. Owner's Costs:	\$2,300,000	Bond Series 2017
Owner's Contingency:	<u>\$4,000,000</u>	Bond Series 2017
Total:	\$55,000,000	

Status of Capital Projects Updates

February 16, 2017

Armstrong Student Center Phase 2

Project Cost: \$23,600,000

Cost of Work: \$18,428,075

Completion Date/% Comp: July 2017/90%

Project Delivery Method: Construction Manager at Risk

Contingency/Balance: \$1,000,000/11%



Armstrong Student Center Phase 2



Clawson Hall Renovation

Project Cost: \$15,000,000

Cost of Work: \$12,243,583

Completion Date/% Comp: August 2017/60%

Project Delivery Method: Design Build

Contingency/Balance: \$1,060,000/95%



Hamilton Hall Renovation

Project Cost: \$23,000,000

Cost of Work: \$18,400,977

Completion Date/% Comp: August 2017/63%

Project Delivery Method: Design Build

Contingency/Balance: \$1,830,630/72%



Hughes Hall C-Wing Renovation

Project Cost: \$11,000,000

Completion Date/% Comp: June 2017/65%

Contingency/Balance: \$742,550/71%

Cost of Work: \$8,812,694

Project Delivery Method: Design Build



New Residence Hall – North Quad Tennis Court Site

Project Cost: \$38,500,000

Cost of Work: \$32,765,162

Completion Date/% Comp: July 2018/25%

Project Delivery Method: Construction Manager at Risk

Contingency/Balance: \$1,731,713/59%



New Residence Hall – Withrow Court Site

Project Cost: \$37,000,000

Cost of Work: \$31,027,500

Completion Date/% Comp: July 2018/20%

Project Delivery Method: Construction Manager at Risk

Contingency/Balance: \$2,441,250/59%



Western Campus Geothermal Infrastructure – Phase 2

Project Cost: \$16,600,000

Cost of Work: \$14,050,344

Completion Date: July 2017/90%

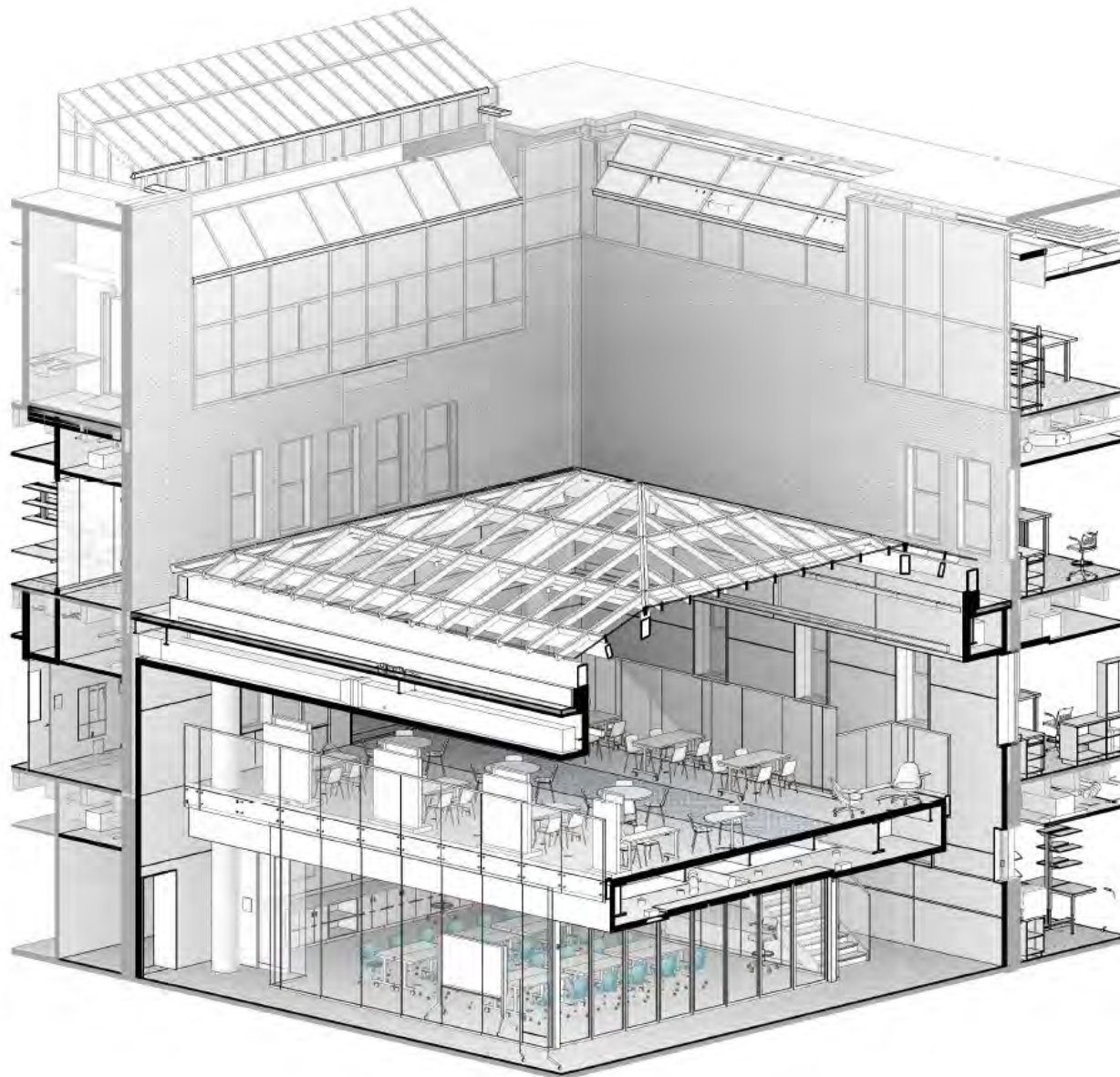
Project Delivery Method: Construction Manager at Risk

Contingency/Balance: \$931,648/100%

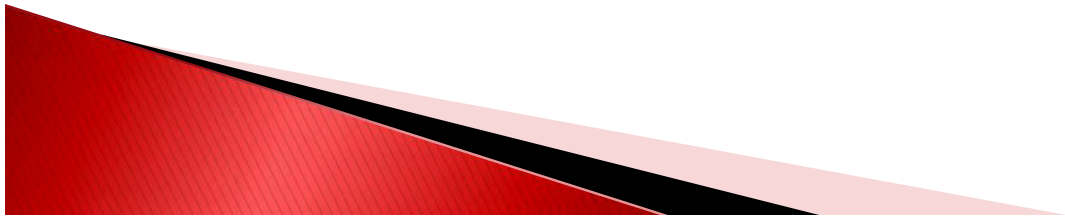


Pearson Hall Atrium Space





Questions?



Housing Master Plan Update

February 16, 2017

Housing Master Plan Update

New Beds	1,763	Met swing space need and increased capacity. Initial plan required about 1100 new beds.
Beds Removed	156	
Beds to be Vacated	691	Swing space will continue to be needed delaying the removal of some buildings depending on demand.
Planned Beds	8,078	Additional bed loss will occur as renovations are accomplished. Roughly, 7200 beds existed when the master plan was commenced.

Housing Master Plan Update

Original Plan Cost	\$900 Million in 2008 dollars (Plan did not include Havighurst, Peabody or Heritage Commons.)	
Estimated Financing Cost	5.00% TIC Actual TIC 3.7%	
Current Rehab and New Construction Cost	\$515,000,000	
Remaining Projects	\$275,000,000	Includes Inflation
Bond Funds Not Committed	\$45,000,000	
Revenues Accumulated	\$72,000,000	

Questions?

February 17, 2017
Finance and Audit

RESOLUTION R2017-24

WHEREAS, the Pearson Hall Phase One Renovation project involves the installation of new mechanical, electrical, data, and fire suppression systems, safety and functional improvements to teaching and research labs, and modernization of classroom and collaborative learning spaces; and

WHEREAS, Miami University has determined that reduced costs from speed of implementation, improved constructability, and coordination may be gained by utilizing the Design Build project delivery method; and

WHEREAS, Miami University has identified state and local funds in the amount of \$32,630,000 for the Pearson Hall Phase One Renovation project; and

WHEREAS, the receipt of the Guaranteed Maximum Price (GMP) is planned for February 2017; and

WHEREAS, the Board of Trustees desires to award a contract to the most responsive and responsible Design Build firm;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer, in accordance with all State guidelines, to proceed with the award of contract for the Pearson Hall Phase One Renovation project with a total project budget not to exceed \$32,630,000.

*Approved by the Board of Trustees
February 17, 2017*



*T. O. Pickerill II
Secretary to the Board of Trustees*

Executive Summary
For the
Pearson Hall Phase One Renovation
February 16, 2017

This project is for the renovation of Pearson Hall for the biological sciences including the Departments of Biology and Microbiology. This phased, occupied renovation will address deferred maintenance issues with the facility through the installation of new and efficient mechanical, electrical, data, and fire suppression systems. The project also includes lab safety improvements and fully renovated research labs, classrooms and collaborative learning spaces. The project is planned to occur in two phases and will be occupied during both phases.

Phase One is expected to address at least 50% of the necessary heating, cooling, and lab exhaust systems; replace electrical switchgear, modernize the public areas, and modernize approximately 50% of the teaching and research laboratories. A gift has been pledged allowing the infill and fit-out of the existing courtyard. The new atrium space creates collaborative classrooms and student meeting spaces.

Project Component:	Budget:	Funding Source:
Est. Consulting Services:	\$2,702,000	State Funds / Local Funds
Est. Cost of Work:	\$25,800,000	State Funds/ Local Funds/Gifts
Est. Owner's Costs:	\$1,650,000	Local Funds
Owner's Contingency:	\$2,478,000	Local Funds
 Total:	 \$32,630,000	 State Funds \$23,900,000/ Local Funds

February 17, 2017
Finance and Audit

RESOLUTION R2017-25

WHEREAS, the MacCracken and Richard Halls Renovation project involves the renovation of two existing residence halls; and

WHEREAS, Miami University has determined that reduced costs from economy of scale, speed of implementation, and coordination may be gained by combining the projects into a single Design Build project delivery method; and

WHEREAS, Miami University has identified bond funds in the amount of \$3,750,000 to advance the design, cost estimating, early site development needs, and preconstruction services required to develop a Guaranteed Maximum Price (GMP); and

WHEREAS, the Board of Trustees desires to award a contract to the most responsive and responsible Design Build firm;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer, in accordance with all State guidelines, to proceed with the award of contract for the preconstruction phase of the MacCracken and Richard Halls project which includes planning, design, estimating and all related preconstruction services necessary to prepare the Guaranteed Maximum Price (GMP) for a budget not to exceed \$3,750,000.

*Approved by the Board of Trustees
February 17, 2017*



*T. O. Pickerill II
Secretary to the Board of Trustees*

Executive Summary
for the
MacCracken and Richard Halls Renovations
February 16, 2017

This project will result in the renovation of MacCracken and Richard Halls as part of the Long Range Housing Master Plan. The project will be delivered using Design-Build methodology to reduce time taken from design through construction, reduce the cost of construction, and minimize the risk to the University.

Renovations will include new windows, ADA accessibility improvements, elevators, insulating of attics, new corridor ceilings, interior lighting, plumbing systems, sprinkler system, electrical distribution, HVAC systems, life safety and fire alarm systems, utility tie-ins, site utilities, selective addition and/or demolition of bedroom walls, and new bedroom finishes. Student life programming elements such as community rooms, group study rooms, and other support spaces will be included.

Renovation also includes modernized sorority suites in the lower level of both Halls. This project will complete the renovation of sorority suites in the Housing Master Plan.

MacCracken Hall is home to MacCracken Market, a highly-utilized convenience market supporting this region of the campus. Changes to the housing meal plan and increased demand for products and services in this area of campus require an assessment of the nature of the facilities required to meet students dining and market needs in this area of campus. The early design will evaluate options and provide guidance for the construction stage of the project.

<u>Project component:</u>	<u>Budget:</u>	<u>Funding Source:</u>
Est. Consulting Services:	\$4,720,000	Bond and Local Funding
Est. Cost of Work:	\$46,000,000	Bond and Local Funding
Est. Owner's Costs:	\$2,680,000	Bond and Local Funding
Owner's Contingency:	<u>\$4,600,000</u>	Bond and Local Funding
Total:	\$58,000,000	

February 17, 2017
Finance and Audit

RESOLUTION R2017-26

WHEREAS, the Minnich and Scott Halls Renovation project involves the renovation of two existing residence halls; and

WHEREAS, Miami University has determined that reduced costs from economy of scale, speed of implementation, and coordination may be gained by combining the projects into a single Design Build project delivery method; and

WHEREAS, the opening of Maplestreet Station dining facility allowed the closure of Scott Dining Hall; and

WHEREAS, the renovation of Scott Hall allows the opportunity to deconstruct end of useful life Dining Hall space improving the residential function of the residence hall, building entry points and supporting green space; and

WHEREAS, the receipt of the Guaranteed Maximum Price (GMP) is planned for February 2017; and

WHEREAS, Miami University has identified funds in the amount of \$55,000,000 for the Minnich and Scott Halls Renovation project; and

WHEREAS, the Board of Trustees desires to award a contract to the most responsive and responsible Design Build firm;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer, in accordance with all State guidelines, to proceed with the award of contract for the Minnich and Scott Halls Renovation project with a total project budget not to exceed \$55,000,000.

*Approved by the Board of Trustees
February 17, 2017*



*T. O. Pickerill II
Secretary to the Board of Trustees*

Executive Summary
for the
Minnich and Scott Halls Renovations
February 16, 2017

This project will result in the renovation of Minnich and Scott Halls as part of the Long Range Housing Master Plan. The project will be delivered using Design-Build methodology to reduce time taken from design through construction, reduce the cost of construction, and minimize the risk to the University.

Renovations will include new windows, ADA accessibility improvements, elevators, insulating of attics, new corridor ceilings, interior lighting, plumbing systems, sprinkler system, electrical distribution, HVAC systems, life safety and fire alarm systems, utility tie-ins, site utilities, selective addition and/or demolition of bedroom walls, and new bedroom finishes. Student life programming elements such as community rooms, group study rooms, and other support spaces will be included.

The renovation will also include modernized sorority suites in the lower level of both buildings. Minnich Hall currently houses four sorority suites and is expected to have three suites following the renovation. Scott Hall currently does not house any sorority suites, but will house two new suites following the renovation. This work, in conjunction with the work being completed now in Hamilton hall, will create sorority swing space necessary to accommodate future residence hall renovations.

The vacated Scott Hall Dining facility is a one-story east side appendage of the residence hall structure. It will be removed to create a new safe, attractive, ADA accessible entry, improved ingress to interior residence life spaces and similar green space and set back as the other four residence halls on the west side of Maple Street.

<u>Project component:</u>	<u>Budget:</u>	<u>Funding Source:</u>
Est. Consulting Services:	\$4,320,000	Bond Series 2017
Est. Cost of Work:	\$44,380,000	Bond Series 2017
Est. Owner's Costs:	\$2,300,000	Bond Series 2017
Owner's Contingency:	<u>\$4,000,000</u>	Bond Series 2017
Total:	\$55,000,000	

Miami University
Finance and Audit Committee
FY 2017 Forecasted Operating Results
Projections Based upon Activity through December 31, 2016

OXFORD

The projection for the Oxford General Fund based on performance through December is a surplus of approximately \$25.1 million. Details of the specific items are highlighted below.

Revenues

The Oxford campus student fee revenues (instructional, general out-of-state, and other) are forecast to be approximately \$9.1 million over the \$342.7 million budget. Gross instructional revenue (including the out of state surcharge) is forecast to be \$7.7 million higher than budget and financial aid is forecast to be \$0.5 million under budget. The projections include billing from fall semester and preliminary winter and spring term performance. The forecast may change based on final financial performance of winter, spring and summer terms.

The Oxford campus state appropriation is forecast to be approximately \$1.3 million below budget. The Ohio Department of Higher Education (ODHE) publishes its final subsidy allocations for the fiscal year in December. Preliminary subsidy payments include an estimated full time equivalents (FTE) course completions and degrees for the preceding year for each institution in the University System of Ohio. The final subsidy payments distributed in December are based on the actual FTEs and degrees for each institution. The changed resulted from ODHE's preliminary estimate of resident degree credits being higher than actual degree credits for the Oxford campus.

Investment income booked through December 31, 2016 was approximately \$ 1,375,000. This amount does not include an estimate of the year-end mark-to-market, which is virtually impossible to predict at this time. If we had marked the portfolio to market as of December 31, an unrealized gain of \$10.2 million would have been recorded. Given the volatility of the current market, this number could improve or decrease further as the year progresses. Therefore, we are forecasting investment income to be equal to budget.

Other revenue categories are projected as budgeted.

Expenditures and Transfers

Employee salaries and staff benefits are projected to be \$3.8 million below budget. Through the first half of the fiscal year health care claims were lower than budgeted. However, medical claims, including claims in the high cost category, are above prior years' experience. Healthcare expense is difficult to estimate due to the volatility of high cost claims.

Departmental support costs are forecast on budget through December. However, academic divisions have transferred \$15.5 million from carryforward to fund an array of capital projects (\$12.0 million) and to provide funding for scholarships and other awards (\$3.5 million). Most of the transfer supports improvements to Pearson and Hughes Halls, which are also supported by state

appropriations. This activity is recorded as a decrease in Division Budgetary Carryforward which also factors in the impact of carryforward eligible underspending in personnel costs.

HAMILTON & MIDDLETOWN

The Hamilton campus student fee revenue (instructional, general and out-of-state) is estimated to be \$0.2 million above budget. The instructional fee, out-of-state surcharge and general fee for the Middletown campus are forecast to be \$0.3 million below budget. However, enrollments on both campuses are below budget. The effect of under enrollment on revenues is being offset from greater than budgeted revenues from cross campus enrollments (Oxford students taking courses on the regional campuses net of Regional students taking courses on the Oxford campus). Based on final data from the Ohio Department of Higher Education state subsidy for the Hamilton campus is expected to exceed budget by \$115,720 and be slightly over budget for the Middletown campus. Other revenues are forecast on budget based on the first half of the fiscal year.

Expenditures on both campuses are either at or below budget. Notably, personnel and benefit costs are \$0.7 million below budget on the Hamilton campus and \$0.3 million below budget on the Middletown campus. The actual performance in these categories has exceeded the underspending in these categories assumed in the budget.

Overall, the General Fund for Hamilton is projected to end the fiscal year with a \$1.1 million surplus. The budget for the Hamilton campus assumed a transfer of \$533,861 from their unobligated fund balance. The transfer may not be necessary based on the projected performance. The Middletown campus is projected to have an operating deficit of approximately \$81,668. The Middletown budget assumed a transfer of \$403,863 from the unobligated fund balance to achieve a balance budget for the fiscal year. The net effect of these activities is a balanced budget for the year.

VOICE OF AMERICA LEARNING CENTER

The Voice of America Learning Center (VOALC) is projected to end the fiscal year on budget. As in the prior fiscal year, the funding support for the VOALC has been separately displayed for all three campuses and the VOALC. This transfer represents the budgeted financial support from each campus for funding the VOALC administrative operations.

MIAMI UNIVERSITY
FY2017 Forecast
Oxford General Fund Only
As of December 31, 2016

	Original Budget	December End-of-Year Forecast	December Budget to Forecast
REVENUES:			
Instructional & OOS Surcharge	\$ 364,975,073	\$ 372,660,650	\$ 7,685,577
Less Cohort Financial Aid Discount	\$ 72,274,305	\$ 71,768,602	\$ (505,703)
Net Instructional Fee & Out-of-State Surcharge	\$ 292,700,768	\$ 300,892,048	\$ 8,191,280
General	\$ 46,399,379	\$ 47,326,273	\$ 926,894
Other Student Revenue	\$ 3,611,500	\$ 3,611,500	\$ -
<i>Tuition, Fees and Other Student Charges</i>	<i>\$ 342,711,647</i>	<i>\$ 351,829,820</i>	<i>\$ 9,118,174</i>
State Appropriations	\$ 65,631,521	\$ 64,310,787	\$ (1,320,734)
Investment Income	\$ 5,325,000	\$ 5,325,000	\$ -
Other Revenue	\$ 1,374,000	\$ 1,374,000	\$ -
Total Revenues	\$ 415,042,168	\$ 422,839,608	\$ 7,797,440
EXPENDITURES:			
Salaries	\$ 179,281,324	\$ 176,520,392	\$ (2,760,932)
Benefits	\$ 34,985,668	\$ 34,446,889	\$ (538,779)
Healthcare Expense	\$ 31,410,391	\$ 30,926,671	\$ (483,720)
Graduate Assistant, Fellowships & Fee Waivers	\$ 31,389,193	\$ 31,389,193	\$ -
Undergraduate Scholarships & Student Waivers	\$ 13,393,938	\$ 13,393,938	\$ -
Utilities	\$ 13,177,636	\$ 13,177,636	\$ -
Departmental Support Expenditures	\$ 27,576,091	\$ 27,576,091	\$ -
Multi-year Expenditures	\$ 5,578,792	\$ 5,578,792	\$ -
Total Expenditures	\$ 336,793,033	\$ 333,009,602	\$ (3,783,431)
DEBT SERVICE AND TRANSFERS:			
General Fee	\$ (45,909,512)	\$ (45,909,512)	\$ -
Capital, Renewal & Replacement	\$ (7,980,000)	\$ (7,980,000)	\$ -
Debt Service	\$ (7,883,690)	\$ (7,883,690)	\$ -
Support for VOALC (50%)	\$ (578,114)	\$ (578,114)	\$ -
Other Miscellaneous Operational Transfers	\$ (2,359,047)	\$ (2,359,047)	\$ -
Total Debt Service and Transfers	\$ (64,710,363)	\$ (64,710,363)	\$ -
<i>Net Revenues/(Expenditures) Before Adjustments</i>	<i>\$ 13,538,772</i>	<i>\$ 25,119,643</i>	<i>\$ 11,580,871</i>
ADJUSTMENTS:			
Departmental Budgetary Carryforward		\$ -	\$ -
Divisional Budgetary Carryforward		\$ (14,034,477)	\$ (14,034,477)
Reserve for Encumbrances		\$ -	\$ -
Reserve for Investment Fluctuations		\$ -	\$ -
Reserve for Future Budgets		\$ -	\$ -
Net Increase/(Decrease) in Fund Balance	\$ 13,538,772	\$ 11,085,166	\$ (2,453,606)

MIAMI UNIVERSITY
FY2017 Forecast
Hamilton General Fund Only
As of December 31, 2016

	Original <u>Budget</u>	December End-of-Year <u>Forecast</u>	December Budget to <u>Forecast</u>
REVENUES:			
Instructional & OOS Surcharge	\$ 17,537,473	\$ 18,228,864	\$ 691,391
Less Continuing & New Scholarships	\$ 723,638	\$ 1,171,795	\$ 448,157
Net Instructional Fee & Out-of-State Surcharge	\$ 16,813,835	\$ 17,057,069	\$ 243,234
General	\$ 962,407	\$ 921,446	\$ (40,961)
Other Student Revenue	\$ 193,500	\$ 193,500	\$ -
<i>Tuition, Fees and Other Student Charges</i>	<u>\$ 17,969,742</u>	<u>\$ 18,172,015</u>	<u>\$ 202,273</u>
State Appropriations	\$ 6,726,272	\$ 6,841,992	\$ 115,720
Investment Income	\$ 50,000	\$ 50,000	\$ -
Other Revenue	\$ 79,500	\$ 79,500	\$ -
Total Revenues	<u>\$ 24,825,514</u>	<u>\$ 25,143,507</u>	<u>\$ 317,993</u>
EXPENDITURES:			
Salaries	\$ 14,948,666	\$ 14,948,666	\$ -
Allowance for Unspent Salaries	\$ (587,938)	\$ (1,251,719)	\$ (663,781)
Benefits	\$ 2,817,153	\$ 2,817,153	\$ -
Allowance for Unspent Benefits	\$ (219,536)	\$ (282,744)	\$ (63,208)
Healthcare Expense	\$ 2,288,885	\$ 2,288,885	\$ -
Anticipated Benefit Recovery	\$ (290,404)	\$ (290,404)	\$ -
Graduate Assistant Fee Waivers	\$ -	\$ -	\$ -
Utilities	\$ 673,000	\$ 608,425	\$ (64,575)
Departmental Support Expenditures	\$ 5,005,031	\$ 5,005,031	\$ -
Multi-year Expenditures	\$ -	\$ -	\$ -
Total Expenditures	<u>\$ 24,634,857</u>	<u>\$ 23,634,620</u>	<u>\$ (791,564)</u>
DEBT SERVICE AND TRANSFERS:			
General Fee	\$ (435,461)	\$ (435,461)	\$ -
Capital, Renewal & Replacement	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -
Support for VOALC (25%)	\$ (289,057)	\$ (289,057)	\$ -
Other Miscellaneous Operational Transfers	\$ -	\$ -	\$ -
Transfer in from Fund Balance	\$ 533,861	\$ 533,861	\$ -
Total Debt Service and Transfers	<u>\$ (190,657)</u>	<u>\$ (190,657)</u>	<u>\$ -</u>
<i>Net Revenues/(Expenditures) Before Adjustments</i>	\$ -	\$ 1,109,557	\$ 1,109,557
ADJUSTMENTS:			
Departmental Budgetary Carryforward	\$ -	\$ (726,989)	\$ -
Divisional Budgetary Carryforward	\$ -	\$ -	\$ -
Reserve for Encumbrances	\$ -	\$ -	\$ -
Reserve for Investment Fluctuations	\$ -	\$ -	\$ -
Reserve for Future Budgets	\$ -	\$ -	\$ -
Net Increase/(Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 382,568</u>	<u>\$ 382,568</u>

MIAMI UNIVERSITY
FY2017 Forecast
Middletown General Fund Only
As of December 31, 2016

	Original <u>Budget</u>	December End-of-Year <u>Forecast</u>	December Budget to <u>Forecast</u>
REVENUES:			
Instructional & OOS Surcharge	\$ 13,554,834	\$ 13,655,564	\$ 100,730
Less Continuing & New Scholarships	\$ 865,638	\$ 1,281,068	\$ 415,430
Net Instructional Fee & Out-of-State Surcharge	\$ 12,689,196	\$ 12,374,496	\$ (314,700)
General	\$ 545,848	\$ 570,394	\$ 24,546
Other Student Revenue	\$ 80,700	\$ 80,700	\$ -
<i>Tuition, Fees and Other Student Charges</i>	<u>\$ 13,315,744</u>	<u>\$ 13,025,590</u>	<u>\$ (290,154)</u>
State Appropriations	\$ 4,725,160	\$ 4,728,289	\$ 3,129
Investment Income	\$ 50,000	\$ 50,000	\$ -
Other Revenue	\$ 70,402	\$ 70,402	\$ -
Total Revenues	<u>\$ 18,161,306</u>	<u>\$ 17,874,281</u>	<u>\$ (287,025)</u>
EXPENDITURES:			
Salaries	\$ 11,249,473	\$ 11,249,473	\$ -
Allowance for Unspent Salaries	\$ (1,140,942)	\$ (1,411,513)	\$ (270,571)
Benefits	\$ 2,272,146	\$ 2,272,146	\$ -
Allowance for Unspent Benefits	\$ (440,403)	\$ (424,952)	\$ 15,451
Healthcare Expense	\$ 1,628,948	\$ 1,628,948	\$ -
Anticipated Benefit Recovery	\$ (209,596)	\$ (209,596)	\$ -
Graduate Assistant Fee Waivers	\$ -	\$ -	\$ -
Utilities	\$ 412,500	\$ 462,263	\$ 49,763
Departmental Support Expenditures	\$ 4,071,655	\$ 4,071,655	\$ -
Multi-year Expenditures	\$ -	\$ -	\$ -
Total Expenditures	<u>\$ 17,843,781</u>	<u>\$ 17,638,424</u>	<u>\$ (205,357)</u>
DEBT SERVICE AND TRANSFERS:			
General Fee	\$ (157,837)	\$ (157,837)	\$ -
Capital, Renewal & Replacement	\$ -	\$ -	\$ -
Debt Service	\$ (274,494)	\$ (274,494)	\$ -
Support for VOALC (25%)	\$ (289,057)	\$ (289,057)	\$ -
Other Miscellaneous Operational Transfers	\$ -	\$ -	\$ -
Transfer in from Fund Balance	\$ 403,863	\$ 403,863	\$ -
Total Debt Service and Transfers	<u>\$ (317,525)</u>	<u>\$ (317,525)</u>	<u>\$ -</u>
<i>Net Revenues/(Expenditures) Before Adjustments</i>	\$ -	\$ (81,668)	\$ (81,668)
ADJUSTMENTS:			
Departmental Budgetary Carryforward	\$ -	\$ (255,120)	\$ -
Divisional Budgetary Carryforward	\$ -	\$ -	\$ -
Reserve for Encumbrances	\$ -	\$ -	\$ -
Reserve for Investment Fluctuations	\$ -	\$ -	\$ -
Reserve for Future Budgets	\$ -	\$ -	\$ -
Net Increase/(Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (336,788)</u>	<u>\$ (336,788)</u>

MIAMI UNIVERSITY
 FY2017 Forecast
Voice of America Learning Center General Fund Only
As of December 31, 2016

	Original <u>Budget</u>	December End-of-Year <u>Forecast</u>	December Budget to <u>Forecast</u>
REVENUES:			
Instructional & OOS Surcharge	\$ -	\$ -	\$ -
Less Continuing & New Scholarships	\$ -	\$ -	\$ -
Net Instructional Fee & Out-of-State Surcharge	\$ -	\$ -	\$ -
General	\$ -	\$ -	\$ -
Other Student Revenue	\$ -	\$ -	\$ -
<i>Tuition, Fees and Other Student Charges</i>	\$ -	\$ -	\$ -
State Appropriations	\$ -	\$ -	\$ -
Investment Income	\$ -	\$ -	\$ -
Other Revenue	\$ 35,000	\$ 35,000	\$ -
Total Revenues	\$ 35,000	\$ 35,000	\$ -
EXPENDITURES:			
Salaries	\$ 237,884	\$ 237,884	\$ -
Benefits	\$ 50,765	\$ 50,765	\$ -
Healthcare Expense	\$ 45,578	\$ 45,578	\$ -
Graduate Assistant Fee Waivers	\$ -	\$ -	\$ -
Utilities	\$ 59,900	\$ 59,900	\$ -
Departmental Support Expenditures	\$ 277,426	\$ 277,426	\$ -
Multi-year Expenditures	\$ -	\$ -	\$ -
Total Expenditures	\$ 671,553	\$ 671,553	\$ -
DEBT SERVICE AND TRANSFERS:			
General Fee	\$ -	\$ -	\$ -
Capital, Renewal & Replacement	\$ (35,300)	\$ (35,300)	\$ -
Debt Service	\$ (484,375)	\$ (484,375)	\$ -
Support for VOALC Transfers	\$ 1,156,228	\$ 1,156,228	\$ -
Other Miscellaneous Operational Transfers	\$ -	\$ -	\$ -
Total Debt Service and Transfers	\$ 636,553	\$ 636,553	\$ -
<i>Net Revenues/(Expenditures) Before Adjustments</i>	\$ 0	\$ 0	\$ -
ADJUSTMENTS:			
Departmental Budgetary Carryforward	\$ -	\$ -	\$ -
Divisional Budgetary Carryforward	\$ -	\$ -	\$ -
Reserve for Encumbrances	\$ -	\$ -	\$ -
Reserve for Investment Fluctuations	\$ -	\$ -	\$ -
Reserve for Future Budgets	\$ -	\$ -	\$ -
Net Increase/(Decrease) in Fund Balance	\$ 0	\$ 0	\$ -

MIAMI UNIVERSITY
Financial Analysis - by Operational Unit
FY2017/FY2016 / FY2015

	FY2015			FY2016			FY2017			Thru December Year To Date		FY 2017	
	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Budget	Budget	Budget	FY2017	FY2016	FY2015	% of '17 Budget
<u>College of Arts & Sciences</u>													
Salary	\$ 49,577,235	\$ 50,511,533	\$ 56,873,024	\$ 25,364,881	\$ 23,744,844	\$ 23,143,497				45%	7%		
Benefits	\$ 13,531,242	\$ 14,885,426	\$ 19,350,219	\$ 8,701,647	\$ 8,148,263	\$ 7,885,350				45%	7%		
Scholarships & Fellowships	\$ 8,688,453	\$ 8,598,542	\$ 10,888,343	\$ 5,238,482	\$ 5,113,506	\$ 3,496,351				48%	2%		
Departmental Support Expenses	\$ 2,887,680	\$ 5,036,229	\$ 7,114,916	\$ 2,374,880	\$ 2,525,115	\$ 2,024,859				33%	-6%		
Total Expenses	\$ 74,684,610	\$ 79,031,730	\$ 94,226,502	\$ 41,679,890	\$ 39,531,728	\$ 36,550,057				44%	5%		
<u>College of Education, Health, and Society</u>													
Salary	\$ 12,660,948	\$ 13,241,064	\$ 14,183,513	\$ 6,481,194	\$ 5,982,220	\$ 5,954,434				46%	8%		
Benefits	\$ 3,555,743	\$ 4,004,222	\$ 4,890,220	\$ 2,244,201	\$ 2,100,089	\$ 2,044,846				46%	7%		
Scholarships & Fellowships	\$ 1,607,878	\$ 1,478,657	\$ 2,133,303	\$ 792,456	\$ 813,913	\$ 663,859				37%	-3%		
Departmental Support Expenses	\$ 1,051,840	\$ 1,464,698	\$ 2,396,290	\$ 749,311	\$ 602,932	\$ 721,004				31%	24%		
Total Expenses	\$ 18,876,409	\$ 20,188,641	\$ 23,603,326	\$ 10,267,162	\$ 9,499,154	\$ 9,384,143				43%	8%		
<u>College of Engineering and Computing</u>													
Salary	\$ 6,622,190	\$ 7,429,027	\$ 6,920,506	\$ 3,712,450	\$ 3,544,925	\$ 3,182,635				54%	5%		
Benefits	\$ 1,954,333	\$ 2,354,964	\$ 2,598,732	\$ 1,354,705	\$ 1,307,368	\$ 1,172,521				52%	4%		
Scholarships & Fellowships	\$ 505,709	\$ 545,205	\$ 609,515	\$ 285,085	\$ 287,039	\$ 216,029				47%	-1%		
Departmental Support Expenses	\$ 525,757	\$ 841,509	\$ 587,197	\$ 396,844	\$ 380,823	\$ 347,056				68%	4%		
Total Expenses	\$ 9,607,989	\$ 11,170,705	\$ 10,715,950	\$ 5,749,084	\$ 5,520,155	\$ 4,918,241				54%	4%		
<u>Farmer School of Business</u>													
Salary	\$ 20,391,366	\$ 20,226,232	\$ 20,375,808	\$ 10,339,847	\$ 10,169,482	\$ 9,534,341				51%	2%		
Benefits	\$ 5,990,636	\$ 6,345,196	\$ 7,903,660	\$ 3,903,020	\$ 3,818,170	\$ 3,522,548				49%	2%		
Scholarships & Fellowships	\$ 494,014	\$ 739,669	\$ 914,273	\$ 254,435	\$ 461,250	\$ 229,194				28%	-45%		
Departmental Support Expenses	\$ 1,176,750	\$ 1,977,983	\$ 3,134,410	\$ 1,154,435	\$ 957,227	\$ 1,148,635				37%	21%		
Total Expenses	\$ 28,052,766	\$ 29,289,080	\$ 32,328,151	\$ 15,651,737	\$ 15,406,129	\$ 14,434,718				48%	2%		

MIAMI UNIVERSITY
Financial Analysis - by Operational Unit
FY2017/FY2016 / FY2015

	FY2015			FY2016			FY2017			Thru December Year To Date		FY 2017		
	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Budget	Budget	Budget	FY2017	FY2016	FY2015	% of '17 Budget	% Change from '16 YTD
<u>College of Creative Arts</u>														
Salary	\$ 9,117,628	\$ 9,366,603	\$ 10,027,185	\$ 4,719,013	\$ 4,462,210	\$ 4,388,484				\$ 4,719,013	\$ 4,462,210	\$ 4,388,484	47%	6%
Benefits	\$ 2,692,484	\$ 2,893,580	\$ 3,666,675	\$ 1,681,484	\$ 1,587,817	\$ 1,539,615				\$ 1,681,484	\$ 1,587,817	\$ 1,539,615	46%	6%
Scholarships & Fellowships	\$ 1,273,236	\$ 1,306,539	\$ 1,579,199	\$ 806,389	\$ 709,603	\$ 568,078				\$ 806,389	\$ 709,603	\$ 568,078	51%	14%
Departmental Support Expenses	\$ 722,677	\$ 970,307	\$ 1,196,567	\$ 434,295	\$ 460,171	\$ 465,922				\$ 434,295	\$ 460,171	\$ 465,922	36%	-6%
Total Expenses	\$ 13,806,025	\$ 14,537,029	\$ 16,469,626	\$ 7,641,181	\$ 7,219,801	\$ 6,962,099				\$ 7,641,181	\$ 7,219,801	\$ 6,962,099	46%	6%
<u>Dolibois European Center - Luxemburg</u>														
Salary	\$ 929,736	\$ 805,509	\$ 1,348,032	\$ 292,392	\$ 293,450	\$ 474,477				\$ 292,392	\$ 293,450	\$ 474,477	22%	0%
Benefits	\$ 261,895	\$ 251,490	\$ 548,293	\$ 124,303	\$ 119,957	\$ 166,070				\$ 124,303	\$ 119,957	\$ 166,070	23%	4%
Scholarships & Fellowships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -	\$ -	0%	0%
Utilities	\$ 27,203	\$ 30,662	\$ 37,620	\$ 6,712	\$ 10,472	\$ 13,691				\$ 6,712	\$ 10,472	\$ 13,691	18%	-36%
Departmental Support Expenses	\$ 228,264	\$ 308,792	\$ 355,336	\$ 89,934	\$ 173,845	\$ 110,458				\$ 89,934	\$ 173,845	\$ 110,458	25%	-48%
Total Expenses	\$ 1,447,098	\$ 1,396,453	\$ 2,289,281	\$ 513,341	\$ 597,724	\$ 764,696				\$ 513,341	\$ 597,724	\$ 764,696	22%	-14%
<u>Graduate School</u>														
Salary	\$ 2,420,009	\$ 2,327,333	\$ 2,448,179	\$ 1,603,002	\$ 1,263,455	\$ 1,282,862				\$ 1,603,002	\$ 1,263,455	\$ 1,282,862	65%	27%
Benefits	\$ 495,082	\$ 541,621	\$ 611,403	\$ 367,197	\$ 306,383	\$ 312,370				\$ 367,197	\$ 306,383	\$ 312,370	60%	20%
Scholarships & Fellowships	\$ 14,873,780	\$ 14,214,615	\$ 13,085,983	\$ 13,080,702	\$ 12,394,487	\$ 14,683,681				\$ 13,080,702	\$ 12,394,487	\$ 14,683,681	100%	6%
Departmental Support Expenses	\$ 252,783	\$ 362,381	\$ 523,779	\$ 183,229	\$ 167,766	\$ 461,492				\$ 183,229	\$ 167,766	\$ 461,492	35%	9%
Total Expenses	\$ 18,041,654	\$ 17,445,950	\$ 16,669,344	\$ 15,234,130	\$ 14,132,091	\$ 16,740,405				\$ 15,234,130	\$ 14,132,091	\$ 16,740,405	91%	8%
<u>Other Provost Departments</u>														
Salary	\$ 7,848,019	\$ 8,207,028	\$ 10,373,169	\$ 3,807,023	\$ 4,165,253	\$ 3,970,845				\$ 3,807,023	\$ 4,165,253	\$ 3,970,845	37%	-9%
Benefits	\$ 2,709,275	\$ 2,661,391	\$ 4,176,642	\$ 1,527,682	\$ 1,654,609	\$ 1,568,530				\$ 1,527,682	\$ 1,654,609	\$ 1,568,530	37%	-8%
Scholarships & Fellowships	\$ 528,507	\$ 1,051,063	\$ 632,308	\$ 532,908	\$ 595,881	\$ 518,811				\$ 532,908	\$ 595,881	\$ 518,811	84%	-11%
Utilities	\$ 395	\$ 349	\$ -	\$ 462	\$ -	\$ 338				\$ 462	\$ -	\$ 338	0%	0%
Departmental Support Expenses	\$ 5,912,645	\$ 5,880,645	\$ 6,483,138	\$ 3,932,819	\$ 3,697,593	\$ 3,604,039				\$ 3,932,819	\$ 3,697,593	\$ 3,604,039	61%	6%
Total Expenses	\$ 16,998,841	\$ 17,800,476	\$ 21,665,257	\$ 9,800,894	\$ 10,113,336	\$ 9,662,563				\$ 9,800,894	\$ 10,113,336	\$ 9,662,563	45%	-3%

MIAMI UNIVERSITY
Financial Analysis - by Operational Unit
FY2017/FY2016 / FY2015

	FY2015			FY2016			FY2017			Thru December Year To Date		FY 2017		
	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Budget	Budget	Budget	FY2017	FY2016	FY2015	% of '17 Budget	% Change from '16 YTD
<u>Total Provost Office</u>														
Salary	\$ 109,567,131	\$ 112,114,329	\$ 122,549,416	\$ 56,319,802	\$ 53,625,839	\$ 51,931,575							46%	5%
Benefits	\$ 31,190,690	\$ 33,937,890	\$ 43,745,844	\$ 19,904,239	\$ 19,042,656	\$ 18,211,850							45%	5%
Scholarships & Fellowships	\$ 27,971,577	\$ 27,934,290	\$ 29,842,924	\$ 20,990,457	\$ 20,375,679	\$ 20,376,003							70%	3%
Utilities	\$ 27,598	\$ 31,011	\$ 37,620	\$ 7,174	\$ 10,472	\$ 14,029							19%	-31%
Departmental Support Expenses	\$ 12,758,396	\$ 16,842,544	\$ 21,791,633	\$ 9,315,747	\$ 8,965,472	\$ 8,883,465							43%	4%
Total Expenses	\$ 181,515,392	\$ 190,860,064	\$ 217,967,437	\$ 106,537,419	\$ 102,020,118	\$ 99,416,922							49%	4%
<u>Physical Facilities</u>														
Salary	\$ 11,940,718	\$ 12,170,905	\$ 13,648,791	\$ 6,046,493	\$ 5,882,886	\$ 5,930,178							44%	3%
Benefits	\$ 3,741,925	\$ 4,183,538	\$ 5,479,958	\$ 2,434,497	\$ 2,359,832	\$ 2,345,945							44%	3%
Utilities	\$ 13,159,466	\$ 13,103,268	\$ 13,140,016	\$ 6,616,597	\$ 6,435,734	\$ 6,529,249							50%	3%
Scholarships & Fellowships	\$ 2,423	\$ -	\$ -	\$ -	\$ -	\$ -							0%	0%
Departmental Support Expenses	\$ 781,433	\$ (124,222)	\$ 519,269	\$ 233,964	\$ 71,298	\$ 558,986							45%	228%
Total Expenses	\$ 29,625,965	\$ 29,333,489	\$ 32,788,034	\$ 15,331,551	\$ 14,749,750	\$ 15,364,358							47%	4%
<u>Other Finance & Business Services Departments</u>														
Salary	\$ 8,035,713	\$ 7,542,931	\$ 8,579,680	\$ 3,939,554	\$ 3,649,925	\$ 3,847,594							46%	8%
Benefits	\$ 2,470,382	\$ 2,601,860	\$ 3,454,841	\$ 1,588,607	\$ 1,467,124	\$ 1,538,940							46%	8%
Departmental Support Expenses	\$ 1,201,466	\$ 1,757,983	\$ 2,194,147	\$ 1,328,914	\$ 1,369,843	\$ 1,162,859							61%	-3%
Total Expenses	\$ 11,707,561	\$ 11,902,774	\$ 14,228,668	\$ 6,857,075	\$ 6,486,892	\$ 6,549,393							48%	6%
<u>Enrollment Management & Student Success</u>														
Salary	\$ 6,139,014	\$ 6,633,030	\$ 7,445,306	\$ 3,464,688	\$ 3,250,139	\$ 2,642,499							47%	7%
Benefits	\$ 1,943,430	\$ 2,299,750	\$ 2,988,421	\$ 1,379,315	\$ 1,302,063	\$ 1,058,929							46%	6%
Scholarships & Fellowships	\$ 62,640,323	\$ 71,314,121	\$ 86,187,663	\$ 43,334,698	\$ 36,689,158	\$ 32,090,201							50%	18%
Departmental Support Expenses	\$ 2,713,887	\$ 3,563,021	\$ 3,913,715	\$ 2,781,645	\$ 2,222,865	\$ 1,750,883							71%	25%
Total Expenses	\$ 73,436,654	\$ 83,809,922	\$ 100,535,105	\$ 50,960,346	\$ 43,464,225	\$ 37,542,512							51%	17%

MIAMI UNIVERSITY
Financial Analysis - by Operational Unit
FY2017/FY2016 / FY2015

	FY2015			FY2016			FY2017			Thru December Year To Date			FY 2017	
	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Year-end Actual	Budget	Budget	Budget	FY2017	FY2016	FY2015	% of '17 Budget	% Change from '16 YTD
<u>President</u>														
Salary	\$ 4,060,901	\$ 4,425,363	\$ 4,848,513	\$ 2,438,564	\$ 2,039,147	\$ 1,908,894							50%	20%
Benefits	\$ 1,230,793	\$ 1,455,222	\$ 1,959,260	\$ 985,965	\$ 820,314	\$ 750,137							50%	20%
Departmental Support Expenses	\$ 3,957,743	\$ 4,425,995	\$ 3,690,085	\$ 1,333,094	\$ 1,823,325	\$ 1,441,164							36%	-27%
Total Expenses	\$ 9,249,437	\$ 10,306,580	\$ 10,497,858	\$ 4,757,623	\$ 4,682,786	\$ 4,100,195							45%	2%
<u>Student Affairs</u>														
Salary	\$ 5,031,600	\$ 5,474,271	\$ 6,078,046	\$ 2,825,578	\$ 2,675,183	\$ 2,752,115							46%	6%
Benefits	\$ 1,550,085	\$ 1,865,580	\$ 2,271,085	\$ 1,073,790	\$ 1,034,147	\$ 1,022,193							47%	4%
Scholarships & Fellowships	\$ 907,265	\$ 718,069	\$ 1,026,849	\$ 298,420	\$ 343,854	\$ 321,745							29%	-13%
Departmental Support Expenses	\$ (1,788,320)	\$ (1,469,010)	\$ (215,741)	\$ (788,873)	\$ (716,420)	\$ (744,495)							366%	10%
Total Expenses	\$ 5,700,630	\$ 6,588,910	\$ 9,160,239	\$ 3,408,915	\$ 3,336,764	\$ 3,351,558							37%	2%
<u>University Advancement</u>														
Salary	\$ 4,127,538	\$ 4,210,985	\$ 4,541,334	\$ 2,196,195	\$ 2,104,921	\$ 2,024,883							48%	4%
Benefits	\$ 1,312,412	\$ 1,473,292	\$ 1,829,703	\$ 877,184	\$ 839,210	\$ 807,855							48%	5%
Departmental Support Expenses	\$ 350,349	\$ 279,421	\$ 378,434	\$ 248,787	\$ 213,497	\$ 374,504							66%	17%
Total Expenses	\$ 5,790,299	\$ 5,963,698	\$ 6,749,471	\$ 3,322,166	\$ 3,157,628	\$ 3,207,242							49%	5%
<u>Information Technology</u>														
Salary	\$ 7,195,604	\$ 7,219,908	\$ 8,832,139	\$ 3,957,841	\$ 3,517,832	\$ 3,648,397							45%	13%
Benefits	\$ 2,278,002	\$ 2,500,693	\$ 3,577,018	\$ 1,601,493	\$ 1,422,719	\$ 1,475,162							45%	13%
Departmental Support Expenses	\$ 1,714,435	\$ 2,510,991	\$ 3,393,680	\$ 2,158,879	\$ 2,947,799	\$ 2,189,922							64%	-27%
Total Expenses	\$ 11,188,041	\$ 12,231,592	\$ 15,802,837	\$ 7,718,213	\$ 7,888,350	\$ 7,313,481							49%	-2%
<u>Centrally Budgeted Funds</u>														
Salary	\$ 626	\$ 4,803	\$ 2,758,099	\$ -	\$ (198)	\$ -							0%	-100%
Benefits	\$ 11,123	\$ 11,662	\$ 1,089,938	\$ -	\$ 6,119	\$ 7,091							0%	-100%
Departmental Support Expenses	\$ 849,447	\$ 774,838	\$ 6,074,670	\$ 1,053,755	\$ 724,324	\$ 826,440							17%	45%
Total Expenses	\$ 861,196	\$ 791,303	\$ 9,922,707	\$ 1,053,755	\$ 730,245	\$ 833,531							11%	44%

MIAMI UNIVERSITY
Financial Analysis - by Operational Unit
FY2017/FY2016 / FY2015

	FY2015	FY2016	FY2017	Thru December Year To Date			FY 2017	
	Year-end Actual	Year-end Actual	Budget	FY2017	FY2016	FY2015	% of '17 Budget	% Change from '16 YTD
Grand Total								
Salary	\$ 156,098,845	\$ 159,796,525	\$ 179,281,324	\$ 81,188,715	\$ 76,745,674	\$ 74,686,135	45%	6%
Benefits	\$ 45,728,842	\$ 50,329,487	\$ 66,396,068	\$ 29,845,090	\$ 28,294,184	\$ 27,218,102	45%	5%
Scholarships & Fellowships	\$ 91,521,588	\$ 99,966,480	\$ 117,057,436	\$ 64,623,575	\$ 57,408,691	\$ 52,787,949	55%	13%
Utilities	\$ 13,187,064	\$ 13,134,279	\$ 13,177,636	\$ 6,623,771	\$ 6,446,206	\$ 6,543,278	50%	3%
Departmental Support Expenses	\$ 22,538,836	\$ 28,561,561	\$ 36,161,100	\$ 16,718,222	\$ 17,622,003	\$ 16,443,728	46%	-5%
Admin Service Charge	\$ (8,079,403)	\$ (8,106,724)	\$ (8,585,290)	\$ (4,292,646)	\$ (4,053,361)	\$ (4,061,201)	50%	6%
Multi Year Accounts	\$ 5,110,493	\$ 5,450,650	\$ 5,578,792	\$ 947,690	\$ 1,879,121	\$ 2,103,508	0%	-50%
Total Expenses	\$ 326,106,265	\$ 349,132,258	\$ 409,067,066	\$ 195,654,417	\$ 184,342,518	\$ 175,721,499	48%	6%

Note: Excludes Transfers

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2017/FY2016/FY2015

	FY2015	FY2016	FY2017	Through December YTD			FY 2017	
	Year-end Actual	Year-end Actual	Original Budget	FY 2017	FY2016	FY2015	% of 17 Budget	% Change From '16 YTD
<u>Residence & Dining Halls</u>								
Revenue	95,376,089	99,638,990	107,228,472	104,807,055	97,898,406	95,293,869	98%	7%
General Fee Support	-	-	-	-	-	-		
Total Sources	95,376,089	99,638,990	107,228,472	104,807,055	97,898,406	95,293,869	98%	7%
Salary	15,732,386	15,804,557	16,085,567	8,381,153	7,415,239	7,979,378	52%	13%
Benefits	4,046,864	4,652,453	5,351,973	2,888,391	2,467,468	2,508,835	54%	17%
Utilities	6,179,598	5,944,432	6,459,987	3,144,251	2,922,029	3,025,192	49%	8%
Charge Outs	(2,695,243)	(2,643,816)	(2,824,498)	(1,102,304)	(1,020,558)	(328,636)	39%	8%
Operating Expenses	33,518,415	36,201,431	34,542,320	17,190,886	17,997,381	15,870,673	50%	-4%
Inventory Purchases	13,939	110,809	870,000	501,467	38,975	3,095	58%	1187%
Debt Service	30,866,290	33,873,421	33,908,759	17,050,407	17,047,211	15,438,946	50%	0%
Total Uses	87,662,249	93,943,287	94,394,108	48,054,251	46,867,744	44,497,483	51%	3%
Net Before Non-Mandatory Transfers	7,713,839	5,695,703	12,834,364	56,752,804	51,030,662	50,796,386	442%	11%
Net Transfers	(7,706,422)	(5,695,116)	(12,834,364)	(6,141,288)	(2,901,682)	(3,854,115)	48%	112%
Net Total	7,417	586	-	50,611,516	48,128,980	46,942,271		5%
<u>Shriver Center</u>								
Revenue	26,044,832	24,823,840	23,338,675	10,690,378	12,661,271	11,873,524	46%	-16%
General Fee Support	855,000	872,081	913,124	456,563	436,039	427,500	50%	5%
Total Sources	26,899,832	25,695,921	24,251,799	11,146,941	13,097,310	12,301,024	46%	-15%
Salary	4,232,203	3,935,687	3,737,910	1,715,550	1,971,991	2,175,633	46%	-13%
Benefits	1,046,556	1,011,391	1,080,253	548,934	632,152	681,074	51%	-13%
Utilities	413,065	357,640	397,015	147,268	256,088	702,913	37%	-42%
Charge Outs	(688,444)	(568,324)	(643,123)	(264,103)	(203,980)	-	41%	29%
Operating Expenses	5,247,135	4,742,294	3,974,297	1,133,303	1,737,308	1,732,757	29%	-35%
Inventory Purchases	14,127,443	14,311,319	13,893,623	7,736,503	7,678,625	5,422,728	56%	1%
Debt Service	47,326	47,197	47,219	23,713	23,687	23,748	50%	0%
Total Uses	24,425,284	23,837,205	22,487,194	11,041,168	12,095,870	10,738,853	49%	-9%
Net Before Non-Mandatory Transfers	2,474,548	1,858,716	1,764,605	105,773	1,001,440	1,562,171	6%	-89%
Net Transfers	(2,416,642)	(2,211,453)	(1,764,605)	(916,802)	(1,390,559)	(477,822)	52%	-34%
Net Total	57,906	(352,737)	-	(811,029)	(389,119)	1,084,349		108%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2017/FY2016/FY2015

	FY2015	FY2016	FY2017	Through December YTD			FY 2017	
	Year-end Actual	Year-end Actual	Original Budget	FY 2017	FY2016	FY2015	% of 17 Budget	% Change From '16 YTD
<u>Marcum Conference Center</u>								
Revenue	1,428,869	1,525,633	1,531,274	736,887	755,175	715,104	48%	-2%
General Fee Support	-	-	-	-	-	-		
Total Sources	1,428,869	1,525,633	1,531,274	736,887	755,175	715,104	48%	-2%
Salary	535,093	486,118	616,040	260,447	228,074	306,220	42%	14%
Benefits	144,168	145,333	191,895	89,205	79,647	100,930	46%	12%
Utilities	137,654	174,657	183,206	82,005	80,861	78,859	45%	1%
Charge Outs	(43,000)	46,856	46,856	-	-	-	0%	
Operating Expenses	454,496	523,221	474,305	270,955	235,728	154,851	57%	15%
Inventory Purchases	24,525	(387)	1,500	2,337	544	99	156%	329%
Debt Service	-	-	-	-	-	-		
Total Uses	1,252,936	1,375,798	1,513,802	704,949	624,854	640,958	47%	13%
Net Before Non-Mandatory Transfers	175,932	149,835	17,472	31,938	130,320	74,146	183%	-75%
Net Transfers	(141,119)	(20,782)	(17,472)	(8,736)	(11,963)	(45,559)	50%	-27%
Net Total	34,813	129,053	-	23,202	118,357	28,587		-80%
<u>Intercollegiate Athletics</u>								
Revenue	5,987,974	6,291,209	7,075,535	2,238,530	3,348,768	2,107,524	32%	-33%
General Fee Support	16,107,965	16,740,318	17,930,301	8,265,151	8,055,159	7,758,983	46%	3%
Designated Revenue	692,406	821,856	1,160,000	315,553	565,526	331,805	27%	-44%
Restricted Revenue	1,112,975	1,640,967	1,477,805	1,287,500	693,998	465,650	87%	86%
Total Sources	23,901,320	25,494,350	27,643,641	12,106,734	12,663,451	10,663,962	44%	-4%
Salary	7,618,940	7,678,815	7,928,103	4,090,012	3,838,656	3,871,540	52%	7%
Benefits	2,314,442	2,575,561	3,085,678	1,607,274	1,485,623	1,469,957	52%	8%
Utilities	9,869	10,623	2,500	6,060	7,868	6,242	242%	-23%
Charge Outs	(123,173)	(112,697)	-	-	(48,377)	(71,411)		-100%
Operating Expenses	13,628,179	14,192,624	14,134,167	8,482,579	8,239,562	7,563,040	60%	3%
Inventory Purchases	-	-	-	-	-	-		
Debt Service	-	-	-	-	-	-		
Designated Expense	746,950	812,397	1,160,000	484,457	601,925	335,838	42%	-20%
Restricted Expense	1,349,553	1,689,041	1,477,805	909,101	623,266	663,089	62%	46%
Total Uses	25,544,760	26,846,365	27,788,253	15,579,483	14,748,523	13,838,295	56%	6%
Net Before Non-Mandatory Transfers	(1,643,440)	(1,352,015)	(144,612)	(3,472,749)	(2,085,071)	(3,174,332)	2401%	67%
Net Transfers	895,565	857,801	144,612	869,612	605,001	558,975	601%	44%
Net Total	(747,875)	(494,214)	-	(2,603,137)	(1,480,070)	(2,615,358)		76%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2017/FY2016/FY2015

	FY2015	FY2016	FY2017	Through December YTD			FY 2017	
	Year-end Actual	Year-end Actual	Original Budget	FY 2017	FY2016	FY2015	% of 17 Budget	% Change From '16 YTD
Recreation Center								
Revenue	3,191,209	3,133,044	3,231,940	1,724,238	1,719,133	1,733,533	53%	0%
General Fee Support	3,706,729	3,754,534	3,890,157	1,945,079	1,877,267	1,853,365	50%	4%
Total Sources	6,897,938	6,887,578	7,122,097	3,669,317	3,596,400	3,586,898	52%	2%
Salary	2,660,057	2,669,289	3,016,681	1,404,741	1,335,401	1,358,085	47%	5%
Benefits	599,473	623,838	818,683	380,054	360,538	361,395	46%	5%
Utilities	717,230	761,447	758,877	374,885	418,223	362,987	49%	-10%
Charge Outs	-	-	351,514	(450)	-	-	0%	
Operating Expenses	1,429,918	1,490,471	1,111,275	778,917	677,558	519,361	70%	15%
Inventory Purchases	312,791	330,915	295,550	158,280	161,150	154,769	54%	-2%
Debt Service	-	-	-	-	-	-		
Total Uses	5,719,468	5,875,960	6,352,580	3,096,427	2,952,870	2,756,597	49%	5%
Net Before Non-Mandatory Transfers	1,178,470	1,011,618	769,517	572,890	643,530	830,300	74%	-11%
Net Transfers	(1,105,247)	(854,128)	(769,517)	(346,159)	(437,165)	(402,623)	45%	-21%
Net Total	73,223	157,490	-	226,731	206,365	427,677		10%
Goggin Ice Arena								
Revenue	3,529,955	3,546,023	1,711,300	1,194,553	2,821,799	2,694,908	70%	-58%
General Fee Support	2,182,739	2,201,527	4,286,039	2,143,020	1,100,765	1,091,369	50%	95%
Total Sources	5,712,694	5,747,550	5,997,339	3,337,573	3,922,564	3,786,277	56%	-15%
Salary	1,156,649	1,191,765	1,296,430	606,627	565,396	571,997	47%	7%
Benefits	323,471	346,204	442,962	207,801	193,788	193,634	47%	7%
Utilities	950,515	1,057,027	1,068,409	566,774	564,127	495,745	53%	0%
Charge Outs	-	-	-	-	-	-		
Operating Expenses	414,371	491,666	586,573	311,991	213,566	135,452	53%	46%
Inventory Purchases	203,240	207,398	180,000	149,987	72,262	97,857	83%	108%
Debt Service	2,039,936	1,755,722	1,827,949	916,530	1,131,719	1,023,846	50%	-19%
Total Uses	5,088,182	5,049,782	5,402,323	2,759,710	2,740,858	2,518,532	51%	1%
Net Before Non-Mandatory Transfers	624,512	697,769	595,016	577,863	1,181,707	1,267,744	97%	-51%
Net Transfers	(579,832)	(263,883)	(595,016)	(313,309)	(132,407)	(147,282)	53%	137%
Net Total	44,681	433,885	-	264,554	1,049,300	1,120,462		-75%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2017/FY2016/FY2015

	FY2015	FY2016	FY2017	Through December YTD			FY 2017	
	Year-end Actual	Year-end Actual	Original Budget	FY 2017	FY2016	FY2015	% of 17 Budget	% Change From '16 YTD
<u>Parking and Transportation</u>								
Revenue	3,999,221	4,457,992	2,270,000	1,520,647	3,325,169	3,184,519	67%	-54%
General Fee Support	200,003	199,000	2,500,954	1,250,478	99,499	100,001	50%	1157%
Total Sources	4,199,224	4,656,992	4,770,954	2,771,125	3,424,668	3,284,520	58%	-19%
Salary	429,872	313,145	239,275	108,473	163,545	208,978	45%	-34%
Benefits	130,932	77,098	82,811	38,892	60,620	78,222	47%	-36%
Utilities	-	-	-	-	-	-		
Charge Outs	(19,603)	(81,152)	(20,000)	(56,209)	(52,098)	(10,820)	281%	8%
Operating Expenses	1,903,328	2,122,157	2,397,744	814,681	814,058	732,563	34%	0%
Inventory Purchases	-	-	-	-	-	-		
Debt Service	1,716,098	1,532,933	1,581,022	792,987	931,075	861,504	50%	-15%
Total Uses	4,160,626	3,964,181	4,280,852	1,698,824	1,917,201	1,870,446	40%	-11%
Net Before Non-Mandatory Transfers	38,597	692,811	490,102	1,072,301	1,507,467	1,414,074	219%	-29%
Net Transfers	(64,355)	(360,511)	(490,102)	(245,052)	(180,688)	(32,179)	50%	36%
Net Total	(25,758)	332,300	-	827,249	1,326,779	1,381,895		-38%
<u>Utility Enterprise</u>								
Revenue	-	-	-	-	-	-		
Total Sources	-	-	-	-	-	-		
Salary	1,258,056	1,317,931	1,632,275	735,359	634,698	593,569	45%	16%
Benefits	425,303	446,472	655,046	295,734	255,631	239,573	45%	16%
Utilities	10,470,089	9,677,943	11,794,167	4,295,763	4,532,706	4,371,069	36%	-5%
Charge Outs	-	(798)	(35,000)	299	-	-	-1%	
Expense Recovery	(23,175,972)	(23,156,304)	(23,900,761)	(12,158,153)	(11,676,375)	(11,568,551)	51%	4%
Operating Expenses	1,216,450	1,560,709	1,696,845	604,419	591,614	534,014	36%	2%
Inventory Purchases	-	-	-	-	-	-		
Debt Service	2,407,322	2,349,215	2,364,668	1,187,099	1,231,987	1,208,497	50%	-4%
Total Uses	(7,398,751)	(7,804,832)	(5,792,760)	(5,039,480)	(4,429,739)	(4,621,829)	87%	14%
Net Before Non-Mandatory Transfers	7,398,751	7,804,832	5,792,760	5,039,480	4,429,739	4,621,829	87%	14%
Net Transfers	(6,964,248)	(5,616,865)	(5,792,760)	(2,861,378)	(2,748,433)	(2,769,717)	49%	4%
Net Total	434,503	2,187,967	-	2,178,102	1,681,306	1,852,112		30%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2017/FY2016/FY2015

	FY2015	FY2016	FY2017	Through December YTD			FY 2017	
	Year-end Actual	Year-end Actual	Original Budget	FY 2017	FY2016	FY2015	% of 17 Budget	% Change From '16 YTD
<u>Student Health Services</u>								
Revenue	1,853,078	2,530,643	2,641,260	1,680,033	1,090,635	939,344	64%	54%
General Fee Support	477,049	-	-	-	-	238,525		
Total Sources	2,330,127	2,530,643	2,641,260	1,680,033	1,090,635	1,177,869	64%	54%
Salary	865,807	717,171	685,973	363,342	352,551	429,874	53%	3%
Benefits	274,447	251,677	277,819	147,153	142,783	173,878	53%	3%
Charge Outs	-	-	8,663	-	-	-	0%	
Operating Expenses	728,478	1,173,305	1,542,573	1,114,936	449,364	343,681	72%	148%
Inventory Purchases	109,335	110,130	112,560	2,308	44,625	64,870	2%	-95%
Debt Service	-	-	-	-	-	-		
Total Uses	1,978,067	2,252,283	2,627,588	1,627,739	989,322	1,012,303	62%	65%
Net Before Non-Mandatory Transfers	352,060	278,360	13,672	52,294	101,313	165,566	382%	-48%
Net Transfers	(165,439)	(10,189)	(13,672)	(6,835)	(5,095)	(32,719)	50%	34%
Net Total	186,621	268,171	-	45,459	96,218	132,847		-53%
<u>Armstrong - Student Affairs</u>								
Revenue	3,778,234	3,859,489	110,500	122,934	3,660,463	3,516,636	111%	-97%
General Fee Support	699,997	841,160	4,860,188	2,860,722	420,581	349,999	59%	580%
Total Sources	4,478,231	4,700,649	4,970,688	2,983,656	4,081,044	3,866,635	60%	-27%
Salary	334,192	341,912	401,060	185,061	164,222	160,531	46%	13%
Benefits	66,444	70,818	92,708	44,631	36,788	37,306	48%	21%
Utilities	275,395	295,226	279,332	132,907	131,566	131,641	48%	1%
Charge Outs	-	-	-	-	-	-		
Operating Expenses	701,089	598,892	661,776	501,950	477,523	178,646	76%	5%
Inventory Purchases	-	-	-	-	-	-		
Debt Service	2,407,128	2,454,491	2,450,000	1,225,000	1,227,246	1,196,136	50%	0%
Total Uses	3,784,248	3,761,338	3,884,876	2,089,549	2,037,344	1,704,259	54%	3%
Net Before Non-Mandatory Transfers	693,983	939,312	1,085,812	894,107	2,043,700	2,162,376	82%	-56%
Net Transfers	(647,121)	(919,317)	(1,085,812)	(963,487)	(880,239)	(452,731)	89%	9%
Net Total	46,862	19,995	-	(69,380)	1,163,461	1,709,645		-106%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2017/FY2016/FY2015

	FY2015	FY2016	FY2017	Through December YTD			FY 2017	
	Year-end Actual	Year-end Actual	Original Budget	FY 2017	FY2016	FY2015	% of 17 Budget	% Change From '16 YTD
Other Auxiliary								
Revenue	193,706	184,898	176,668	82,588	93,716	97,775	47%	-12%
General Fee Support	5,163,646	5,868,206	960,689	1,009,553	460,149	3,498,218	105%	119%
Total Sources	5,357,353	6,053,104	1,137,357	1,092,141	553,865	3,595,993	96%	97%
Salary	66,003	68,584	71,967	35,939	34,560	33,032	50%	4%
Benefits	18,744	22,097	23,948	11,918	11,619	11,271	50%	3%
Utilities	-	-	-	-	-	-		
Charge Outs	-	-	-	-	-	-		
Operating Expenses	815,995	552,276	623,962	326,810	250,723	495,210	52%	30%
Inventory Purchases	-	-	-	-	-	-		
Debt Service	345,510	298,062	402,273	155,107	192,611	173,413	39%	-19%
Total Uses	1,246,252	941,019	1,122,150	529,774	489,513	712,927	47%	8%
Net Before Non-Mandatory Transfers	4,111,101	5,112,085	15,207	562,367	64,353	2,883,066	3698%	774%
Net Transfers	(4,486,650)	(5,041,471)	(15,207)	(336,446)	48,650	(3,068,068)	2212%	-792%
Net Total	(375,550)	70,613	-	225,921	113,002	(185,002)		100%
Total Auxiliary								
Revenue	145,383,166	149,991,760	149,315,624	124,797,843	127,374,535	122,156,737	84%	-2%
General Fee Support	29,393,128	30,476,826	35,341,452	17,930,566	12,449,459	15,317,960	51%	44%
Designated Revenue	692,406	821,856	1,160,000	315,553	565,526	331,805	27%	-44%
Restricted Revenue	1,112,975	1,640,967	1,477,805	1,287,500	693,998	465,650	87%	86%
Total Sources	176,581,676	182,931,409	187,294,881	144,331,462	141,083,519	138,272,152	77%	2%
Salary	34,889,259	34,524,974	35,711,281	17,886,704	16,704,333	17,688,836	50%	7%
Benefits	9,390,845	10,222,942	12,103,776	6,259,987	5,726,656	5,856,075	52%	9%
Utilities	19,158,812	18,278,994	20,943,493	8,749,913	8,913,467	9,174,648	42%	-2%
Expense Recovery	(23,175,972)	(23,156,304)	(23,900,761)	(12,158,153)	(11,676,375)	(11,568,551)	51%	4%
Charge Outs	(3,569,463)	(3,359,930)	(3,467,102)	(1,422,767)	(1,325,014)	(410,867)	41%	7%
Operating Expenses	60,052,456	63,649,045	60,986,076	31,531,427	31,684,384	28,260,248	52%	0%
Inventory Purchases	14,791,271	15,070,184	16,168,958	8,550,882	7,996,181	5,743,419	53%	7%
Debt Service	39,829,612	42,311,041	42,877,440	21,350,843	21,785,536	19,926,090	50%	-2%
Designated Expense	746,950	812,397	1,160,000	484,457	601,925	335,838	42%	-20%
Restricted Expense	1,349,553	1,689,041	1,477,805	909,101	623,266	663,089	62%	46%
Total Uses	153,463,323	160,042,385	164,060,966	82,142,394	81,034,359	75,668,826	50%	1%
Net Before Non-Mandatory Transfers	23,118,353	22,889,024	23,233,915	62,189,068	60,049,160	62,603,326	268%	4%
Net Transfers	(23,381,510)	(20,135,915)	(23,233,915)	(11,269,880)	(8,034,581)	(10,723,840)	49%	40%
Net Total	(263,157)	2,753,109	-	50,919,188	52,014,579	51,879,487		-2%

Oxford FY18 Budget Planning

February 16, 2017

FY2018 Key Budget Assumptions

	<u>Oxford</u>		<u>Hamilton & Middletown</u>
	<u>Initial Assumption</u>	<u>Worse Case</u>	
Fall Class - First Time Students	3,750	3,750	N/A
Fall Class & Other Incoming Students	730	555	N/A
Enrollment mix - Non-Resident (first year)	43.1%	40.0%	N/A
State Share of Instruction - Change from FY17	1%	-1%	0%
Change in Investment Income	\$0	\$0	\$0
Salary Increment Pool & Market Adjustments	4.0%	2.0%	3.0%
Health Care Trend	4.0%	4.0%	3.0%
Undergraduate Scholarships (Increase)	\$5.9M	\$5.9M	\$0
Utilities Trend	3%	3%	3%
Non-Personnel Inflation	2%	2%	2%
Staff Benefit Rate	No Change	No Change	No Change
Strategic Priorities Initiatives			
New Revenue	\$4,720,228	\$4,068,378	
Expense Reductions - Productivity	(\$586,747)	(\$586,747)	

FY2018 Key Budget Assumptions

	Oxford		
	<u>Initial Assumption</u>	<u>Worse Case</u>	<u>Hamilton & Middletown</u>
Tuition Increase Undergraduate:			
Continuing – Non Resident	2%	2%	
Continuing – Resident	0%	0%	
New Cohort – Non Resident	5%	5%	
New Cohort – Resident	1.3%	1.3%	
Tuition Increase Graduate – Non Resident	2%	2%	2%
Tuition Increase Graduate – Resident	2%	2%	2%
Undergraduate All Students – Non Resident			2%
Undergraduate All Students – Resident			0%

Note: The remaining Armstrong Student Center fee previously approved by the Board of Trustees and Ohio Department of Higher Education will be assessed in FY18. For undergraduates that additional fee will be \$15 per semester (\$1.25/credit hour in summer and winter terms). For graduates the fee will be \$7.50 per semester(\$.63/credit hour summer and winter terms). The change is not included in the percentages noted above.

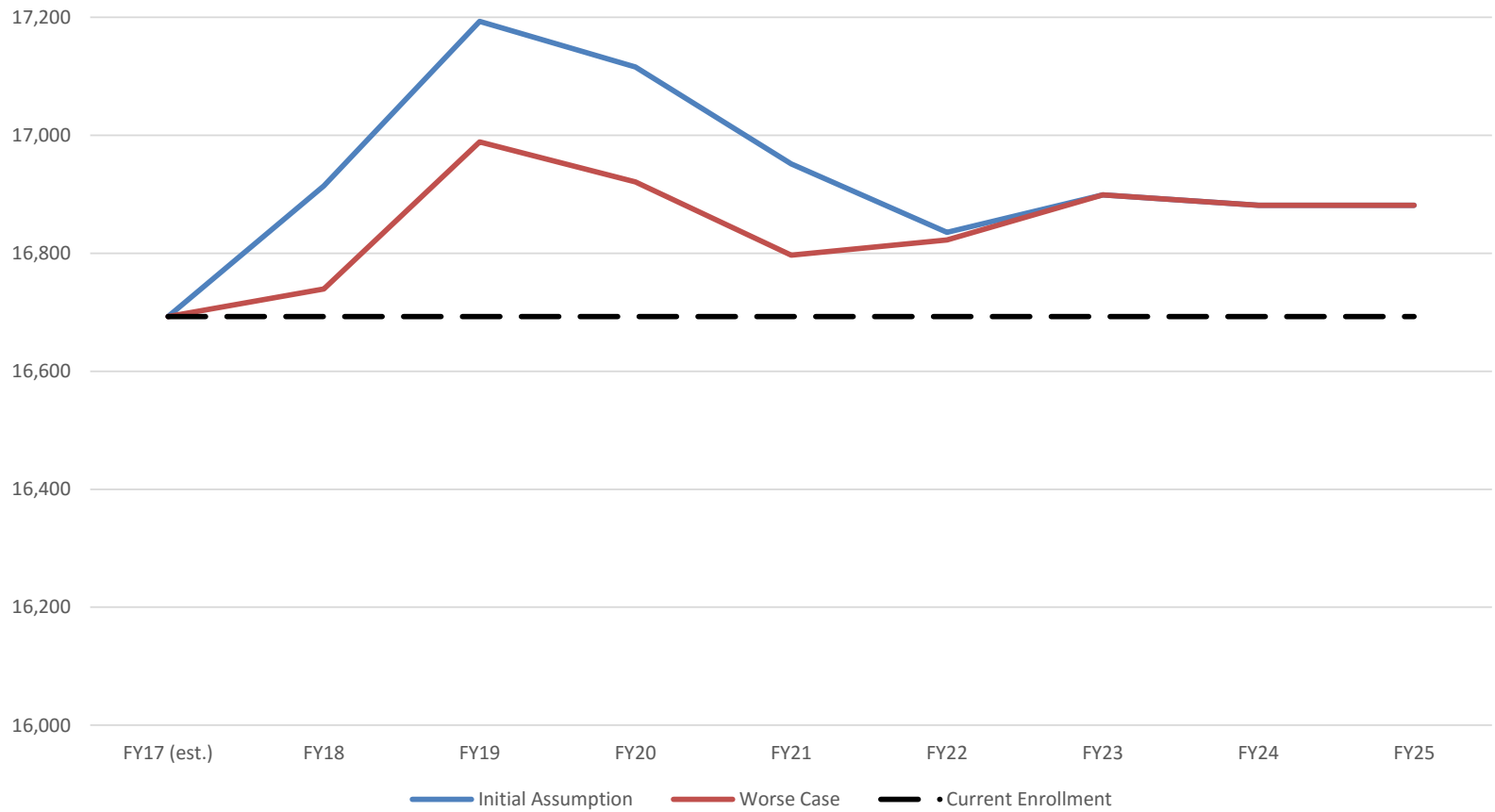
FY18 Fall Class

	<u>Oxford</u>	
	<u>Initial</u> <u>Assumption</u>	<u>Worse</u> <u>Case</u>
Fall Class - First Time Students		
First Time Attending Post Secondary Education	3,750	3,750
Fall Class - Other Incoming Students		
Transfer Students	215	215
Relocated Students	240	240
American Culture & English (ACE) Students	<u>275</u>	<u>100</u>
Total Fall Class - Other Incoming Students	730	555
Total Fall Class	4,480	4,305
Other - Oxford Pathway (TOP) Program Students	<u>40</u>	<u>40</u>
Total Fall Class & Other Students	4,520	4,345

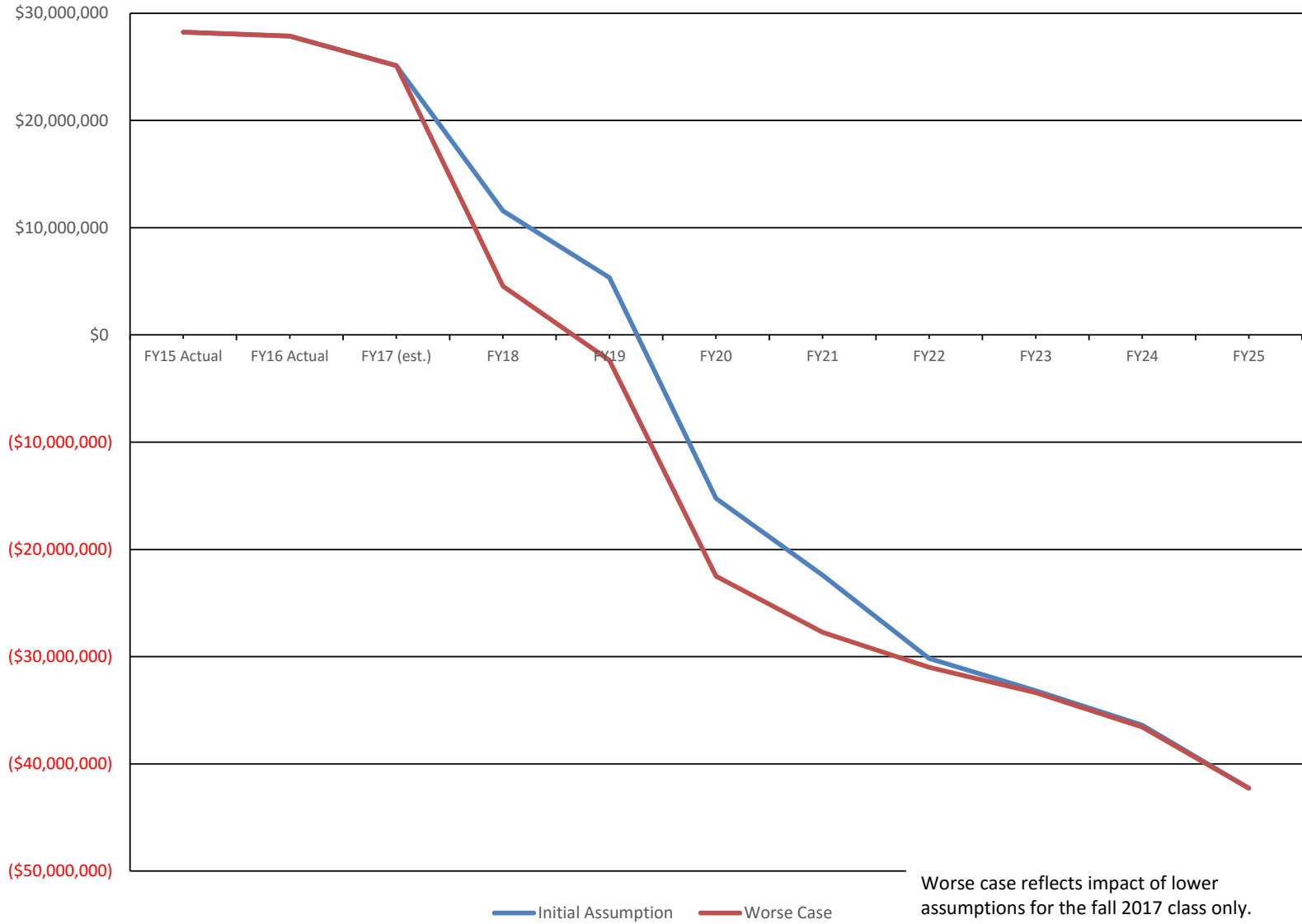
Oxford Campus						
Budget Planning Assumptions for Fiscal Year 2018						
Potential Variance from Plan						
New Revenue						
	Initial Assumption	Worse Case	Notes & Assumptions			
Enrollment Growth - Non Resident	\$ 10,781,893	\$ 9,602,460	Non Resident Cohort 43% (High) to 40% (Low)			
Enrollment Growth - ACE	\$ 4,176,968	\$ (2,184,897)	ACE Cohort 275 (High) to 100 (Low)			
State Appropriation	\$ 656,315	\$ (656,315)	1% (+/-) prior year			
Total	\$ 15,615,176	\$ 6,761,247				
New Spending						
	Initial Assumption	Worse Case	Notes & Assumptions			
Compensation	\$ 10,075,610	\$ 5,037,805	4% (High) 2% (Low)			
Need Based Aid	\$ 3,528,499	\$ 3,528,499				
Academic Improvements	\$ 4,893,013	\$ 4,893,013				
Support Cost Inflation	\$ 1,048,777	\$ 1,048,777				
Other Enhancements	\$ 2,020,002	\$ 2,020,002				
ERP	\$ 3,500,000	\$ -	High (from operating budget) Low (from carry forward assessment)			
Total	\$ 25,065,902	\$ 16,528,096				
Long-Tem Spending Commitments						
	FY18	FY19	FY20	FY21	FY22	
Need Based Student Aid	\$ 3,528,499	\$ 3,342,133	\$ 2,526,026	\$ 1,524,367	\$ 377,138	
Other Student Aid	\$ 5,044,053	\$ 6,627,315	\$ 4,588,110	\$ 4,511,251	\$ 4,616,772	
ERP Migration	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -	\$ -	
Convergence Building	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -	
Capital Gift Campaign	\$ -	\$ -	\$ 7,500,000	\$ 1,500,000	\$ 1,500,000	
Total	\$ 12,072,551	\$ 16,469,448	\$ 14,614,136	\$ 7,535,618	\$ 6,493,910	

Undergraduate Enrollment

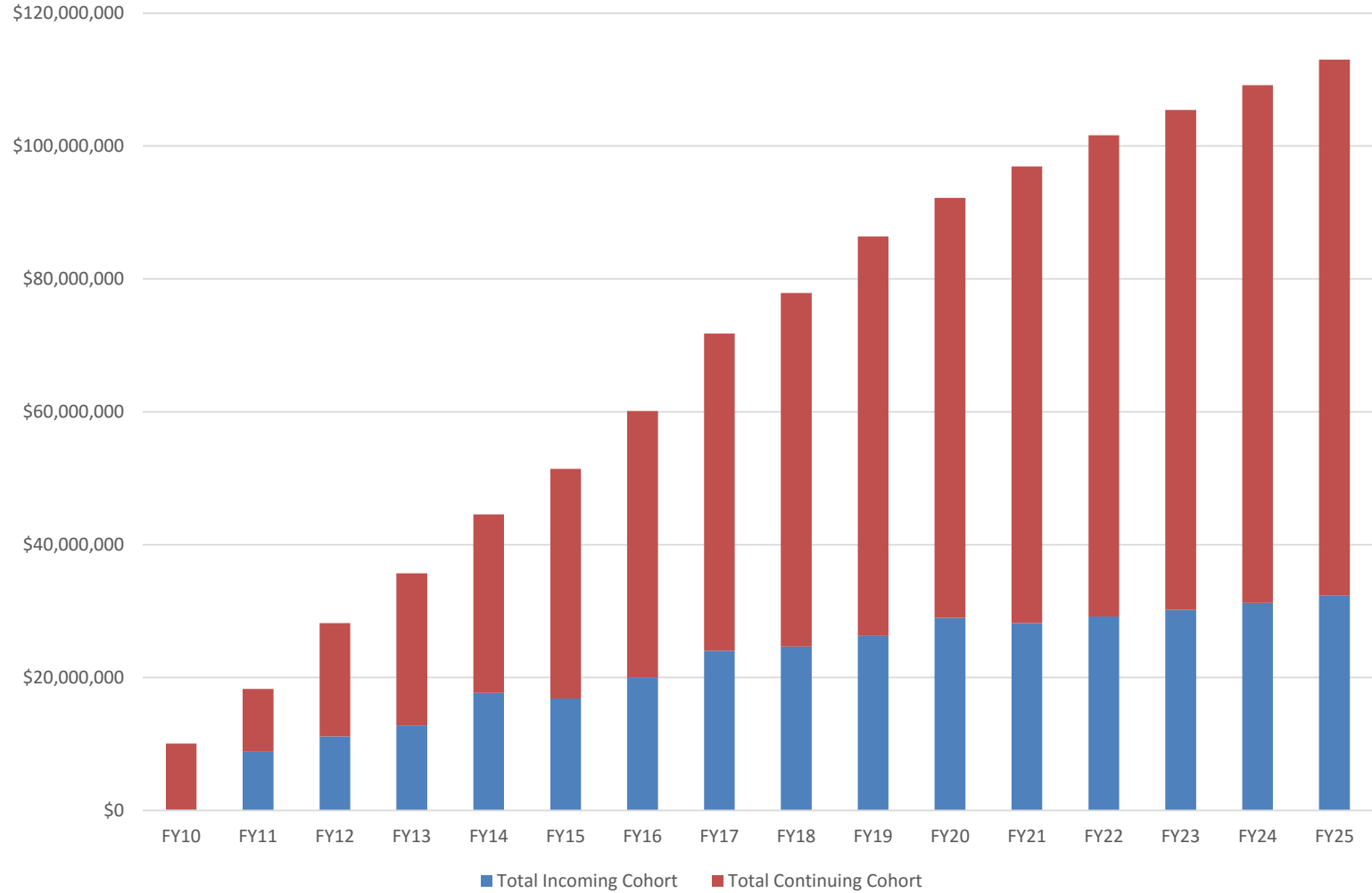
FY18 Initial Assumption: 43.1% Non Resident & 275 ACE
FY18 Worse Case: 40% Non Resident & 100 ACE



Estimated Surplus (Deficit)



Cohort Based Financial Aid (Includes Redhawk, Need Based, International & Transfer)



Questions?

Five Forces are Reshaping Higher Education

1. Economic and social disruption is continuing to accelerate, which is placing many institutions at risk.
2. The globalization of education is accelerating.
3. New business and delivery models are gaining traction.
4. Greater transparency about student outcomes is becoming the norm.
5. Students and family demands are rising for a greater return on investment in higher education.





BOARD OF TRUSTEES
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February 17, 2017
Finance and Audit

RESOLUTION R2017-27

WHEREAS, Miami University incurs certain investment costs and expenses for the generation of new gifts that benefit the Miami University endowment fund; and

WHEREAS, the Miami University Board of Trustees previously adopted an Administrative Fee Plan which authorizes the assessment of an annual administrative fee to be used to offset some of the advancement and investment management expenses; and

WHEREAS, adjustments to the Administrative Fee Plan occasionally are necessary to attract major gifts to Miami University; and

WHEREAS, the amended Administrative Fee Plan is hereby attached;

NOW, THEREFORE, BE IT RESOLVED: that the Miami University Board of Trustees adopts the Administrative Fee Plan as amended.

*Approved by the Board of Trustees
February 17, 2017*

*T. O. Pickerill II
Secretary to the Board of Trustees*

MIAMI UNIVERSITY
Administrative Fee Plan
February 2017

OBJECTIVE

The objective of the Administrative Fee Plan is to reimburse Miami University to support certain expenses related to the advancement and investment of the Miami University endowment fund and annual fund.

REVENUE

An administrative fee of 1.00 percent will be calculated against the market value of the Miami University endowment investment pool as of March 31 (in conjunction with the annual spending distribution calculation). The Administrative Fee may be reduced or waived for any endowed gift with the approval of the Vice President for University Advancement and the Senior Vice President for Finance and Business Services. The total Administrative Fee revenue will be distributed to the University's Education & General Fund before the end of the following fiscal year and used to offset certain costs incurred in that fiscal year as described below.

EXPENSES

The administrative fee revenue shall be used to offset expenses as follows:

- **Advancement:** A portion of the Administrative Fee shall be used to fund advancement related expenses including but not limited to the salaries, operating, travel, and entertainment expenses of university advancement staff as determined by the Vice President for University Advancement
- **Investment:** A portion of the administrative fee shall be used to fund investment related expenses, including but not limited to the salaries of finance and business services staff related to investment and administration of endowment funds, travel and registration expenses related to external investment manager meetings and conferences, external audit fees, and external investment consulting fees as determined by the Senior Vice President for Finance and Business Services

Any Administrative Fee balance not spent in the current fiscal year may be accumulated and carried forward to a future fiscal year.

This plan and the administrative fee rate will be reviewed on an annual basis by the Miami University Finance and Audit Committee.

Business Session
Item 6

February 17, 2017
Finance and Audit

Resolution R2017-xx

For Discussion Only

WHEREAS, the Board of Trustees of Miami University adopted Resolution R2002-40 on June 21, 2002, establishing the Non-Endowment Funds Investment Policy; and

WHEREAS, the Board of Trustees adopted Resolution R2010-7 on September 18, 2009 and Resolution R2015-45 on May 1, 2015 to update and amend the Non-Endowment Investment Policy; and

WHEREAS, the Senior Vice President for Finance and Business Services and Treasurer of the University has recommended additional revisions to the policy: and

WHEREAS, the amended Non-Endowment Funds Investment Policy is attached;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees approves the amended Non-Endowment Funds Investment Policy; and

BE IT FURTHER RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer and the University's Chief Investment Officer to redirect (\$?) from the non-endowment funds to be invested in the pooled endowment fund of Miami University and the Miami University Foundation effective no sooner than July 1, 2017.

NON-ENDOWMENT FUNDS INVESTMENT POLICY
MIAMI UNIVERSITY
Updated February 2017

- A. All university funds derived from the sources enumerated in Ohio Revised Code 3345.05 (A) (hereinafter referred to as Non-Endowment Funds) shall for investment purposes be designated into one of three pools: 1) University's Operating Cash pool (Tier 1); 2) University's Core pool (Tier 2); and 3) University's Long-Term Capital pool (Tier 3). In addition, the Miami University Board of Trustees may designate some of these funds to be invested in the University's endowment pool according to the endowment investment policy (Appendix A).
- B. The investment of the Non-Endowment Funds shall be made in accordance with ORC 3345.05 (C) (1), with at least twenty-five percent of the average amount of the investment portfolio over the course of the previous fiscal year invested in securities of the United States government or of its agencies or instrumentalities, the treasurer of state's pooled investment program, obligations of Ohio or any political subdivision of Ohio, certificates of deposit of any national bank located in Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds, or bankers acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system, as a reserve. The calculation of the twenty-five percent requirement shall include funds invested as part of the endowment fund but not designated by the Board of Trustees as a quasi-endowment fund.
- C. The investment of Non-Endowment Funds will be guided by the objective of earning market rates of return while accepting a low level of market risk. The portfolio's asset allocation will be statistically modeled using historical and projected risk and return characteristics of the portfolio's asset classes. The Tiers are constructed to adequately meet the University's projected budgetary needs and Ohio Revised Code requirements with low risk and liquid investments (Tier 1), with progressively higher expected returns at modestly higher risk profiles in Tiers 2 and 3.
- D. The investment objectives, instruments, and target allocations of each pool shall be:
- Tier 1:
 - Objective: To meet the day-to-day cash obligations of the University, provide a liquid and low investment risk source of funds when needed, and meet Ohio Revised Code requirements for public funds.
 - Investments: Include eligible investments under ORC 3345.05 (C) (1), generally with an average weighted maturity of less than three years.
 - Allocation target range: The first tier of the Non-Endowment pool ensures at least two months of projected budgetary cash needs are available in cash equivalents. It is expected that Tier 1 will often exceed the two month

projected budgeting cash needs in order to fulfill the requirements of ORC 3345.05 (C) (1).

- Tier 2:
 - Objective: To provide a liquid source of funds in the event the Tier 1 pool is insufficient to meet the University's cash needs, while providing an opportunity for incremental returns with modest volatility.
 - Investments: Include U.S. Treasury and government agency securities, investment grade corporate fixed income securities, and floating rate bank loans, generally with an average weighted maturity of between one and five years.
 - Allocation target range: The next 30% of the Non-Endowment pool
 - Tier 3:
 - Objective: To optimize risk adjusted returns on long-term funds which would be expended by the University in the unlikely event of severe financial exigency.
 - Investments: Include structured products, absolute return strategies, hedged equity, and internal loans. These funds are expected to have less liquid fund structures.
 - Allocation target range: Funds in excess of the amounts needed for Tiers 1 and 2.
- E. Rebalancing may occur at the joint discretion of the Miami University Treasurer and Chief Investment Officer, as conditions dictate.
- F. The Board of Trustees' Finance and Audit Committee shall serve as the Investment Committee required by Ohio Revised Code 3345.05. The Committee may retain the services of an investment advisor who satisfies the requirements of Ohio Revised Code Section 3345.05 (D) (1) and may delegate implementation of this policy to an investment subcommittee comprised of Board members and university employees. The Investment Committee shall report at least semi-annually to the Board.
- G. All fiduciaries are required to discharge their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

APPENDIX A

MIAMI UNIVERSITY FOUNDATION INVESTMENT POLICY FEBRUARY 2014

The Directors of the Miami University Foundation recognize their responsibility to prudently manage the funds that have been and will be given to the Foundation. Spending from these funds is intended to benefit Miami University in perpetuity; therefore, the Foundation's investment policy, built upon the Foundation's Core Investment Philosophy, is intended to protect the principal of the funds and to produce maximum total return without assuming inappropriate risks.

GOALS

The Directors hereby affirm the following goals for the Foundation's investment portfolio:

- 1) To maintain a proper balance between the preservation of principal, the total return available for spending, and the enhancement of the value of the funds.
- 2) To maintain a spending rate that protects the real value of the principal, thereby preserving intergenerational equity.
- 3) To provide investment returns which are sufficient to meet the Endowment's spending requirements while remaining within an acceptable level of volatility, as determined by the Endowment's Asset Allocation Policy.

OBJECTIVES

The Directors' primary objective is to target a long-term risk adjusted return that exceeds the sum of the annual spending rate, the long-term inflation rate, and operating fees and expenses.

Due to the long-term investment horizon of the Foundation's funds, the Directors recognize that the portfolio can tolerate some year-to-year fluctuations in returns. The Directors also acknowledge that the values of the variables in the target rate of return, along with expectations for future rates of return, will vary over time. However, the portfolio is modeled such that it plans to achieve its objective over a complete business cycle, with excess returns providing real growth in the fund.

While recognizing that short term volatility accompanies the pursuit of long term returns, the Directors also acknowledge the importance of the annual Endowment distribution to Miami University, its students, and faculty. The Directors will endeavor to strike a prudent balance between these potentially conflicting short and long term objectives.

PORTFOLIO MANAGEMENT

Oversight and direction of the Foundation's investment portfolio shall be the responsibility of the Investment Committee of the Foundation Board of Directors. The Investment Committee will establish an asset allocation policy designed to achieve the Foundation's investment goals and objectives. The asset allocation policy may be updated from time to time, as circumstances and capital market expectations warrant.

The Investment Committee does not view its role as one of making individual investment decisions. Decisions on specific investments will be made by advisors and managers. The investment managers will be jointly recommended by the Foundation's Chief Investment Officer and external investment consultant, and approved by the Investment Committee. These managers will comprise a variety of investment strategies to implement the Asset Allocation Policy.

In managing and investing the Foundation's pooled fund, the following factors shall be considered:

- 1) General economic conditions;
- 2) The possible effect of inflation or deflation;
- 3) The role that each investment or course of action plays within the overall investment portfolio of the fund;
- 4) The expected total return from income and the appreciation of investments;
- 5) Other resources of the Miami University Foundation;
- 6) The need of the Miami University Foundation and of the fund to make distributions and preserve capital;
- 7) An asset's special relationship or special value, if any, to the purposes of Miami University Foundation.

Management and investment decisions shall be made not in isolation but rather in the context of the Miami University Foundation's portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the fund and to the Foundation. In considering these factors, the investment committee may rely on the advice of external financial experts.

The Investment Committee will regularly review the strategy and performance of the Foundation investment managers. Any change in investment philosophy, style, or a significant departure from past procedure by an investment manager will be reviewed by the Committee.

The Investment Committee has the authority to invest new funds and to rebalance the investment portfolio among the managers, with the objective of maintaining the Foundation's adherence to its asset allocation target ranges.

NON-ENDOWMENT FUNDS INVESTMENT POLICY
MIAMI UNIVERSITY
 Updated ~~May 2015~~ February 2017

- A. All university funds derived from the sources enumerated in Ohio Revised Code 3345.05 (A) (hereinafter referred to as Non-Endowment Funds) shall for investment purposes be designated into one of three pools: 1) University's Operating Cash pool (~~Tier 1~~); 2) University's Core ~~Cash~~-pool (~~Tier 2~~); and 3) University's Long-Term Capital pool (~~Tier 3~~). In addition, the Miami University Board of Trustees may designate some of these funds as quasi-endowments, ~~to which for investment purposes shall be invested in the University's endowment pool according to the endowment investment policy (Appendix A).~~
- B. The investment of the ~~remaining~~ Non-Endowment Funds shall be made in accordance with ORC 3345.05 (C) (1), with ~~an average of~~ at least twenty-five percent of the average amount of the investment portfolio over the course of the previous fiscal year invested in securities of the United States government or of its agencies or instrumentalities, the treasurer of ~~the state's~~ pooled investment program, obligations of ~~this state~~Ohio or any political subdivision of ~~this state~~Ohio, certificates of deposit of any national bank located in ~~this state~~Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds, or bankers acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system, as a reserve. The calculation of the twenty-five percent requirement shall include funds invested as part of the endowment fund but not designated by the Board of Trustees as a quasi-endowment fund.
- C. The investment of Non-Endowment Funds will be guided by the objective of earning market rates of return while accepting a low level of market risk. The portfolio's asset allocation will be statistically modeled using historical and projected risk and return characteristics of the portfolio's asset classes. The Tiers are constructed to adequately meet the University's projected budgetary needs and Ohio Revised Code requirements with low risk and liquid investments (Tier 1), with progressively higher expected returns at modestly higher risk profiles in Tiers 2 and 3.~~The portfolio will be constructed so that the statistical models project a 15% or lower probability of loss in any one year, and a projected one year worst case loss of 5% or less.~~
- D. The investment ~~allocation~~ objectives ~~and~~ instruments, and target allocations of each pool shall be:
- Operating Cash Tier 1:
 - Objective: To meet the day-to-day cash obligations of the University, provide a liquid and low investment risk source of funds when needed, and meet Ohio Revised Code requirements for public funds.

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Commented [GBAM1]: Alternative to Tier 3: create a large quasi-endowment and invest in the University endowment pool.

- Investments: ~~Include eligible investments under ORC 3345.05 (C) (1), Short term U.S. Treasury and government agency securities, commercial and bank paper, and AAA-rated corporate fixed income securities, generally~~ with an average weighted maturity of less than ~~one~~three years.
- ~~Allocation target range: The first tier 30% of the Non-Endowment pool, provided ensures at least two months of projected budgetary cash needs are available in cash equivalents. It is expected that Tier 1 will often exceed the two month projected budgeting cash needs in order to fulfill the requirements of ORC 3345.05 (C) (1).~~

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➤ ~~Core Cash Tier 2:~~

- Objective: To provide a liquid source of funds in the event the ~~Operating Cash Tier 1~~ pool is insufficient to meet the University's cash needs, ~~while providing an opportunity for incremental returns with modest volatility.~~
- Investments: ~~Intermediate term fixed income investments in~~Include U.S. Treasury and government agency securities, investment grade corporate fixed income securities ~~rated A or better,~~ and ~~commercial and bank paper floating rate bank loans,~~ generally with an average weighted maturity of between one and five years.
- ~~Allocation target range: The next 30% of the Non-Endowment pool~~

➤ ~~Long Term Capital Tier 3:~~

- Objective: To optimize ~~risk adjusted earned income~~ returns on long-term funds which would be expended by the University in the unlikely event of severe financial exigency.
- Investments: Include structured products, absolute return strategies, hedged equity, and internal loans. ~~The primary determinant of allocation will be the risk parameters established in paragraph C. These funds are expected to have less liquid fund structures.~~
- ~~Allocation target range: Funds in excess of the amounts needed for Tiers 1 and 2.~~

Commented [GBAM2]: Alternative: invest as a quasi-endowment in the University endowment pool

~~E. Asset allocation target ranges will be:~~

- ~~— Operating Cash: between two and six months of projected cash needs.~~
- ~~— Core Cash: between two and six months of projected cash needs.~~
- ~~— Long Term Capital: funds in excess of the amounts needed for operating and core cash purposes.~~

- ~~FE~~. Rebalancing may occur at the joint discretion of the Miami University Treasurer and Chief Investment Officer, as conditions dictate.
- ~~GF~~. The Board of Trustees' Finance and Audit Committee shall serve as the Investment Committee required by Ohio Revised Code 3345.05. The Committee may retain the services of an investment advisor who satisfies the requirements of Ohio Revised Code Section 3345.05 (D) (1) and may delegate implementation of this policy to an investment subcommittee comprised of Board members and university employees. The Investment Committee shall report at least semi-annually to the Board.
- ~~HG~~. All fiduciaries are required to discharge their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

APPENDIX A**MIAMI UNIVERSITY FOUNDATION
INVESTMENT POLICY
FEBRUARY 2014**

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The Investment Committee has the authority to invest new funds and to rebalance the investment portfolio among the managers, with the objective of maintaining the Foundation's adherence to its asset allocation target ranges.

Non-Endowment Investment Policy

February 16, 2017



Non-Endowment Asset Allocation Study

February 16, 2017

Bruce Guiot
Chief Investment Officer
Miami University

Douglas Walouke, CFA
Consultant / Vice President
Fund Evaluation Group

Nolan Bean, CFA, CAIA
Consultant / Managing Principal
Fund Evaluation Group



Fund Evaluation Group®
investment advisors

MIAMI UNIVERSITY NON-ENDOWMENT POOL

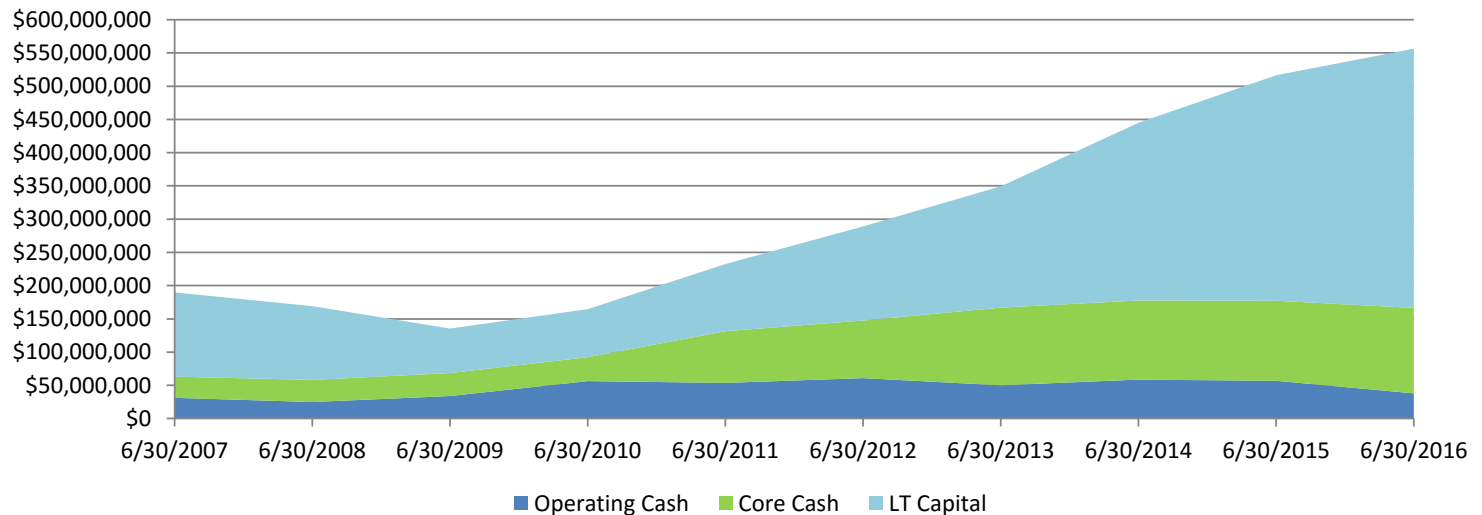
Category	Value	% of Pool
Operating Cash	37,754,069	6.8%
Core Cash	128,585,013	23.1%
Long-Term Capital		
Debt	145,277,143	26.1%
Absolute Return	245,008,327	44.0%
Long-Term Capital	390,285,470	70.1%

Total	556,624,552	100.0%

As of 6/30/2016

MIAMI UNIVERSITY NON-ENDOWMENT ASSET ALLOCATION HISTORY

	Operating Cash	% of Total	Core Cash	% of Total	LT Capital	% of Total	Total
6/30/2007	\$31,416,194	17%	\$31,917,518	17%	\$126,594,510	67%	\$189,928,222
6/30/2008	\$24,723,957	15%	\$33,443,611	20%	\$110,806,074	66%	\$168,973,642
6/30/2009	\$34,079,486	25%	\$34,220,706	25%	\$67,056,432	50%	\$135,356,624
6/30/2010	\$56,232,060	34%	\$36,307,329	22%	\$72,216,470	44%	\$164,755,859
6/30/2011	\$53,806,834	23%	\$77,792,835	33%	\$101,106,033	43%	\$232,705,702
6/30/2012	\$60,762,031	21%	\$86,919,652	30%	\$141,271,762	49%	\$288,953,445
6/30/2013	\$50,044,874	14%	\$116,747,875	33%	\$182,693,616	52%	\$349,486,365
6/30/2014	\$58,558,213	13%	\$119,121,007	27%	\$267,200,489	60%	\$444,879,709
6/30/2015	\$56,730,536	11%	\$120,581,646	23%	\$339,179,179	66%	\$516,491,361
6/30/2016	\$37,754,069	7%	\$128,585,013	23%	\$390,285,470	70%	\$556,624,552



MIAMI UNIVERSITY NON-ENDOWMENT PERFORMANCE HISTORY

Rates of Return

	Operating Cash	Core Cash	Long-Term Capital	Total Non-Endowment	Budgeted Earnings	Investment Reserves	Endowment
FY2007	5.9%	5.0%	16.0%	10.9%	\$7,795,000	\$14,850,000	21.6%
FY2008	4.0%	4.8%	-6.9%	-2.7%	\$9,814,000	(\$1,829,544)	-1.3%
FY2009	1.3%	2.3%	-19.7%	-7.2%	\$8,625,000	(\$26,503,194)	-22.4%
FY2010	0.7%	6.4%	9.6%	4.9%	\$4,428,000	(\$20,866,624)	12.5%
FY2011	0.2%	3.1%	5.8%	2.8%	\$4,428,000	(\$12,892,902)	19.5%
FY2012	0.1%	4.1%	1.4%	1.9%	\$4,395,000	(\$4,319,908)	-3.6%
FY2013	0.1%	0.3%	8.1%	3.5%	\$4,391,000	\$5,505,327	11.3%
FY2014	0.1%	2.1%	8.7%	5.2%	\$4,391,000	\$20,844,546	14.4%
FY2015	0.0%	1.3%	2.4%	1.6%	\$4,355,000	\$23,874,823	1.0%
FY2016	0.2%	2.5%	-2.4%	-0.9%	\$4,335,000	\$19,204,474	-4.0%

	<u>Non-Endowment</u>	<u>91-Day T-Bills</u>	<u>LT Capital</u>	<u>Endowment</u>
3-year:	1.9%	0.1%	2.8%	3.5%
5-year:	2.2%	0.1%	3.6%	3.6%
7-year:	2.7%	0.2%	4.8%	7.0%
10-year:	1.8%	1.2%	1.7%	4.1%

CONTEXT

6/30/2016 Non-endowment	\$556,625,552		
FY2017 Budget Ordinance	\$778,727,376		71% (NE/Budget Ordinance)
FY2017 Debt Service	\$51,224,449		
FY2017 Payroll	<u>\$203,988,471</u>		
Total	\$255,212,920		46% of 6/30/2016 NE bal
FY2016 monthly cash flow shortfall	\$ (171,726,000)	for the year	31% of 6/30/2016 NE bal
	\$ (21,465,750)	per month	4% of 6/30/2016 NE bal
	\$ (42,931,500)	2 months	8% of 6/30/2016 NE bal
	\$ (64,397,250)	3 months	12% of 6/30/2016 NE bal

NEW ASSET ALLOCATION

Develop a strategic asset allocation policy for Miami University consistent with the operational and liquidity needs, risk constraints, and State of Ohio requirements

Asset Category	Target* (\$)	Target* (%)	Range*
Tier 1	\$194,600,000	35%	Total no less than
Cash	61,160,000	11%	35% of current year
Gov't 1-3 yr	133,440,000	24%	6/30 market value
Tier 2	\$166,800,000	30%	
Core Bonds	116,760,000	21%	15% - 30%
Bank Loans	50,040,000	9%	0% - 15%
Tier 3	\$194,600,000	35%	
Endowment LT Pool	194,600,000	35%	
TOTAL PORTFOLIO	\$556,000,000		

* Target and Ranges based upon 6/30 market value of prior fiscal year end

EXPECTED RETURN AND RISK

- Allocation to progressively riskier tiers based upon June 30 market value of the operating fund and contingent upon its size relative to the University's operating budget
- Tiers progressively exhibit higher return, risk, and volatility characteristics along with some liquidity restrictions
- Rolled up into the Total Allocation, a return and risk profile appropriate for the enterprise
- Because the Total Allocation is based off of the minimum expected portfolio value during the fiscal year, additional cash received throughout the year acts as a slight risk mitigator

Broad Allocation	Current	Tier 1	Tier 2	LTP	Total
Global Equity	10%	0%	0%	45%	16%
Global Debt	53	70	100	20	62
Real Assets	0	0	0	20	7
Diversifying Strategies	29	0	0	15	5
Cash	7	30	0	0	11
Expected Return and Risk					
Expected Return	4.0%	2.0%	3.6%	8.7%	4.8%
Standard Deviation	5.6	3.7	6.8	13.8	6.23
Downside Std Dev	3.6	1.8	4.9	9.5	4.1
Downside Std Dev Below 0%	1.2	0.4	2.8	3.7	1.7
Sharpe Ratio	0.5	0.2	0.3	0.5	0.6
Max Drawdown	-9.0	-6.7	-12.2	-23.4	-9.7
Historical Beta and Correlation (5 yr)					
S&P 500 Beta	0.1	0.0	0.0	0.6	0.1
S&P 500 Correlation	0.6	0.0	0.2	0.9	0.6
Barclays US Aggregate Beta	0.3	0.0	0.3	-0.7	0.3
Barclays US Aggregate Correlation	0.5	0.1	0.7	-0.3	0.5

PROBABILITY ANALYSIS

- The Total Allocation has a 91%, 86%, and 73% probability of achieving a 1% annual return over a 5, 3, and 1 year period
- A 1% return approximates the \$5.4 million budgeted income on the operating pool
- 56% of the Total Allocation is in highly liquid securities
- The Total Allocation will comfortably meet the State of Ohio's minimum threshold for investments in cash and U.S. treasury and agency securities

		Tier 1 Alone	Tier 2 Alone	LTP Alone	Total
5-yr Probability	Current (%)	(%)	(%)	(%)	(%)
Target 0%	94	88	87	91	96
Target 1%	87	71	79	88	91
Target 1.5%	83	60	74	86	88
Target 2%	77	48	68	84	83
Target 2.5%	71	37	62	81	78
3-yr Probability					
Target 0%	89	81	81	85	91
Target 1%	82	66	74	82	86
Target 1.5%	77	57	69	80	82
Target 2%	72	48	65	78	78
Target 2.5%	66	39	60	76	73
1-yr Probability					
Target 0%	76	68	70	73	78
Target 1%	70	59	65	70	73
Target 1.5%	67	54	62	69	70
Target 2%	63	49	59	67	67
Target 2.5%	60	43	56	66	64
Liquidity					
Liquid	46	100	65	47	71
Semi-Liquid	49	0	30	26	18
Illiquid	5	0	5	27	11

SCENARIO ANALYSIS

The table below approximates the expected annual return in dollars of the Total Allocation and breaks down the return contribution of each tier *

- As should be expected, each subsequently riskier tier adds a greater amount of income to the total

1 Year - Estimated Gain / Loss (\$,000)	Current	Tier 1 Alone	Tier 2 Alone	LTP Alone	Total Allocation
95th Percentile	\$37,235	\$6,419	\$11,517	\$33,242	\$43,505
75th Percentile	\$27,665	\$4,521	\$7,986	\$23,650	\$32,890
50th - Expected Return	\$20,955	\$3,168	\$5,610	\$17,204	\$25,465
25th Percentile	\$14,355	\$1,848	\$3,201	\$10,912	\$18,205
5th Percentile	\$4,950	(\$83)	(\$264)	\$2,002	\$7,645

* The Tier 1, 2, and 3 columns will not add up to equal the Total Allocation.

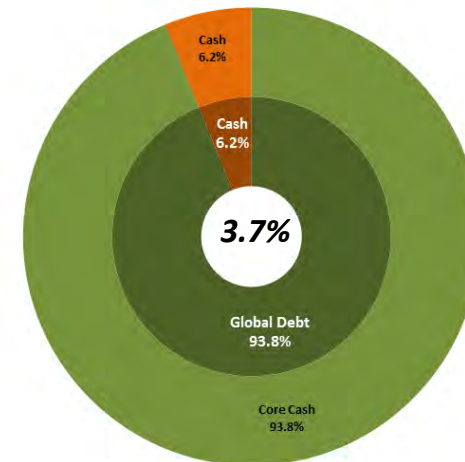
RISK BREAKDOWN

- While the Current and Total Allocations have similar total risk of 5.2% and 6.3%, the differences are that the Total exhibits:
 - An exposure to a broader set of risk assets
 - A larger risk allocation to global equity
 - Exposure to real assets – inflation protection
 - An improved risk-adjusted return – Sharpe Ratio (slide 7)

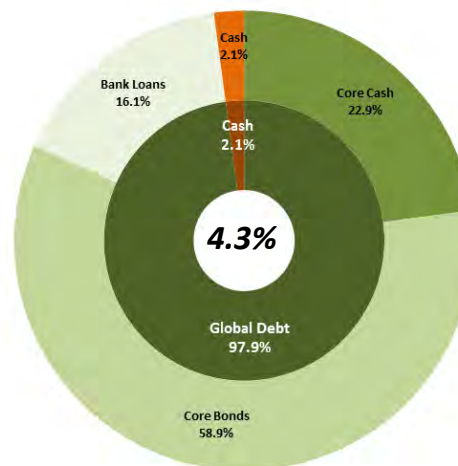
Current Allocation



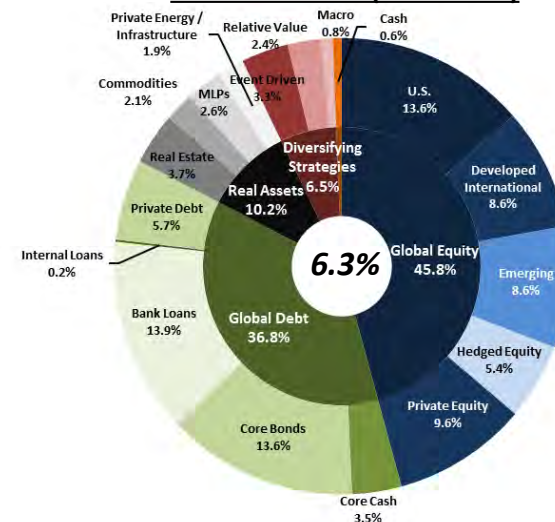
Tier 1



Tier 1+2



Total Allocation (Tier 1+2+3)



TIER CHARACTERISTICS

	Tier 1	Tier 2	Tier 3
Quality	100% Investment Grade	70% Investment Grade 30% Non-Investment Grade	Non-Investment Grade Equity Active Management Risk
Liquidity	Daily	Daily to Monthly	Illiquid
Interest Rate Sensitivity	Very Low	70% Moderate 30% Floating Rate	Expect Low Correlation
Purpose	Daily Liquidity Needs ORC Compliance	Short-Term Reserves	Long-Term Reserves Do Not Expect To Draw

Questions?

Board of Trustees

February 2017



MIAMI UNIVERSITY

University Advancement Report

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Vice President, University Advancement
Executive Director, Miami University Foundation



MIAMI UNIVERSITY

Topics

- » CY'16 and FY'17 Fundraising Update
- » Current Campaigns Update
- » Positioning the President
- » Comprehensive Campaign Planning Update

CY'16 and FY'17 Fundraising Update



CY'16 and FY'17 Fundraising Update

- » Fundraising Progress
 - » CY'16: \$92.0 million
 - » Highest total in Miami history
 - » Next highest: \$73.1 million in CY'05
 - » FY'17 (to date): \$64.2 million

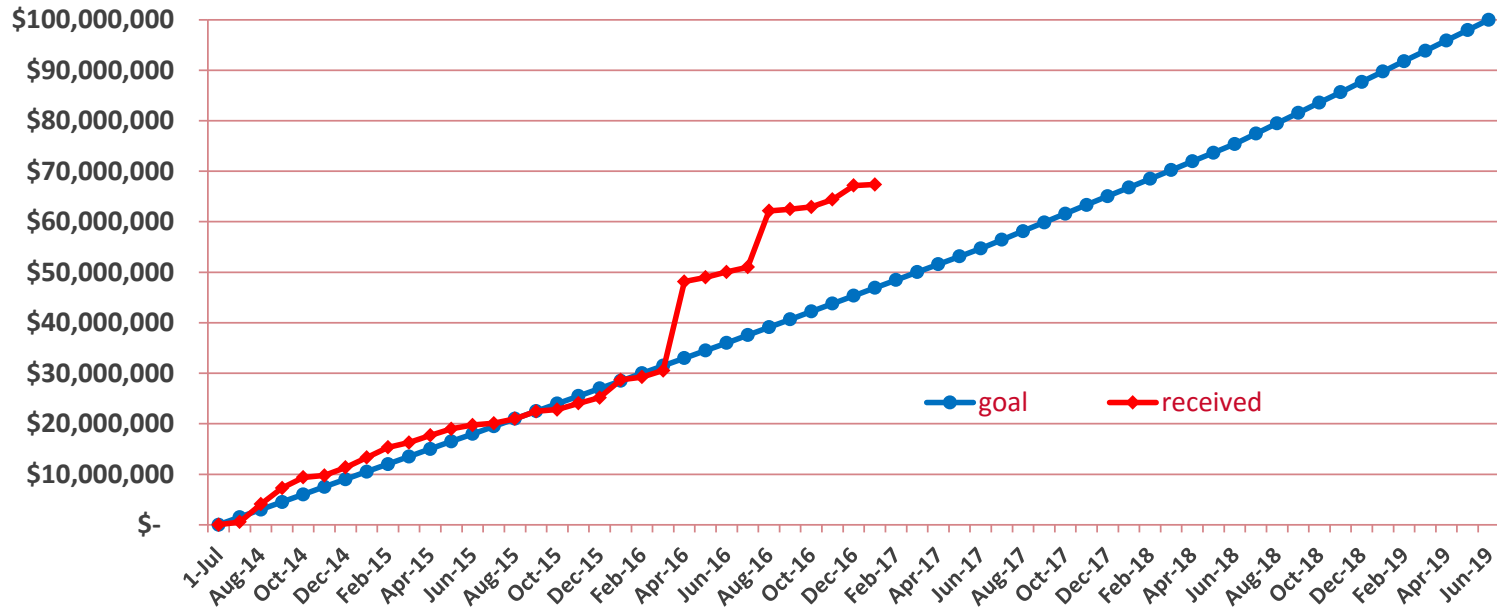
Current Campaigns Update



Miami Promise Scholarship Campaign Goals

- » FY'15: \$18.0 million -- \$19.8 million raised
- » FY'16: \$18.0 million -- \$30.3 million raised
- » FY'17: \$18.7 million -- \$17.4 million raised to date
- » FY'18: \$20.7 million
- » FY'19: \$24.6 million

Miami Promise Scholarship Campaign

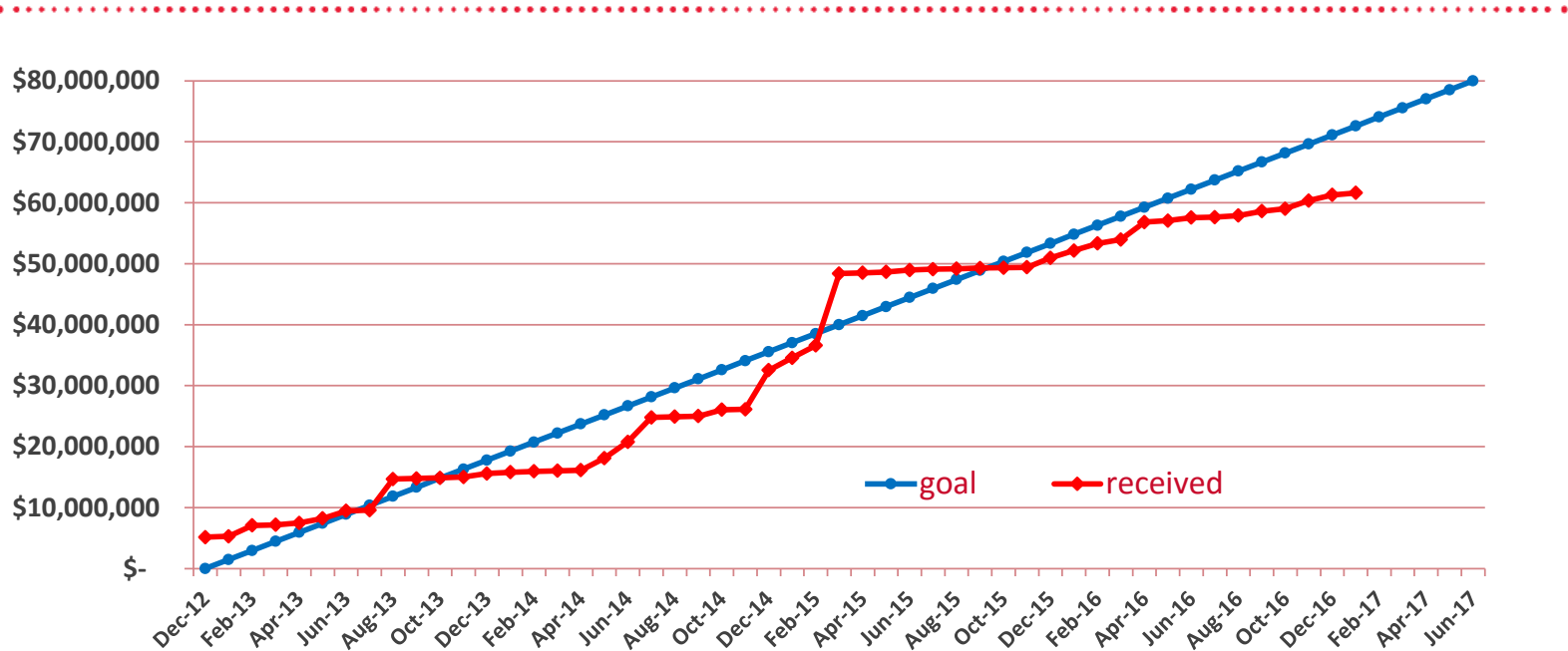


Graduating Champions Campaign

- » \$80 million campaign publicly announced
- » Raised: \$61.6 million to date



Graduating Champions Campaign

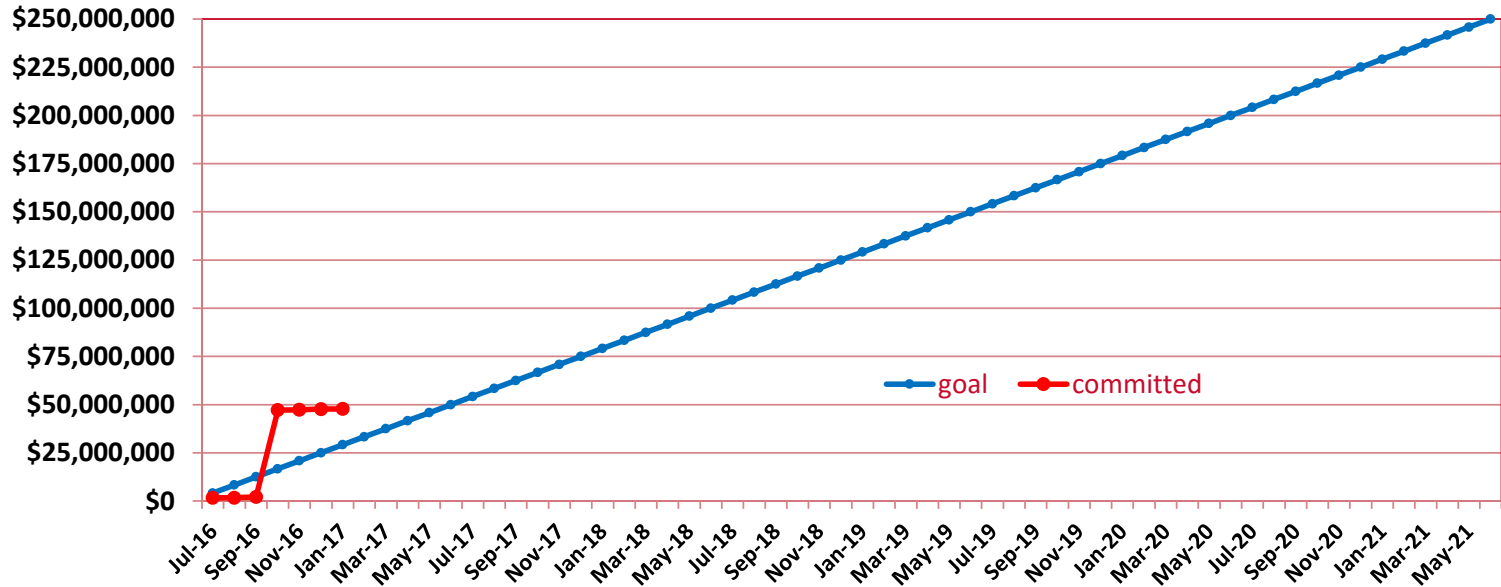


Farmer School of Business Campaign

- » Goal: \$250 million
- » Raised as of 1/30/17: \$47.7 million



Farmer School of Business Campaign



The Humanities Center

- » Fundraising target: \$1.5 million (NEH Challenge Grant, by July '19)
- » Raised \$460,776 in FY'16, for \$150,000 match
- » Have raised \$273,875 in FY'17, toward goal of \$525,000
- » Total raised since challenge began: \$1,055,291

Positioning the President



Positioning the President

- » “Roll Out Plan” is completed
- » Future positioning in four categories
 - » Deepen relationship with key individuals
 - » Connect with newly-discovered top prospects
 - » Continue alumni events around the country
 - » Connect to top prospects for the President’s priorities as they crystalize

Comprehensive Campaign Planning



Comprehensive Campaign Planning

- » Identified initial hires
- » Search firm identified
- » Additional space identified
- » Silent phase commenced on 7/1/16
- » Amount raised to date: \$64.2 million
 - » Aim to reach \$100 million raised in FY'17
 - » Begin FY'18 at \$200 million in campaign count
 - » Includes “reach back” of \$100 million

Cash Private Support: FY'16

Annual Fund:	\$ 3.9 million
Distributions from endowed funds:	\$17.4 million
Pledge Payments (non endowed):	\$18.35 million
Admin Fee distribution to Advancement and CIO:	\$ 4.29 million
Total:	\$43.94 million

Thank you!



ENROLLMENT UPDATE

Board of Trustees Meeting

Finance and Audit Committee

February 16, 2017

Enrollment Management & Student Success



MIAMI UNIVERSITY



Key Enrollment Goals

Fall 2017

First-Year Objectives

- » Increase applications for admission to exceed 31,000
- » Enroll a cohort of 3,700 first-year students
- » Meet Net Tuition Revenue targets
- » Increase non-resident enrollment
 - » Increase domestic non-resident enrollment
 - » Maintain international non-resident enrollment of 275
- » Increase diversity
 - » Racial/ethnic
 - » Socioeconomic
 - » College-going status
 - » Maintain quality
 - » Manage divisional enrollment targets

Other Enrollment Objectives

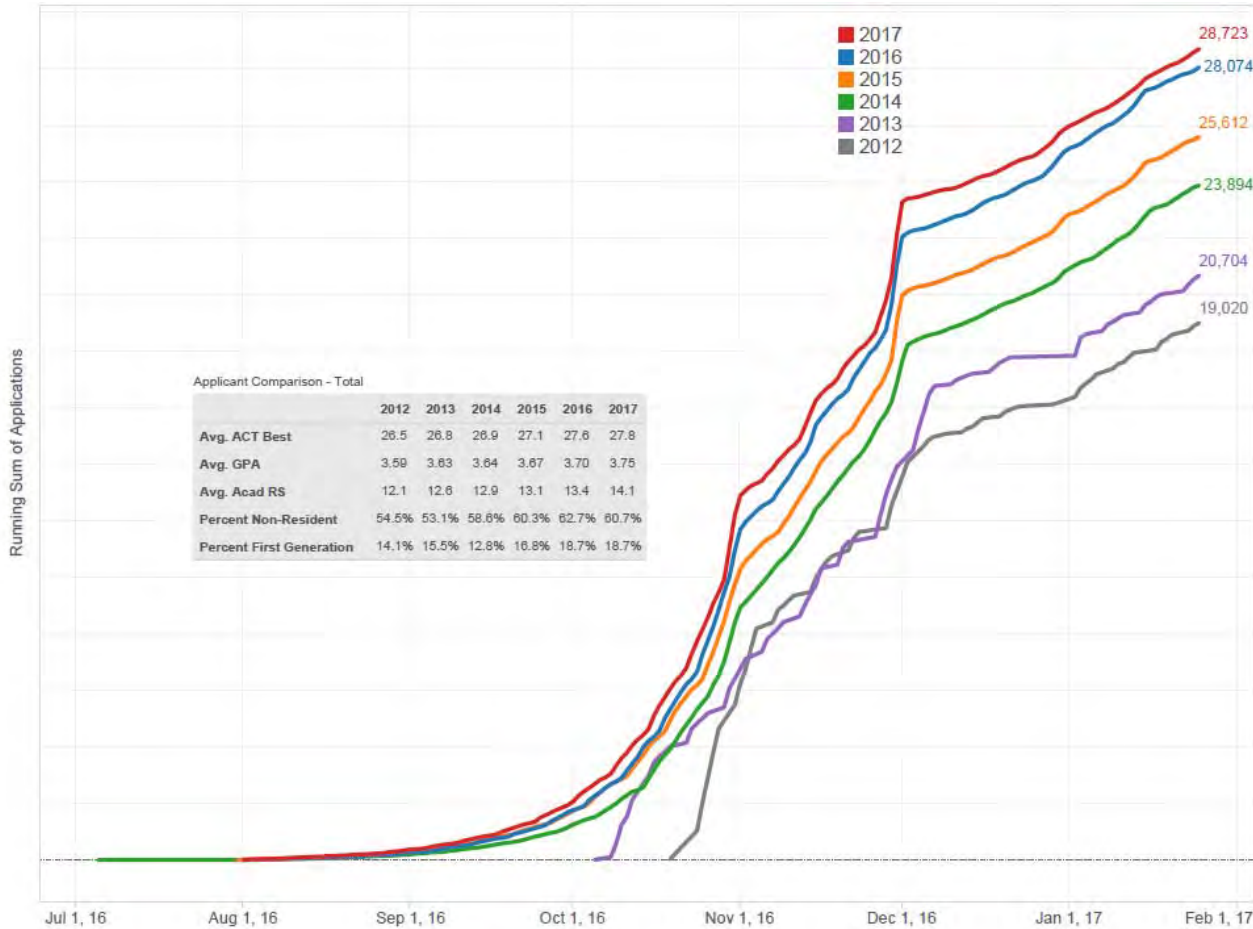
- » Maintain ACE Program enrollment of 275
- » Maintain transfer enrollment of 225



Application and Key Indicator History

Fall 2017

Enrollment Research & Analysis
Data as of 01.25.2017



Fall 2017 Applications

by Residency

	2015	2016	2017	Δ 2015 to 2017	Δ 2016 to 2017
Non-Resident	15,438	17,609	17,447	13.0%	-0.9%
Domestic Non-Resident	11,810	13,505	13,336	12.9%	-1.3%
International	3,628	4,104	4,111	13.3%	0.2%
Ohio Resident	10,174	10,465	11,276	10.8%	7.7%
Grand Total	25,612	28,074	28,723	12.1%	2.3%



Data as of 01.25.2017

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Fall 2017 Applications

by Division

	2015	2016	2017	Δ 2015 to 2017	Δ 2016 to 2017
Arts and Science	10,588	12,053	12,224	15.5%	1.4%
Business	8,110	8,407	8,547	5.4%	1.6%
Engineering and Computing	3,408	3,879	3,963	16.3%	2.2%
Education, Health and Society	2,516	2,648	2,829	12.4%	6.8%
Creative Arts	990	1,087	1,160	17.2%	6.7%
Total	25,612	28,074	28,723	12.1%	2.3%

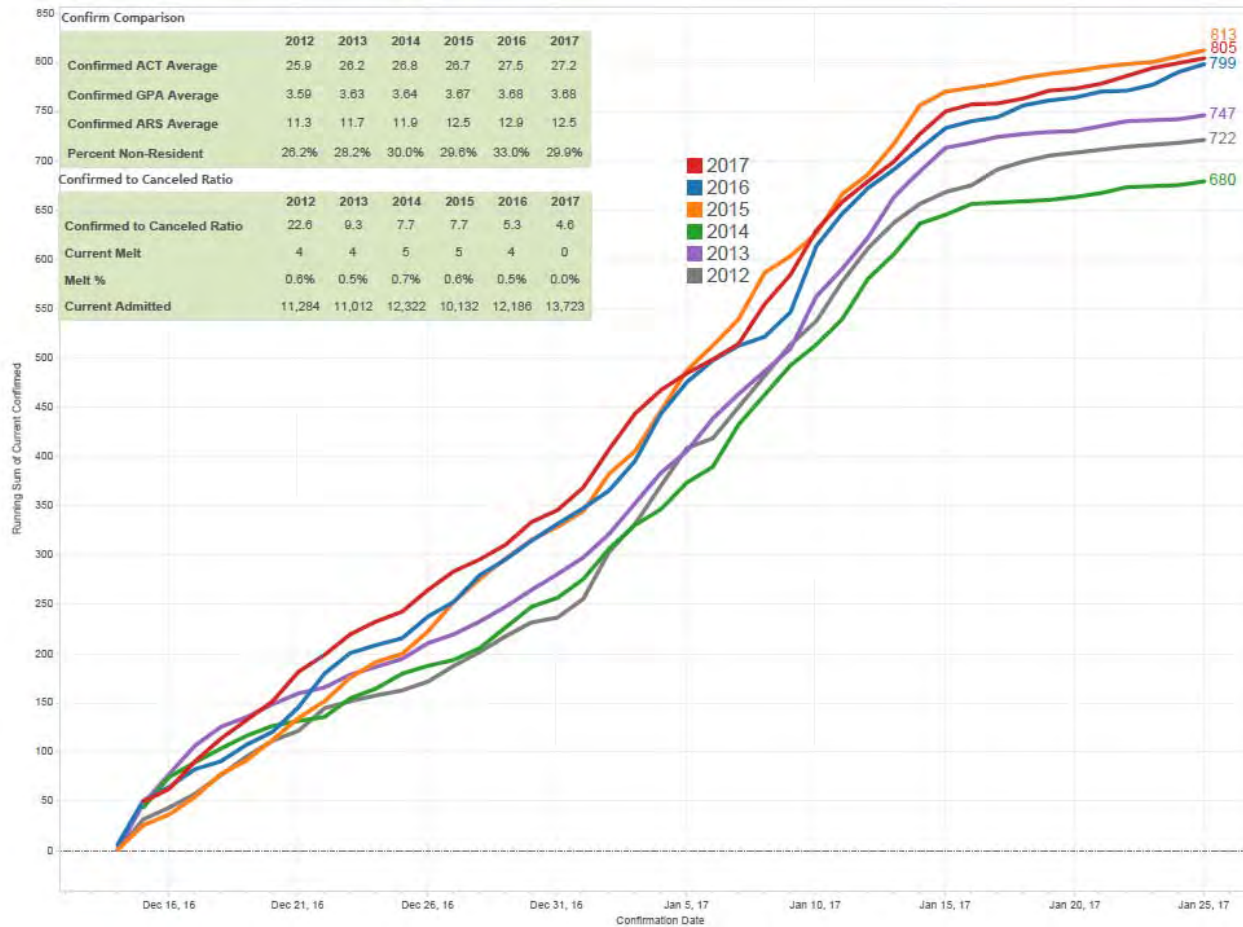


Data as of 01.25.2017

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Confirmation and Key Indicator History *Fall 2017*

Enrollment Research & Analysis
Data as of 01.25.2017



Fall 2017 Confirmations

by Residency

	2015	2016	2017	Δ 2015 to 2017	Δ 2016 to 2017
Non-Resident	241	264	241	0.0%	-8.7%
Domestic Non-Resident	241	264	240	-0.4%	-9.1%
International	0	0	1	--	--
Ohio Resident	572	535	564	-1.4%	5.4%
Grand Total	813	799	805	-1.0%	0.8%



Data as of 01.25.2017

MiamiOH.edu

Fall 2017 Confirmations

by Division

	2015	2016	2017	Δ 2015 to 2017	Δ 2016 to 2017
Arts and Science	395	449	403	2.0%	-10.2%
Business	189	146	167	-11.6%	14.4%
Engineering and Computing	69	62	70	1.4%	12.9%
Education, Health and Society	121	112	119	-1.7%	6.3%
Creative Arts	39	30	46	17.9%	53.3%
Total	813	799	805	-1.0%	0.8%



Data as of 01.25.2017

MiamiOH.edu

To: Finance and Audit Committee *Barbara K. Jena*

From: Barbara K. Jena, Director of Internal Audit and Consulting Services

Subject: **Internal Audit & Consulting Services** - Internal Audit Issues

Date: January 27, 2017

As last reported, there are five open high risk audit issues. Two of the five are the responsibility of the Assistant VP for Security, Compliance & Risk Management, relating to securing confidential information. IACS plans to perform a follow-up audit once the tools have been functioning for three months and data is sufficient for testing. See page 2, lines 1-2, (117.1-117.2) for updated information.

The remaining three open high risk issues are under the responsibility of the University Registrar, with two (104.2 and 104.3) requiring support from IT Services to resolve. Current plans are for one IT Services project starting May 22, 2017 and ending by August 14, 2017 to address both issues. The third issue (104.4) relating to automating the grade change process is to be completed by February 28, 2017. IACS will perform a follow-up audit after the new process is functioning for three months. More information can be found on the attached pages 2-3, lines 3-5.

Audit Issue Status

Risk Level	Open audit issues		Closed	Open audit issues	
	11/4/2016	Added		1/27/2017	
High	5	0	0	5	

Attachment

Cc: David K. Creamer

Open Internal Audit Issues

Line	Audit Name And Date	Date Opened	Date Due	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
1	117.1 - Securing Confidential Information-Procedure Review- 1/2015	1/16/2015	4/30/2017	High	IT Services	<p>It is recommended that IT Services work with Human Resources and Academic Personnel management to:</p> <ol style="list-style-type: none"> 1. require that all new employees (including students) receive appropriate training regarding Miami's information security practices; 2. require that all employees (including students) receive appropriate updates on information security annually; 3. provide appropriate employees with clear documentation detailing the approved mediums for communicating Personally Identifiable Information; and, 4. establish procedures to hold employees who have received training accountable by receiving appropriate disciplinary action for violating Miami's information security practices. 	Joe Bazeley, Assistant VP for Security, Compliance & Risk Management	<p>Management concurred and has purchased the security awareness training (objectives one and two). There were complications with the authentication system that should be corrected with an upgrade to the Shibboleth server at the end of January 2017. IT Services is planning on a pilot in February 2017 and deployment to faculty and staff by the end of April 2017.</p> <p>Objectives three and four were addressed in the MU Confidential Data Guidelines and Technical Standards document, posted on the ITS website. These two points are considered closed.</p> <p>IACS plans to perform a follow-up audit once the tool has been functioning for three months and data is sufficient to test.</p>
2	117.2 - Securing Confidential Information- Procedure Review- 1/2015	1/16/2015	2/28/2017	High	IT Services	<p>It is recommended that IT Services management continue to investigate and implement methods to detect and correct exposed Personally Identifiable Information (PII). IT Services should work with General Counsel to define PII.</p>	Joe Bazeley, Assistant VP for Security, Compliance & Risk Management	<p>Management concurred and purchased tools to scan for PII both in Miami's on-premise file shares (Identity Finder) and in Google Drive space (CloudLock). Management stated that both tools have been installed and are successful in discovering and addressing risk exposures. Notices are being sent to individuals who have files containing confidential information.</p> <p>In a 1/2017 update, management stated that an issue has arisen regarding the accuracy of remediation reports with the Identity Finder tool. IACS plans to perform a follow-up audit once both tools have been successfully functioning for three months and data is sufficient to test.</p>
3	104.2 - Audit of Academic Record Updates - 7/2015	7/28/2015	8/31/2017	High	Enrollment Management & Student Success	<p>IACS recommends that appropriate policies and procedures be established to document if a student began attendance in any class. In order to obtain and maintain such documentation consistently and timely, the Office of the University Registrar should work with the Office of Student Financial Assistance and the Office of the Provost in designing and enforcing the policies and procedures.</p>	David Sauter, University Registrar	<p>This issue has been partially resolved (as further described in the following paragraph) and IT Service resources are needed to completely address it. Given it is a compliance matter relating to a federal regulation that requires the University to document if a student began attendance in any class, IT Services has committed to completing the project. In a 1/2017 update, the University Registrar stated, "IT Services has on their "On Deck" list for this project to start May 22, 2017 and end by August 14, 2017. Topic at the bi-monthly IT/EMSS Tech Team meetings." Plans are to address this audit issue 104.2 concurrent with audit issue 104.3, summarized below.</p> <p>The Registrar's Office stated that this issue was partially resolved 9/10/2015 with a procedure improvement for those withdrawals that occur as a result of a student's last class being dropped via the faculty photo roster. In addition, IACS verified that Student Financial Assistance has interim manual measures in place to determine if a student began attendance by contacting faculty in cases where students drop all courses via web or are cancelled by Bursar for non-payment. However, interim manual measures are not in place in cases of official and medical withdrawals and the University Registrar stated that the volume of these is too great to accommodate manual measures. As such, EMSS coordination with IT Services is key to resolution.</p>

Open Internal Audit Issues

Line	Audit Name And Date	Date Opened	Date Due	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
4	104.3 - Audit of Academic Record Updates - 7/2015	7/28/2015	8/31/2017	High	Enrollment Management & Student Success	<p>IACS recommends the Office of the University Registrar:</p> <p>a. Standardize and improve withdrawal policies and procedures as follows:</p> <ul style="list-style-type: none"> i. Create a standardized withdrawal form for all campuses and withdrawal scenarios. The form should include information such as reason for withdrawal, last date of attendance or never attended information, registrar's date of receipt, processor and date posted. This form should be completed by registrar staff if not provided otherwise and supporting documentation attached. ii. Retain all withdrawal documents in a central location either electronically or in paper form. iii. Process withdrawal requests in the timeframe required by departmental procedures. <p>b. Define Withdrawal and Enrollment Status codes and their use to improve input accuracy and consistency.</p> <p>c. Retrain employees who process withdrawals, including the Office of Student Financial Assistance and Global Initiatives, to gain proficiency in the established policies and procedures, and to minimize inaccurate input, incomplete documentation and non-execution of required procedures.</p>	David Sauter, University Registrar	<p>This issue has been partially resolved (as further described in the following paragraph) and IT Service resources are needed to completely address it. IT Services has committed to completing the project. In a 1/2017 update, the University Registrar stated, "IT Services has on their "On Deck" list for this project to start May 22, 2017 and end by August 14, 2017. Topic at the bi-monthly IT/EMSS Tech Team meetings." Plans are to address this audit issue 104.3 concurrent with 104.2, summarized above.</p> <p>The Registrar's Office stated that this issue was partially resolved in 2016 by the Student Success Center (SSC) creating an on-line withdrawal form for students to initiate their official withdrawal, which was put into use Spring 2016 for Oxford undergraduate official withdrawals..." EMSS coordination with IT Services is key to resolution.</p>
5	104.4 - Audit of Academic Record Updates - 7/2015	7/28/2015	2/28/2017	High	Enrollment Management & Student Success	<p>IACS recommends the Office of the University Registrar continue working with IT Services to automate the grade change process. The automated process should be used by all campuses and include these features:</p> <ul style="list-style-type: none"> a. email confirmations to the student and the instructor of record b. workflow approvals c. required fields such as the reason for the change d. capability to attach supporting documentation if applicable e. audit trail data such as registrar's date of receipt, processor and date posted f. trend analysis to detect possible fraud 	David Sauter, University Registrar	<p>The University Registrar provided a 5/26/16 update stating, "Status of notifying faculty and student when a grade change occurs remains an open issue. The volume of these changes is too great to accommodate manual notifications..."</p> <p>In a 1/2017 status update, the University Registrar stated that the EMSS Technician continued work on the project after the EMSS 6-month temporary staff left mid-way; workflow is the only remaining facet to be addressed and he is confident the project will be completed by February 28, 2017. IACS will perform a follow-up audit after the new process is functioning for three months.</p>

**Lean Project Update
as of 1/6/2017**

MU-Lean Project Status Totals					Completed Projects			
Division	Active	Completed	Future	Total	Cost Avoidance	Cost Reduction	Revenue Generated	Total
Finance and Business Services	128	960	37	1125	\$16,853,578	\$6,154,715	\$5,038,669	\$28,046,962
Procurement Realized*					\$11,474,211	\$3,785,752	\$1,183,324	\$16,443,287
President+Intercollegiate Athletics	1	3	0	4	\$2,540	\$150,000	\$1,015	\$153,555
Advancement	4	11	0	15	\$45,100	\$213,790	\$100,000	\$358,890
Enrollment	5	33	1	39	\$469,379	\$27,336	\$37,705	\$534,420
Information Technology Services	0	17	0	17	\$433,113	\$0	\$4,180	\$437,293
Provost (including regionals)	9	15	1	25	\$2,418,932	\$0	\$0	\$2,418,932
Lean Project Total - MU	147	1039	39	1225	\$31,696,853	\$10,331,593	\$6,364,893	\$48,393,339

*Procurement Realized through September 2016. Procurement increment reported quarterly- July 2016 through September 2016.

MU-Lean Project Changes since 11-1-16 report					Newly Completed Projects since 11-1-16 report			
Division	Newly Active	Newly Completed	Newly Future	New Total	New Cost Avoidance	New Cost Reduction	New Revenue Generated	New Total
Finance and Business Services*	-21	52	-10	21	\$2,086,695	\$124,867	\$70,575	\$2,282,137
Procurement Realized*					\$0	\$0	\$0	\$0
President+Intercollegiate Athletics	1	0	0	1	\$0	\$0	\$0	\$0
Advancement	-1	1	0	0	\$0	\$0	\$0	\$0
Enrollment	0	0	0	0	\$0	\$0	\$0	\$0
Information Technology Services	-1	0	-1	-2	\$0	\$0	\$0	\$0
Provost (including regionals)	-2	4	-1	1	\$80,565	\$0	\$0	\$80,565
Lean Project Total - MU	-24	57	-12	21	\$2,167,260	\$124,867	\$70,575	\$2,362,702



FINAL SUMMARY – SERIES 2017 BOND ISSUE

Pricing: January 10, 2017
Closing: February 14, 2017

TOTAL PAR AMOUNT: \$154,635,000

SERIES 2017 TAX-EXEMPT BONDS:

PAR AMOUNT NEW PROJECT FUNDS:	\$109,470,000
INTEREST RATE (all-inclusive true interest cost):	3.638%
MATURITIES:	2017-2041
PAR AMOUNT SERIES 2007 REFINANCING:	\$45,165,000
INTEREST RATE (all-inclusive true interest cost):	2.245%
ESTIMATED REFUNDING SAVINGS:	\$7,029,471

MOODY'S CREDIT RATING: **Aa3 (Affirmed)**

FITCH'S CREDIT RATING: **AA (Affirmed)**

SR. MANAGING UNDERWRITER:	Barclays Capital
CO-MANAGERS:	Fifth Third Securities, Stifel Nicolaus, Wells Fargo Securities
FINANCIAL ADVISOR:	Blue Rose Capital Advisors
BOND COUNSEL:	Dinsmore & Shohl
UNDERWRITER'S COUNSEL:	Thompson Hine
TRUSTEE:	Bank of New York Mellon Trust Co



**2017 BOND ISSUE
SOURCES AND USES OF FUNDS**

SOURCES OF FUNDS

Par amount of Series 2017 bonds	\$154,635,000.00
Issuance premium received	23,136,441.85
Transfer from Prior Issue Debt Service	<u>1,178,806.25</u>
 Total Sources	 \$178,950,248.10

USES OF FUNDS

Capital projects:	
Student housing & dining projects	\$125,000,000.00
 Advance Refunding of Series 2007 Bonds	 53,015,867.64
 Underwriter's fee	 417,827.89
Other costs of issuance	<u>516,552.57</u>
 Total Uses	 \$178,950,248.10



Updated Debt Schedule

General Receipts Bonds	Issued	Fiscal Year of Final Maturity of Outstanding Bonds	Original Principal Amount	Principal Outstanding As of 2/14/2017
Series 2007	2007	2018	\$83,210,000	\$4,405,000
Series 2010A	2010	2036	105,445,000	105,445,000
Series 2011	2011	2037	148,775,000	126,625,000
Series 2012	2012	2038	116,065,000	106,020,000
Series 2014	2014	2040	135,035,000	128,795,000
Series 2015	2015	2025	52,335,000	45,730,000
Series 2017	2017	2027	45,165,000	45,165,000
Series 2017	2017	2042	<u>109,470,000</u>	<u>109,470,000</u>
			\$795,500,000	\$671,655,000

MOODY'S

INVESTORS SERVICE

CREDIT OPINION

14 December 2016

New Issue

Rate this Research >>

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Miami University, OH

New Issue: Moody's Assigns Aa3 to Miami University's (OH) Series 2017; Outlook Stable

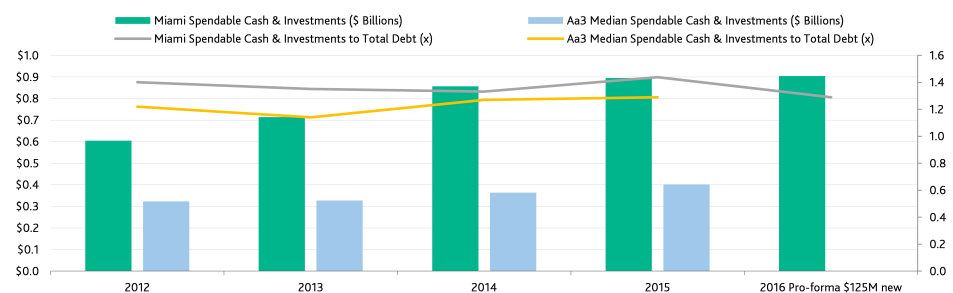
Summary Rating Rationale

Moody's Investors Service has assigned a Aa3 rating to [Miami University's](#) proposed issuance of approximately \$176 million of General Receipts Revenue and Refunding Bonds, Series 2017 (expected final maturity in FY 2042) to be issued by the Board of Trustees of the university. We have also affirmed the university's existing general receipts revenue bond ratings, with total pro-forma rated debt of approximately \$647 million. The outlook is stable.

The Aa3 rating reflects the university's excellent strategic positioning, driven by effective management successfully capitalizing on the university's core strengths and established reputation to generate robust cash flow margins, sustain sound student demand, and grow balance sheet reserves. Offsetting challenges include weak revenue and programmatic diversity for a large public university, fiercely competitive market, and increased financial leverage.

Exhibit 1

Still Strong Financial Cushion Despite Significant Increase in Debt



Source: Moody's Investors Service

Credit Strengths

- » Proactive and disciplined planning and budgeting generates exceptional cash flow margins, averaging 25% annually from FY 2014-2016
- » Considerable wealth, with total cash and investments approaching \$1.2 billion at FYE 2016, benefiting from steady philanthropic support and retained surpluses
- » Established reputation as a large, residential university with strong academics and active campus life drives sound student demand from a geographically diverse student body

- » Conservative debt structure with all projects supported by viable revenue streams, though secured by a broad General Receipts pledge

Credit Challenges

- » Student charges account for a high 77% of operating revenue, with growth pressured by state-imposed tuition freezes for undergraduate Ohio residents and guaranteed tuition
- » Steep competition within the state and nationally for a high concentration of undergraduates, comprising 93% of total full-time equivalent (FTE) enrollment of 22,159 students
- » High financial leverage, highlights the importance of strong cash flow and continued revenue growth
- » Weaker investment performance than the average, with an endowment loss of 4% at FYE 2016

Rating Outlook

The stable outlook reflects the expectation of steady enrollment, sound balance sheet reserves, and strong cash flow to provide solid pro-forma debt service coverage.

Factors that Could Lead to an Upgrade

- » Increased revenue diversity or greater diversification within existing revenue streams
- » Substantial growth of financial reserves while also maintaining strong operating margins

Factors that Could Lead to a Downgrade

- » Materially weaker operating performance
- » Deterioration in student demand
- » Significant additional debt absent commensurate growth in cash flow, revenue, and reserves

Key Indicators

Exhibit 2

MIAMI UNIVERSITY, OH						
	2012	2013	2014	2015	2016	2016 Pro-forma \$125M new
Total FTE Enrollment	20,966	21,244	21,486	21,680	22,159	22,159
Operating Revenue (\$000)	541,963	562,546	599,401	631,764	649,847	649,847
Annual Change in Operating Revenue (%)	1.6	3.8	6.6	5.4	2.9	2.9
Total Cash & Investments (\$000)	849,411	969,588	1,130,098	1,177,163	1,187,615	1,187,615
Total Debt (\$000)	431,316	528,157	643,706	622,307	597,108	695,248
Spendable Cash & Investments to Total Debt (x)	1.4	1.4	1.3	1.4	1.5	1.3
Spendable Cash & Investments to Operating Expenses (x)	1.2	1.4	1.7	1.7	1.6	1.6
Monthly Days Cash on Hand (x)	173	267	279	266	284	284
Operating Cash Flow Margin (%)	17.3	21.8	24.6	26.0	24.9	24.9
Total Debt to Cash Flow (x)	4.6	4.3	4.4	3.8	3.7	4.3
Annual Debt Service Coverage (x)	2.9	3.1	3.6	3.3	3.4	2.6

Total FTE Enrollment is for the fall semester

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

2016 Pro-forma Annual Debt Service Coverage based on FY 2016 cash flow and an estimated \$61.6 million debt service scheduled in FY 2018, excluding the \$2.3 million Build America Bonds subsidy
Source: Moody's Investors Service

Detailed Rating Considerations

Market Profile: Large, Residential Public University Draws Geographically Diverse Students with its Sound Academic Reputation

Miami has an excellent market profile, successfully carving out a strong niche at its main campus as a large, residential public university with strong academics and an active campus life. The university's sound reputation, with a focus on undergraduate education with select graduate programs will allow it to continue making investments in programs and capital to remain competitive. For fall 2016, the university enrolled 22,159 FTEs, essentially flat from the prior year from enrollment softness at its regional campuses in contrast to measured growth at the main campus in [Oxford, Ohio](#). Ninety-three percent of enrollment is undergraduate.

Major capital improvements to student facilities since FY 2011 have resulted in a solid return on investment, evidenced by growth of net tuition per student to a high \$16,060 in FY 2016, up 26%. MU enrolls a relatively large portion of out-of-state students (approximately 40% of first-year students annually), insulating the university from some of the pressures faced by more regionally-oriented institutions and Ohio's tuition constraints. The university's low and declining yield of around 20% is indicative of a highly competitive environment and geographically diverse applicants considering other top public and private universities.

Operating Performance: Disciplined Approach to Controlling Expenses and Increasing Revenue Drives Robust Operations

Management's disciplined approach to planning and budgeting positions the university to maintain very strong operating performance, particularly important given the rise in debt service with the current issuance. An exceptionally strong cash flow margin of 25% in FY 2016 provided very strong annual debt service coverage of 3.4 times. With the new issuance, pro-forma maximum annual debt service coverage based on FY 2016 cash flow is still good, but materially lower, at 2.6 times (excluding the Build America Bonds subsidy) or 2.7 times net of the subsidy.

Since the majority of the debt is intended to finance residence halls that should generate incremental revenue based on Miami's track record and housing demand, material weakening in operating performance is unlikely due to the increase in debt. However, introduction of a new tuition pricing plan could cause some volatility given Miami's very high reliance on student tuition, fees, and auxiliaries revenue (77% in FY 2016). Starting in FY 2017, the university has instituted a four-year guaranty on all tuition, fees, and room and board for both in-state and out-of-state students. While acknowledging the benefits of this plan from a marketing perspective in a price conscious environment, there is a reasonable likelihood that this strategy will constrain revenue growth, particularly given the attachment to total costs for all undergraduate students.

After instituting sizeable expense reductions, primarily in the area of personnel through retirements and attrition through FY 2015, management continues to find small expense efficiencies to offset rising pressures, but these are modest, in the \$1-2 million range forecasted over the next two years, in comparison to prior years. The sizeable 5% increase in expenses in FY 2016 is primarily attributed to the GASB-mandated change in calculating pension expense.

Miami receives limited state support as a percentage of revenues (11% in FY 2016) and has been seeing fairly stable appropriations from the Aa1-rated [State of Ohio](#) (stable outlook). Generally, the university fares well under the performance based funding methodology due to its extremely strong student-based outcomes.

Wealth and Liquidity: Sound Financial Flexibility and Liquidity Position

Aided by operating discipline and philanthropy, Miami remains well poised to continue growing its wealth. Total cash and investments were a sizeable \$1.19 billion as of June 30, 2016, up a strong 40% from FY 2012. Spendable cash and investments of \$904 million cushions pro-forma debt and operating expenses soundly by 1.3 times and 1.6 times, respectively.

The university exceeded the \$500 million goal of its prior comprehensive campaign that closed at the end of FY 2013, raising \$536 million. With its new president in place, we anticipate that the university will plan for its next campaign. Gift revenue remains strong even outside a campaign, averaging \$35 million annually based on audited financial statements from FY 2014-2016.

At the close of FY 2016, the endowment had a 4% loss, weaker performance than peers. The university's and foundation's investment portfolios are overseen by the foundation's board and the university's chief investment officer. Both use the same investment advisor. As of September 30, 2016, the foundation's investment pool had a preliminary fiscal year to date gain of 3.7%. There is no manager or fund concentration. The university reports some revisions to its asset allocation over the next five years, increasing the amount of illiquid assets back up to 25% from where it currently stands at 15%. The investment policy, however, still requires a minimum of 40% of assets available quarterly or sooner.

LIQUIDITY

The university has healthy liquidity with low probability of unexpected calls on it given relatively simple operations, limited capital calls, and no variable rate demand bonds or swaps. Given strong cash flow of its operating funds, monthly liquidity is likely to grow. The changes made to the endowment portfolio will not have a bearing on the university's operating funds. Monthly liquidity was \$398 million as of FYE 2016, translating to 284 monthly days cash on hand.

Leverage: Borrowing Pace Expected to Slow After Recent Period of Intense Capital Investment

While Miami's debt has grown significantly, up more than 200% since FY 2010 to \$695 million including the proposed issuance, the projects have thus far been additive to the university's net position. The majority of the university's debt has been issued to finance a residence and dining facilities master plan, including renovation and construction of new residence and dining facilities.

Management reports no near-term debt plans after the proposed issuance, instead expecting to finance future housing needs through retained surpluses and gifts. Since the majority of the new debt is for revenue generating projects, we expect to see continued revenue growth and strong cash flow once the two buildings open in fall 2018. Miami's housing stock will increase by 700 to approximately 7,900 beds. The number of beds seem reasonable relative to undergraduate headcount enrollment at the Oxford campus of 16,981 students and a sophomore residency requirement. Pro-forma debt to cash flow is manageable at 4.3 times.

DEBT STRUCTURE

The university has a favorable debt structure that limits unexpected demands on liquidity. All of the university's debt is fixed-rate and amortizing, reaching peak debt service of \$61.8 million (excluding the Build America Bonds subsidy of \$2.3 million) in FY 2019. The new money portion of the Series 2017 bonds will have level debt service and amortization over 25 years. The refinancing of the Series 2007 bonds will have an amortization structure to match the Series 2007 bonds.

DEBT-RELATED DERIVATIVES

The university does not have any debt-related derivatives.

PENSIONS AND OPEB

MU's contributions to pension and other postemployment benefits expenses represent an increasing percentage of expenses in FY 2016. Spendable cash and investments to total adjusted debt is 0.6 times and total adjusted debt to revenue is 2.4 times, both weaker than the median.

The university participates in two defined benefit retirement plans (State Teacher Retirement Service (STRS) and Ohio Public Employee Retirement Service (OPERS)) and one defined contribution plan. University contributions are currently capped at 14% of covered payroll, though the Ohio legislature exerts significant control over pensions and has the legal authority to increase contribution rates. The last time there was pension reform was in 2012, which increased employee contributions, modified the calculation and determination of benefits and increased the retirement age.

Governance and Management: Forward Looking Senior Leadership Capitalizes on Strengths to Mitigate Rising Pressures in Its Business Model

Miami's senior leadership demonstrates effective governance practices to maintain its competitive standing and vitality in the market. The university demonstrates a culture committed to multi-year planning and measurement of goals, evidenced by detailed forecasts and budgets supported by metrics. Management has shown agility in addressing increasing expense pressures, relatively weak revenue diversity, and high competition for students. Over a five-year time frame, the university has materially strengthened operating performance by right sizing its expenses over FY 2010-2015 and built up balance sheet reserves while increasing the attractiveness of and maintaining sound student demand for the Oxford campus.

Under the leadership of a new president who started on July 1, 2016, the university will continue its focus on developing new revenue streams and increasing efficiencies and productivity under its 2020 Plan.

Legal Security

The legal security of all parity bonds is an unsecured pledge of General Receipts, including virtually all legally available revenues with the exception of state appropriations and restricted gifts. Fiscal year 2016 pledged revenues were \$535 million. The bonds are further secured by the university's covenant in the General Bond Resolution to fix, make, adjust and collect fees, rates, rentals and charges and other items of General Receipts to produce General Receipts at least sufficient to pay debt service. There is no debt service reserve fund.

Use of Proceeds

Proceeds of the Series 2017 bonds will be used to refund the callable portion of the outstanding Series 2007 general receipts bonds, to pay costs of certain campus improvements, and issuance costs.

The university contemplates using approximately \$100 million to fund housing and dining projects and the remaining \$25 million will either be used to fund general university projects or additional housing and dining projects.

Obligor Profile

Established in 1809, Miami University is a large, public university recognized for its exceptionally strong commitment to undergraduate teaching, having uncommonly strong graduation and retention rates for a public university. Approximately 93% of its full-time equivalent (FTE) students are undergraduates, though it offers select graduate programs. Its main campus is in the City of Oxford, Ohio, approximately 35 miles north of [Cincinnati](#) and it also maintains two regional campuses and several centers.

Methodology

The principal methodology used in this rating was Global Higher Education published in November 2015. Please see the Rating Methodologies page on www.moody.com for a copy of this methodology.

Ratings

Exhibit 3

Miami University, OH

Issue	Rating
General Receipts Revenue and Refunding Bonds, Series 2017	Aa3
Rating Type	Underlying LT
Sale Amount	\$176,000,000
Expected Sale Date	01/10/2017
Rating Description	Revenue: Public University Broad Pledge

Source: Moody's Investors Service

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REPORT NUMBER 1052923

Miami University, Ohio

New Issue Report

Ratings

New Issue

\$158,800,000 General Receipts
Revenue and Refunding Bonds,
Series 2017 AA

Outstanding Debt

\$522,115,000 General Receipts
Bonds^a AA

^aIncludes series 2007 bonds, a portion of
which will be refunded from series 2017
proceeds.

Rating Outlook

Stable

New Issue Details

Sale Information: \$158,800,000 General Receipts Revenue and Refunding Bonds, Series 2017, via negotiated sale on or about the week of Jan. 9.

Security: A pledge of Miami University's (MU, or the university) general receipts, which are made up of tuition and fees, net auxiliary revenues, revenues from educational activities, unrestricted gifts and investment income.

Purpose: To refund the callable portion of the outstanding series 2007 general receipts bonds, finance certain campus improvements and pay costs of issuance.

Final Maturity: Sept. 1, 2041.

Key Rating Drivers

Strong Operating Profile: The 'AA' rating reflects MU's healthy student demand and strong academic reputation. MU has established a consistent track record of positive operating margins due to favorable enrollment trends and conservative financial management.

Sound Financial Cushion: MU's unrestricted cash and investments have nearly doubled over the past five years. These resources provide a sound cushion relative to operating expenses and debt that is in line with or better than that of peers in the rating category. Including restricted endowments, MU's total supporting investments total approximately \$1 billion.

High but Manageable Debt Burden: The current financing is within the scope of MU's existing long-term capital plan, which has been factored into the rating in previous reviews. Fitch Ratings believes MU's operating strength and financial cushion continue to support the new debt. A high pro forma maximum annual debt service (MADS) burden of 9.7% is offset by MU's strong operating results and good debt service coverage.

Rating Sensitivities

Enrollment Management: MU's operating revenues are concentrated in student charges, with 77.8% generated from net tuition, fees and auxiliaries. Deterioration of MU's healthy demand profile or stable enrollment trends could negatively pressure the rating.

Debt Burden: MU expects the pace of its debt-funded capital plans to moderate over the next few years. A significant expansion of near-term capital or debt plans could pressure the rating.

Related Research

[Fitch Rates Miami University \(OH\) Revs 'AA'; Outlook Stable \(December 2016\)](#)

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Rating History

Rating	Action	Outlook/ Watch	Date
AA	Affirmed	Stable	12/14/16
AA	Affirmed	Stable	4/18/16
AA	Affirmed	Stable	4/21/14
AA	Affirmed	Stable	10/10/12
AA	Assigned	Stable	10/24/11

Credit Profile

MU is the second oldest public university in the state of Ohio, having been established in 1809 and opened in 1824. The university's well-maintained main campus offers a traditional undergraduate experience in Oxford, OH, approximately 35 miles north of Cincinnati. MU also maintains two small regional campuses in Hamilton and Middletown, OH, a learning center in West Chester, OH and a European campus in Luxembourg. MU is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, which most recently renewed MU's accreditation through 2025.

Stable Management

MU's management team is stable despite a recent presidential transition. Fitch considers MU management strong based on successful execution of financial, enrollment and advancement strategies in recent years. A new president took office in July 2016 following a national search; the prior president retired after 10 years in the position. The new president has committed to completing the existing Miami 2020 strategic plan, which remains on track.

Operating Profile

Strong Demand and Enrollment

Enrollment trends are healthy at the main Oxford campus. Headcount increased to 19,697 in fall 2016 and has grown at a consistent but manageable pace since fall 2012 (2.7% per year on average). Management believes current enrollment levels are appropriate for MU and expects additional growth to be modest.

Undergraduates account for 86% of enrollment, and most are full-time. MU had another strong admissions cycle in fall 2016, yielding a larger class than budgeted. MU's strong academic reputation and continued marketing efforts have driven higher application numbers and increasing selectivity and student quality. In addition, interest from out-of-state students remains strong; these students, who accounted for about 45% of the fall 2016 class, offset declining numbers of Ohio high school graduates and also pay higher tuition rates.

Enrollment at the regional campuses has declined in recent years, but they remain financially self-supporting and a small part of the university's overall budget. Guided by state priorities, MU has shifted the focus of its regional campuses beyond their historical role of serving as feeders to the Oxford campus. The regional campuses now aim to serve their local areas more directly through affordable baccalaureate degrees and services for non-traditional and adult students.

Full Occupancy of Campus Housing

The attractive and aesthetically consistent Oxford campus has a traditional residential feel, with all freshmen and sophomores required to live on campus. Occupancy of student housing facilities is very strong, generally at or near 100%. The university's long-term plan to renovate or replace all campus housing and dining facilities has resulted in some additional housing capacity. Ongoing renovations will add incrementally to overall bed count to accommodate larger incoming classes in recent years.

Related Criteria

[Revenue-Supported Rating Criteria \(June 2014\)](#)

[U.S. College and University Rating Criteria \(May 2014\)](#)

Demand Summary

(Fall Semester of Fiscal Years Ended June 30, Oxford Campus)

	2013	2014	2015	2016	2017
Headcount					
Undergraduate - Full-Time	14,657	15,001	15,311	16,023	16,434
Undergraduate - Part-Time	424	461	502	364	547
Total Undergraduate Enrollment	15,081	15,462	15,813	16,387	16,981
Graduate - Full-Time	1,056	1,037	1,026	1,043	965
Graduate - Part-Time	1,546	1,402	1,781	1,646	1,751
Total Graduate	2,602	2,439	2,807	2,689	2,716
Total Headcount Enrollment	17,683	17,901	18,620	19,076	19,697
Total Undergraduate/Total Headcount Enrollment (%)	85.3	86.4	84.9	85.9	86.2
Full-Time Equivalent (FTE)					
Undergraduate	15,582	15,860	16,242	16,797	17,381
Graduate	1,037	1,043	1,098	1,065	1,134
Total FTE Enrollment	16,619	16,903	17,340	17,862	18,515
Admissions					
Freshman Applications	20,314	22,520	25,301	27,454	29,771
Freshman Admissions	14,788	15,034	16,362	17,980	19,462
Acceptance Rate (%)	72.8	66.8	64.7	65.5	65.4
Freshman Matriculants	3,734	3,637	3,644	3,806	3,798
Matriculation Rate (%)	25.3	24.2	22.3	21.2	19.5
Annual Undergraduate Cost of Attendance (\$)					
Tuition	11,270	11,443	11,673	11,673	12,012
Mandatory Fees	1,796	1,824	1,860	1,860	2,724
Room and Board	10,596	10,900	11,058	11,644	12,454
Total	23,662	24,167	24,591	25,177	27,190

Source: Miami University and Fitch.

Pricing Strategy

Changes in pricing authority and strategy may constrain the amount and speed of tuition and fee increases at MU. However, Fitch believes the university has the financial and demand capacity to manage these effects.

MU's ability to raise tuition rates has been limited by the legislature, which barred tuition hikes on returning students for fall 2015 and fall 2016. The legislation did allow exceptions where hikes would be necessary to meet covenants or otherwise meet prior binding obligations. MU is already reallocating some institutional aid dollars from merit-based awards to need-based awards focused on in-state students. The shift is unlikely to have a material negative effect on MU's strong out-of-state applicant pool.

In addition, MU implemented for fall 2016 a tuition guarantee program (MU's "Tuition Promise") whereby all entering freshmen will pay fixed tuition, room, board and most fee prices for four years. Prices are anticipated to increase annually for each cohort.

Financial Profile

Strong Financial Performance

MU has generated consistently strong financial results over the past five years; operating margins have averaged 8.6% since fiscal 2012, including 9.0% in fiscal 2016. Healthy demand and enrollment trends have driven steady growth in net tuition and fees, averaging 5.3% per year since fiscal 2012. Management is conservative and conducts sophisticated long-range planning. Annual cash surpluses are used to fund capital needs or are set aside as quasi-endowment to generate future income.

Dependence on Tuition Revenue

MU's financial performance depends heavily on student-generated tuition and fees, which accounted for 77.8% of fiscal 2016 operating revenues. Net tuition revenue growth may slow in coming years as recent incremental enrollment growth levels off and the university moves to a four-year guaranteed tuition model (it began in fall 2016). However, Fitch believes MU's sound demand profile and high degree of financial flexibility largely mitigate the risks of revenue concentration in student charges. Appropriations from the state of Ohio (rated 'AA+'/'Stable' by Fitch) make up a relatively small 11.6% of operating revenues. State appropriations remain below pre-recession levels but are now improving.

Sound Balance Sheet Cushion

MU's balance sheet cushion has grown significantly and is now similar to or stronger than that of rating category peers. Available funds (AF, defined as cash and investments less certain restricted net assets, adjusted to exclude unspent bond proceeds) have nearly doubled over the past five years to \$638.8 million at June 30, 2016. These resources provide a sound cushion relative to operating expenses (110.0%) and debt (101.5%). Including series 2017 new money, AF still equal a solid 87.8% of pro forma debt. Management does not currently expect to draw down these reserves materially to fund near-term capital investments.

MU also has another \$446 million of restricted endowment funds held by the university and the Miami University Foundation, which are not included in AF. These investments are not spendable but produce income to support MU's operations and mission. The combined endowment distributed approximately \$17.4 million to the university in fiscal 2016 under what Fitch considers a sustainable spending policy.

Debt Profile

High but Manageable Debt Burden

The university's high debt burden is offset by strong cash flow and a conservative debt structure. Pro forma MADS of \$61.8 million (occurs in 2019) is equal to 9.7% of fiscal 2016 operating revenues. MU's debt burden has grown in recent years because the university has largely debt-funded its plan to renovate or replace all of its student housing and dining facilities.

Debt service remains manageable in light of sound pro forma MADS coverage of 2.1x in fiscal 2016 and over 2.0x in each of the past three years. MU has a fully fixed-rate and moderately front-loaded debt structure. In addition, recent debt has funded revenue-generating projects, and internal budgeting guidelines require that such projects be self-supporting.

Capital and Debt Needs

MU expects the pace of debt issuance to slow in the near term. Its long-term housing and dining master plan includes about \$366 million of additional projects identified through 2030, compared with the approximately \$600 million invested over the past five years (including series 2017). Once the plan is substantially complete, MU will be in a position to maintain modern housing stock through regular capital investments, largely from operating cash flow, rather than through large, periodic debt-funded replacements. Capital projects outside the housing and dining plan are expected to be funded from state appropriations, internal cash or gifts. MU is currently planning for its next comprehensive campaign.

The current financing is within the scope of MU's existing long-term capital plan, which has been factored into the rating in previous reviews. Fitch believes MU's operating strength and financial cushion continue to support the new debt. However, significant expansion of debt or capital plans without a commensurate increase in revenues or resources to support those projects could negatively pressure the rating.

Financial Summary

(\$000, Audited Fiscal Years Ended June 30)

	2012	2013	2014	2015	2016
Unrestricted Operating Revenues					
Gross Tuition and Fees	349,805	356,215	389,941	416,605	438,317
Less: Student Aid	64,025	66,944	74,745	79,552	87,295
Net Tuition and Fees	285,780	289,271	315,196	337,053	351,022
Sales and Services of Auxiliary Enterprises	120,542	125,779	132,074	140,392	145,255
Federal Grants and Contracts	41,526	38,814	36,673	32,206	30,189
State/Local Grants and Contracts	2,457	2,576	1,359	2,083	2,043
Other Grants and Contracts	2,451	2,379	3,220	2,426	2,621
State Appropriations	69,014	69,966	72,399	69,284	73,842
Gifts and Contributions	18,731	24,618	21,324	28,867	21,621
All Other Operating Revenues	11,019	11,165	12,085	12,130	11,214
Total Operating Revenue	551,520	564,569	594,329	624,441	637,807
Unrestricted Operating Expenses					
Instruction	167,278	162,874	168,593	178,335	186,605
Academic Support	52,829	56,732	56,333	54,723	58,944
Institutional Support	45,741	39,274	43,819	44,215	48,904
Student Services	21,779	22,539	21,638	23,218	27,516
Public Service	1,282	1,975	2,659	3,607	4,074
Research	16,653	15,207	14,227	13,789	12,642
Auxiliary Enterprises	105,943	104,539	104,988	107,586	112,529
Student Aid	26,203	21,644	17,976	19,284	18,725
Operation and Maintenance of Plant	32,576	33,259	33,034	32,876	32,386
Depreciation	37,940	37,874	41,001	43,293	47,930
Interest Expense	17,368	20,430	21,326	28,324	23,049
All Other Operating Expenses	3,945	3,667	6,470	3,942	7,250
Total Operating Expense	529,537	520,014	532,063	553,193	580,554
Change in Net Assets from Operations	21,983	44,555	62,265	71,248	57,253
Unrestricted Non-Operating Revenues/(Expenses)					
Realized and Unrealized Gain/(Loss) on Investments	(1,820)	27,640	42,237	10,544	(12,632)
Additions to Permanent Endowment	2,874	792	594	831	509
Capital Appropriations	6,626	2,560	15,719	14,559	9,432
Capital Grants and Gifts	7,453	7,462	11,794	12,115	6,649
Other Non-Operating Revenues	2,386	2,500	3,951	2,638	3,894
Total Non-Operating Revenue	17,518	40,954	74,295	40,688	7,851
Change in Net Assets	39,501	85,508	136,560	111,936	65,105
Adjusted Change in Net Assets from Operations	21,983	44,555	62,265	71,248	57,253
Add Back: Depreciation, Amortization and Other Noncash Items	37,940	37,874	41,001	43,293	47,930
Add Back: Interest Expense	17,368	20,430	21,326	28,324	23,049
Adjusted Net Income Available for Debt Service	77,291	102,859	124,592	142,865	128,233
Current Debt Service	34,360	41,957	44,743	51,732	56,745
Pro Forma Maximum Annual Debt Service (MADS)	61,769	61,769	61,769	61,769	61,769
MADS Fiscal Year	2019	2019	2019	2019	2019
Pro Forma Average Annual Debt Service (AADS)	40,216	40,216	40,216	40,216	40,216

(table continued)

Financial Summary (continued)

(\$000, Audited Fiscal Years Ended June 30)

	2012	2013	2014	2015	2016
Balance Sheet					
Assets					
Cash and Cash Equivalents	256,931	284,944	222,218	100,266	91,882
Investments	189,034	235,830	509,434	595,198	633,242
Total Cash and Investments	445,965	520,775	731,652	695,464	725,124
Property, Plant and Equipment, Net	738,666	832,125	943,646	1,048,208	1,166,752
Liabilities					
Fixed-Rate Bonds Payable	427,505	525,150	641,065	619,785	594,705
Capitalized Leases	3,811	3,007	2,641	2,522	2,403
All Other Obligations	12,903	23,536	37,872	35,828	32,045
Total Long-Term Debt	444,219	551,693	681,578	658,135	629,153
Total Pro Forma Debt	N.A.	N.A.	N.A.	N.A.	727,293
Net Assets					
Unrestricted Net Assets	270,191	332,007	423,485	210,714	252,232
Invested In Capital	482,597	494,296	529,299	564,091	626,845
Restricted Net Assets - Non-Expendable (Fitch-Adjusted)	84,392	89,565	97,226	94,117	86,290
Restricted Net Assets - Expendable (Fitch-Adjusted)	64,000	68,160	70,579	82,438	51,099
Total Net Assets	901,180	984,029	1,120,589	951,361	1,016,466
Balance Sheet Resources					
Available Funds	361,573	431,209	634,426	601,347	638,834

N.A. – Not applicable. Note: Fitch may have reclassified certain financial statement items for analytical purposes. Numbers may not add due to rounding.

Source: Miami University and Fitch.

Financial Ratios

(Audited Fiscal Years Ended June 30)

	2012	2013	2014	2015	2016
Revenue Diversity (% Adjusted Total Unrestricted Operating Revenues)					
Student Fees (Tuition and Auxiliary Revenues)	73.7	73.5	75.3	76.5	77.8
Total Grants and Contracts	8.4	7.8	6.9	5.9	5.5
State Appropriations	12.5	12.4	12.2	11.1	11.6
Gifts and Contributions	3.4	4.4	3.6	4.6	3.4
Expense Ratios (% Total Unrestricted Operating Expenses)					
Instruction	31.6	31.3	31.7	32.2	32.1
Research	3.1	2.9	2.7	2.5	2.2
Operation and Maintenance of Plant	6.2	6.4	6.2	5.9	5.6
Depreciation	7.2	7.3	7.7	7.8	8.3
Interest	3.3	3.9	4.0	5.1	4.0
Financial Aid Ratios					
Tuition Discounting (%)	18.3	18.8	19.2	19.1	19.9
Net Tuition and Fees (\$000)	285,780	289,271	315,196	337,053	351,022
Change in Net Tuition and Fees (%)	6.9	1.2	9.0	6.9	4.1
Operating Performance Ratios (%)					
Operating Margin	4.0	7.9	10.5	11.4	9.0
Balance Sheet Ratios (%)					
Available Funds/Total Operating Expense	68.3	82.9	119.2	108.7	110.0
Available Funds/Total Long Term Debt	81.4	78.2	93.1	91.4	101.5
Available Funds/Total Pro Forma Long-Term Debt	N.A.	N.A.	N.A.	N.A.	87.8
Available Funds/MADS (x)	5.9	7.0	10.3	9.7	10.3
Leverage Ratios					
Current Debt Service Coverage (x)	2.3	2.5	2.8	2.8	2.3
Current Debt Burden (%)	6.2	7.4	7.5	8.3	8.9
Pro Forma MADS Coverage (x)	1.3	1.7	2.0	2.3	2.1
Pro Forma MADS Burden (%)	11.2	10.9	10.4	9.9	9.7
Pro Forma AADS Coverage (x)	1.9	2.6	3.1	3.6	3.2
Pro Forma AADS Burden (%)	7.3	7.1	6.8	6.4	6.3

N.A. – Not applicable. Note: Fitch may have reclassified certain financial statement items for analytical purposes.

Source: Miami University and Fitch.

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Negotiated sale, pricing the week of 9 January 2017:

General Receipts Revenue and Refunding Bonds, Series 2017 – USD 158.8m

INTRODUCTION

Miami University (MU), which has a sound reputation for undergraduate education, is a state-supported research university located in Ohio. In addition to its main campus in Oxford, MU has two regional campuses in Hamilton and Middletown as well as a European center in Luxembourg. It provides master's and doctoral degrees as well as its bachelor's programs.

MU has an ongoing capital improvement plan with a focus on renovating all housing and dining facilities on the Oxford campus (See details in *Capital projects*). The university has a live-on-campus requirement for all first- and second-year full-time students at its main campus. All students who live on campus are required to purchase year-long meal plans. With a positive enrollment trend in recent years, MU has put the expansion of housing inventories at the top of its capital improvement list.

The current bond offering of USD 158.8m general receipts revenue and refunding bonds will finance renovation of four residence halls and construction of two others. A portion of proceeds will also refund the 2018 through 2026 maturities of Series 2007 general receipts bonds.

The general receipts of the university—including all monies received except state appropriations, restricted receipts and special fees—secure the bonds.

Management reports that the university's 37 residence halls and six apartment buildings have an average annual occupancy rate of 100%. The two new residence halls which will open in 2018, will add approximately 700 beds to the current on-campus housing capacity of 7,900 students. The strong occupancy rate, live-on-campus requirement, and rising undergraduate enrollment (see details in *Enrollment and admission*) are expected to result in continued high occupancy.

Future phases of MU's capital plan require additional borrowing. Management expects strong enrollment and a guaranteed tuition program to continue MU's steadily-increasing revenues.

Capital projects

MU's debt burden has more than doubled since 2010, when it launched a multi-phase capital plan to improve the overall quality and safety of on-campus housing and dining facilities. As the plan has evolved, the university has added more than 1,000 beds, not including beds financed with this issue, in order to accommodate growth in student demand.

As shown in the table below, the total project cost is approximately USD 964.9m, which is largely debt-funded. The future phase of the capital plan requires borrowing but management expects the pace of debt issuance to slow after the current period of intense capital investment.

Phase	Project description	Cost	Source of financing
Completed	Renovation of 17 existing student residences, construction of five new residences, and renovation and construction of four dining facilities.	USD 453.5m	USD 430m from Series 2010, 2011, 2012 and 2014 bonds; USD 23.5m from housing and dining reserves.
Current	Construction of two new residence halls and renovation of four residence halls.	USD 145.4m	USD 44.5m from prior bond proceeds; USD 100m from the current offering; USD 0.9m from housing and dining reserves.
Future	Renovation of 13 residence halls and one dining hall.	USD 366m	Future borrowings; Housing and dining reserves.
Total		USD 964.9m	

Other major ongoing capital projects, which as of now are not expected to result in additional borrowing, include: 1) the construction of a new student center costing USD 69.9m, financed by a combination of prior bond proceeds, donations, reserves and student fees; and 2) the renovation of the old student center, which will cost USD 20m, to be funded entirely from university funds.

The university plans to fund future capital improvements for campus facilities other than housing and dining from state appropriations, gifts and dedicated student fees.

Enrollment and admission

Enrollment trends by various measures have been positive since 2013. The combined enrollment for all campuses reached a record high during fall 2016 (Table I), while undergraduate enrollment on the main campus increased at an average of 3% per year from school years 2013-2017.

Enrollment growth, as well as the academic quality of incoming classes, continues to be a strategic priority of the university. Management reported that for the fourth consecutive year, the average ACT score for the incoming class improved, reaching its highest level in fall 2016, at 28.5.

Since 2012, the university's acceptance rate has declined (Table II) due to rising applications and management's goal of increasing the quality of the incoming class. In the fall of 2015, MU welcomed its largest incoming class to the main campus, 3,806 students, followed by its second largest of 3,798 during the fall of 2016.

The positive enrollment trend of undergraduates and the increasing numbers of incoming students are the main reasons why management is expanding on-campus housing inventory.

Approximately 56% of undergraduate students on the main campus are residents of Ohio, while MU's two regional campuses continue to target in-state students of non-traditional age demographics. In recent years, the Ohio General Assembly restricted the ability of state universities to raise tuition costs for resident students, and MU has not increased tuition and fees for in-state undergraduates since 2014. For non-resident students, the annual tuition increase has not exceeded 2% since 2013. Approximately 67% of fall 2016 first-year students receive some type of financial aid for the 2016-2017 academic year.

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Although there has not been a tuition increase since 2014 that has affected all students simultaneously, MU is raising tuition under its new guaranteed tuition plan. Under this plan, MU guarantees for an incoming class of freshmen that they will face no tuition hikes during the four years of their enrollment. The increases for the fall 2016 freshmen class were 9% for in-state students and 8% for out-of-state students. As mentioned above, the adoption of this program has not negatively impacted the size of the fall 2016 incoming class (Table II). Management expects the guaranteed tuition program to provide cost transparency and certainty for MU's students.

Competition

After the guaranteed tuition program, tuition at MU is the highest among all state universities in Ohio (Table III). Meanwhile, based on its acceptance rate and standardized test scores of its incoming classes, MU tends to be more selective.

Financial operations

MU is highly reliant on student tuition and its auxiliary revenues (Table IV). In FY16, student tuition and fees made up 66% of general receipts, followed by auxiliary revenues, which represented 27%. Thanks to strong enrollment, tuition revenues increased 25% in FY12-FY16, despite flat tuition. Management expects the new guaranteed tuition and healthy enrollment to continue driving revenue growth.

State appropriations, which despite lagging pre-recession levels are the largest component of non-operating revenues, increased in 2016 (Table V). These appropriations comprised 12% of the university's total revenues in FY16; however, these amounts are not included in the general receipts that secure the bonds.

The general receipts of the university primarily consist of tuition revenues, auxiliary revenues, revenues from educational activities, investment income and unrestricted gifts. With solid enrollment growth contributing to rising tuition revenues and auxiliary revenues, general receipts increased to USD 535m in FY16 from USD 447m in FY12 (Table IV).

Use of proceeds

The university will use the new money portion of the Series 2017 bonds to finance various capital projects mentioned above in **Capital projects**.

A portion of the proceeds will refund Series 2007 general receipts bonds maturing 1 September 2018 through 2026, in the aggregate principal amount of USD 50.825m.

Debt profile

The university's debt burden has more than doubled since 2010, due to MU's largely debt-funded capital plan for renovation and construction of residence and dining facilities. Upon the issuance of the Series 2017 bonds, the university will have USD 675.82m general receipts revenue and refunding bonds outstanding. In addition, MU has USD 2.403m in capitalized lease obligations as of 30 June 2016.

Management expects the pace of future borrowing to slow after the current period of intensive capital investment.

Security features

- General receipts of the university secure the bonds;
- No mortgage lien;
- Rate covenant: 1x annual debt service coverage;
- Additional bonds test: 1.5x maximum annual debt service coverage.

Rating summary

Moody's Investors Service		Fitch Ratings Inc	
Rating	Outlook	Rating	Outlook
Aa3	Stable	AA	Stable

Continuing disclosure

The university will provide financial information and operating data within 180 days of each fiscal year ending on June 30.

During the past five years, the university has complied with its disclosure requirements, except for its failure to provide an event notice regarding the downgrade of a bond insurer.

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TABLE I: Enrollment						
All Campuses		2012-13	2013-14	2014-15	2015-16	2016-17
Headcount enrollment						
	Undergraduate	20,788	21,304	21,261	21,294	21,779
	Graduate	2,602	2,439	2,807	2,689	2,726
Total		23,390	23,743	24,068	23,983	24,505
Full-time equivalent (FTE)						
	Undergraduate	19,929	20,201	20,388	20,615	21,019
	Graduate	1,037	1,043	1,098	1,065	1,140
Total		20,966	21,244	21,486	21,680	22,159
Main Campus		2012-13	2013-14	2014-15	2015-16	2016-17
Headcount enrollment						
	Undergraduate	15,081	15,462	15,813	16,387	16,981
	Graduate	2,602	2,439	2,807	3,689	2,716
Total		17,683	17,901	18,620	20,076	19,697
Full-time equivalent (FTE)						
	Undergraduate	15,582	15,860	16,242	16,797	17,381
	Graduate	1,037	1,043	1,098	1,065	1,134
Total		16,619	16,903	17,340	17,862	18,515

Source: Preliminary official statement

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TABLE II: Applications and Matriculation					
Academic Year	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Applications	20,314	22,520	25,301	27,454	29,771
Accepted	14,788	15,034	16,362	17,980	19,462
Enrolled	3,734	3,637	3,644	3,806	3,798
Acceptance	72.8%	66.8%	64.7%	65.5%	65.4%
Matriculation	25.3%	24.2%	22.3%	21.2%	19.5%

Source: Preliminary official statement

TABLE III: Miami University and All Ohio State Colleges									
University	Location	Enrollment		Tuition and Fees		Room and Board	Acceptance	Average SAT	Average ACT
		Undergraduate	Total	Residents	Non-Residents				
Miami University	Oxford, OH	16,981	19,697	\$14,736	\$32,556	\$12,060	65%	1290	28
Ohio University	Athens, OH	23,513	29,157	\$11,744	\$21,208	\$10,450	74%	1160	24
University of Cincinnati	Cincinnati, OH	25,054	36,087	\$11,000	\$26,334	\$13,310	76%	1210	25
Bowling Green State University	Bowling Green, OH	14,334	16,908	\$10,726	\$18,262	\$8,690	76%	1090	23
University of Akron	Akron, OH	19,037	23,046	\$10,270	\$18,801	\$11,086	97%	1130	21
The Ohio State University	Columbus, OH	45,289	58,663	\$10,037	\$28,229	\$11,576	49%	1320	28
Kent State University	Kent, OH	23,607	29,762	\$10,012	\$18,376	\$10,720	85%	1140	23
Cleveland State University	Cleveland, OH	12,443	17,260	\$9,768	\$13,819	\$10,798	91%	1110	22
University of Toledo	Toledo, OH	16,064	20,377	\$9,380	\$18,718	\$10,826	93%	590	22
Wright State University	Dayton, OH	12,722	17,070	\$8,730	\$17,350	\$8,552	96%	1100	22
Youngstown State University	Youngstown, OH	11,173	12,468	\$8,317	\$14,317	\$8,990	71%	1020	21
Shawnee State University	Portsmouth, OH	3,746	3,898	\$7,364	\$13,031	\$9,384	75%	1070	20
Central State University	Wilberforce, OH	1,792	1,804	\$6,246	\$6,346	\$9,934	40%	900	17

Source: Preliminary official statement; USNews; prepscholar.com

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TABLE IV: General Receipts

Fiscal Year Ended June 30,	2012	2013	2014	2015	2016
Student tuition and fees, net	280,771,898	289,270,893	315,195,764	337,052,796	351,022,096
Auxiliary enterprises, net	120,542,447	125,779,006	132,073,678	140,392,111	145,254,989
Educational activities	2,462,329	2,163,226	2,103,301	1,888,479	1,979,041
Gifts	26,184,186	31,982,095	33,117,429	40,981,903	28,269,411
Investment income	5,672,868	23,323,153	34,978,511	14,342,742	(4,705,856)
Other	11,069,715	12,643,675	14,910,683	12,879,757	13,128,583
Total	446,703,443	485,162,048	532,379,366	547,537,788	534,948,264

Source: Preliminary official statement

TABLE V: Financial Summary

Fiscal Year Ended June 30,	2012	2013	2014	2015	2016
Total operating revenues	430,625,582	444,370,551	476,260,658	504,453,710	522,244,113
Total operating expenses	507,161,009	499,584,346	510,737,308	524,868,419	557,504,622
Net operating gain (loss)	(76,535,427)	(55,213,795)	(34,476,650)	(20,414,709)	(35,260,509)
State appropriation	69,013,751	69,966,227	72,399,116	69,284,263	73,842,253
Other	29,100,596	59,942,152	70,530,756	35,697,548	9,933,391
Total non-operating revenues (expenses)	98,114,347	129,908,379	142,929,872	104,981,811	83,775,644
Total other revenues, expenses, gains, or losses	16,952,417	10,813,806	28,106,926	27,505,429	16,589,856
Increase (Decrease) in net position	38,531,337	85,508,390	136,560,148	112,072,531	65,104,991
Net position at beginning of year	861,678,467	898,520,439	984,028,829	839,288,314	951,360,845
Prior year restatement*	(1,689,365)	0	(281,300,063)	0	0
Net position at end of year	898,520,439	984,028,829	839,288,314	951,360,845	1,016,465,836
At June 30,	2012	2013	2014	2015	2016
Cash and cash equivalents	256,931,472	284,944,363	222,217,793	100,265,940	91,881,987
Accounts payable and accrued expense	44,200,999	58,240,908	50,208,543	42,942,642	60,135,856
Endowment funds at 30 June,	2012	2013	2014	2015	2016
Net Position	157,822,230	168,008,380	181,253,770	177,131,222	180,312,121

Source: Preliminary official statement; Audited financial statement FY12 to FY16.

*Adjustment due to an accounting change.

TABLE VI: Deal Participants

Role	Company	City	State
Lead Manager	Barclays Capital Inc.		Not available
	Fifth Third Securities Inc.		Not available
Co-Managers	Stifel, Nicolaus & Company, Incorporated		Not available
	Wells Fargo Securities		Not available
Municipal Advisor	Blue Rose Capital Advisors, LLC	Denver	CO
Underwriters' Counsel	Thompson Hine LLP		Not available
Issuer's Counsel	Dinsmore & Shohl LLP		Not available
Trustee	The Bank of New York Mellon Trust Company, N.A.		Not available
General Counsel	Robin L. Parker		Not available

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