Bucks for Charity

The Holiday season is rapidly approaching, and what better way to “pay it forward” than participating in the Bucks for Charity drive. We are all provided this great opportunity to support more than 300 not-for-profit organizations to help our neighbors and our community. No matter how much we think we don’t have, there are people in Central Ohio that have far less than we do. Committee members will be passing out pledge forms and keeping us informed of upcoming fundraising activities.

With your donation, we can help others share the same values, dreams, and ambitions of all Central Ohioans. The Bucks for Charity campaign runs through December 9, 2011.

See Page 3 for a list of the B4C Committee Members.

Century Bonds

First Public University to Issue Century Bonds

When searching for a way to help finance $2 billion in capital projects on campus, The Ohio State University finance team did not hesitate to innovate. Jumping on the opportunity to lock in long-term capital during a time of record low interest rates, OSU issued $500 million in Century Bonds, becoming the first public university to do so. The Century Bonds require only semi-annual interest payments until they mature in one hundred years (2111). The university set aside $10 million as a special Endowment Fund, which was a portion of the proceeds of a Treasury Lock transaction. This Endowment Fund, with normal appreciation, will

Continued on Page 4.
In the weeks to come, you will be hearing more about the goals that Business and Finance will be focusing on for FY 2012. Here is a brief overview of what you can expect.

We need to generate financial resources to fund strategic initiatives and to ensure the university has the ability to financially sustain its core activities of teaching and learning. New resource generation will enable the university to support our academic initiatives focused on the discovery areas as defined in the University Strategic plan.

There are three strategies to meet the resources generation goal: expense management, revenue enhancement and exploring opportunities for asset monetization. Expense management is comprised of two components: streamlining and strategic procurement. Our opportunities for revenue enhancement include exploring affinity arrangements, tuition management, and maximizing our commercialization and auxiliary operations. Asset monetization comprises one-time potential opportunities we are vetting.

In addition to focusing on financial resources, another fundamental goal for Business and Finance is to continue to enhance our communications. This includes better communication within B&F as well as across the university.

These are challenging goals. I encourage each of you to learn about how your area can support these important key initiatives.

OSU Medical Center Financial Services has had an evolving relationship with the Office of Business and Finance. The MCFS recently became a part of the Business Finance Area. As a part of the “One University” initiative, Michael Rutherford, Senior Associate Vice President for Health Sciences, has been working closely with B&F leadership. Since his arrival in January, he has helped align the medical center with campus policies, procedures, and processes. Mike has a dual reporting relationship between B&F and the Medical Center to help ensure best practices are followed across the university.

Medical Center Financial Services structure very closely mirrors the Business and Finance structure. They have accounting functions, budget, procurement, registration, billing and collection, financial oversight and audit.

In light of recent health care reform, there will continue to be significant changes to the reimbursement process for all Medical Centers. We need to be ready for those changes. Medical Center Financial Services is working to identify ways to provide more cost effective high quality care.

When asked about the relationship with Business and Finance, Mike said, “This is a great opportunity to more closely align the functions between a financially strong university and a financially strong Medical Center. The goal is to encourage future growth and continued financial stability for the overall university.”

Follow this link for a list of New Hires and Retirements for B&F since July 1st.
And Beyond the Call

All of us have heard about the university service events, Pelotonia and Bucks for Charity, but the things we don’t always hear about are those “Behind the Scenes & Beyond the Call” activities. For an up close look at some of those activities, we spoke with Garrett Tweedy, Building Coordinator of Stores, and Nathan Ross, Storage Program Coordinator. When they saw the opportunities “to do more” in both Pelotonia and Bucks for Charity, they chose to answer the call.

Garrett and Nathan along with a team of motorcycle escorts continued a Pelotonia event tradition. These escorts rode for more than 100 miles and 12 hours, helping nearly 5,000 cyclists. This is where the “behind the scenes and beyond the call” begins. The riders closed off intersections, helped cyclists with mechanical failure, swept gravel off the course, and gave out water. Additionally,
Garrett and his team were the chauffeurs for the Pelotonia Brutus Buckeye statue. They first brought him to the Pelotonia ceremony and then delivered him for display at the Ross. Garrett and Nathan also offered up and staged the Stores area for the Pelotonia “goody bag” process.

You may remember the Bucks for Charity Ohio State steins that were sold throughout B&F last year. Recognizing a huge selling opportunity to support this fundraiser, the PRSM team took the steins to the Medical Center where the line of customers grew faster than the steins could sell. In 45 minutes, they sold 300 steins, raising $6,000! Talk about extraordinary results from out of the box thinking!

These volunteers truly found a way to do more for a service event at the university. You can too! Send your ideas to your B4C rep and volunteer to make a big success of the fundraising. It does not take a superhero to make a difference. Just one “brick” at a time can build a wall.

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Century Bonds, cont.

grow to more than $500 million over the next 100 years. Through the Internal Bank, the university will disperse the proceeds of the bond offering to pay for a variety of Capital projects, including the medical center expansion, student housing, academic buildings and needed infrastructure improvements such as roads and grounds.

The deal generated tremendous enthusiasm from investors. OSU originally planned to issue $300 million in bonds, but ultimately upsized the transaction to $500 million with a yield of 4.85% (the lowest ever for a century bond transaction). About 70 investors, including insurance companies, asset managers, pension funds and hedge funds, snatched up the bonds.

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Send your feedback and story ideas to BF-newsletter@busfin.osu.edu