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Chancellor Carey,

Ohio State is proud of our record as a leader in operational excellence and resource stewardship, a strategic focus aligned with the goals of the Ohio Task Force on Affordability and Efficiency in Higher Education. As stated in Ohio State's strategic plan, "The university must be a responsible steward of its resources in order to re-direct investment into initiatives that will help us to achieve our bold aspirations."

Our 2018 report demonstrates Ohio State's significant progress in these areas. For example, the university has devoted more than \$100 million in new need-based aid for low- and moderate-income Ohioans since 2015, with funding provided through efficiencies and new resources. More than 32,000 Buckeyes will benefit from these affordability programs through 2020. Initiatives include:

- **Buckeye Opportunity Program:** Starting in the 2018-19 academic year, all in-state students who qualify for Pell Grants receive an aid package that covers the full cost of tuition and mandatory fees. In all, an estimated 4,200 students will benefit across all Ohio State campuses from the program, unprecedented in our history and funded with an endowment created from Comprehensive Energy Management proceeds. (go.osu.edu/bop)
- **Digital Flagship:** Ohio State provided more than 11,000 incoming first-year students with an iPad Pro learning-technology suite as part of the university's comprehensive digital learning initiative. Digital Flagship is a collaboration with Apple to support educational innovation for students and economic development opportunities for the community. The university is funding the program using efficiency savings. (digitalflagship.osu.edu)
- **Additional financial aid:** Administrative efficiencies have funded \$85 million in President's Affordability Grants over four years, and other institutional funds have supported the expansion of the Land-Grant Opportunity Scholarship program to offer twice as many grants and to increase the value to cover the full cost of attendance. (go.osu.edu/testimony)
- **Tuition affordability:** The Ohio State Tuition Guarantee, now in its second year, offers incoming in-state students certainty about the cost of a college education by freezing rates for tuition, mandatory fees, room and board for four years. For students who began prior to the guarantee, in-state tuition has not increased since fiscal 2013. (go.osu.edu/tuitionguarantee)
- **Fee simplification and savings:** Starting in spring 2019, Ohio State will eliminate 278 course fees, pilot a digital textbook program that will reduce student costs by 75 percent to 80 percent, waive additional tuition costs for eligible students who take heavy loads and broaden our policy that offers in-state tuition to military families. Together, these four initiatives will save students up to \$1.9 million a year. (go.osu.edu/fee-reduction)
- **Summer tuition discount:** Undergraduate students saved \$9.2 million a year in summer 2018 compared with fall/spring rates. This discount program provides another tool for students to reduce their time to degree. (go.osu.edu/summerdiscount)

Collectively, these and other initiatives represent Ohio State's continued momentum in advancing an affordable and excellent education for our students and their families.

Michael J. Gasser
Chairman of the Board of Trustees

The Ohio State University

Section I: Efficiency Practices

Procurement

Recommendation 3A | Campus contracts: Each college/university must require that its employees use existing contracts for purchasing goods and services, starting with the areas with the largest opportunities for savings.

Note: Once fully implemented, this exercise is not necessary to conduct annually.

Please identify your institution's implementation status.

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status. Ohio State continued to build on our strategic procurement program in FY18, including through a new travel initiative (piloted during FY18 and officially launched Aug. 1) to require all business travel to be booked through the university's travel agencies. Increased utilization will improve service, savings opportunities based on current negotiated discounts and safety. In addition, the university will seek to negotiate enhanced discounts for airfare as utilization increases.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

Since fiscal 2012, Ohio State's strategic procurement program has produced cumulative savings of \$324 million by utilizing the university's buying power to drive both savings and quality enhancements. In fiscal 2018 alone, the university saved \$61.9 million through strategic procurement compared with contracted rates in fiscal 2012. These savings directly benefit colleges and other university units by reducing operating costs, which in turn has allowed the university to hold down student costs.

(Ohio State ranked #1 in the nation among flagship universities for the lowest tuition increases from 2007-08 to 2017-18, according to the [Chronicle of Higher Education](#).)

If you have not implemented this recommendation to date, please explain.

Recommendation 3B | Collaborative contracts: Ohio's colleges and universities must pursue new and/or strengthened joint purchasing agreements in the following categories:

- Copier/printer services
- Computer hardware
- Travel services
- Outbound shipping
- Scientific supplies and equipment
- Office supplies and equipment

Contract Type	Did the college/university participate in joint contracts in FY18? [yes, no, worked toward]	Monetary Impact
Copier/printer services	No	The university has a best-in-class contract for copiers, printers and multifunction devices. Ohio State sought to work with other schools to extend similar rates. None committed to the same kind of volume guarantees that we have adopted.
Computer hardware	Yes	Ohio State utilizes the State of Ohio state term schedule.
Travel services	Worked toward	The university works with a travel management company and has launched an initiative to increase employees' utilization of this contract. These are the steps required in the IUC Purchasing Group's three-phase action plan to develop an opportunity for joint purchasing.
Outbound shipping	Yes	Ohio State utilizes the State of Ohio state term schedule for outbound shipping.
Scientific supplies & equipment	Yes	Ohio State led a collaborative contract opportunity through the Inter-University Council Purchasing Group for scientific supplies and lab equipment. This process has resulted in contracts that are expected to save IUC members at least 7 percent on what is currently a \$115 million annual spend among the public universities in Ohio.
Office supplies & equipment	No	Ohio State has generated significant savings on office supplies by ensuring near-universal contract utilization and by employing the process endorsed by the IUC Purchasing Group: focusing our spend on a core list of products. This resulted in a best-in-class contract for this category.

Assets and Operations

Recommendation 4 | Assets and operations

4A Asset review: Each college/university must conduct an assessment of its noncore assets to determine their market value if sold, leased, or otherwise repurposed. Where opportunities exist, colleges and universities must consider coordinating these efforts with other colleges and universities to reap larger benefits of scale. Please complete the section that aligns with the implementation status of your college/university.

Note: Once all assets are fully reviewed, this exercise is not necessary to conduct annually.

Please identify your institution's implementation status.

No change from prior year's report

Please briefly explain your implementation status.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

The university agreed to the \$1.165 billion [Comprehensive Energy Management partnership](#) in FY17 and completed the financial close in July 2018 (FY18). The university received \$1.07 billion of the total value upfront, in FY18. In the first year of the partnership, achievements include:

- Establishing endowments with nearly \$800 million of the energy proceeds. Annual distributions from these endowments will support priorities that have direct benefits for students, such as increased financial aid, teaching excellence programs, support for faculty positions and sustainability projects. Notably, these distributions support the Buckeye Opportunity Program, an unprecedented affordability commitment that ensures that all Ohio students who qualify for Pell grants receive financial aid that covers the cost of tuition and mandatory fees. The program launched on the Columbus campus in fall 2018 and will expand to regional campuses in spring 2019, serving an estimated 4,200 students in the first year.
- Energy conservation projects and other campus capital improvements. About 80 percent of the [FY19 utilities system capital plan](#) is devoted to energy conservation projects such as lighting and HVAC improvements. The university's energy partner is obligated to meet Ohio State's goal to improve energy efficiency by at least 25 percent in 10 years.
- [Philanthropic contributions](#) of \$810,000 for a wide range of areas, including the Women in Engineering Program and student sustainability projects.

In August 2018, the university agreed to sell a 58-acre property on West Case Road to the City of Columbus. The land is to be converted for recreational uses. Ohio State has used the property for a sheep farm, but it no longer was needed for that purpose because the College of Food, Agricultural and Environmental Sciences has been implementing a strategic plan that includes consolidated facilities for herd management. The \$5.2 million sale is to close by Dec. 31.

The university also continues to benefit from previous projects, including the 2012 lease of the parking assets and operations. Endowments created from the lease have generated more than \$128 million in distributions supporting student scholarships, faculty

recruitment and hiring, the university's Arts District and to continue support for the Campus Area Bus System, including sustainability improvements. In 2017-18, more than 250 students received financial aid related to the parking lease, including 95 Eminence Fellows who received full undergraduate scholarships. As of June 30, 2018, the original \$483 million payment from the parking lease — now held in endowments in the university's Long-Term Investment Pool — had grown to have a market value of more than \$571 million.

After determining that the Ohio State University Airport was integral to the university's academic mission, the university enhanced the facility to support students and economic development activities. In fall 2018, the university opened the [Austin E. Knowlton Executive Terminal and Aviation Learning Center](#), a \$20 million project of which half was funded through a donation by the Knowlton Foundation. The airport is the primary teaching and research laboratory serving the university's Center for Aviation Studies. Students prepare for a variety of careers in aviation, including pilots, airport managers, air traffic controllers, safety inspectors and more. The airport is also home to cutting-edge aviation research.

If the college/university has not implemented this exercise to date, please explain.

4B Operations review: Each college/university must conduct an assessment of non-academic operations that might be run more efficiently by a regional cooperative, private operator, or other entity. These opportunities must then be evaluated to determine whether collaboration across colleges and universities would increase efficiencies, improve service, or otherwise add value. Please complete the section that aligns with the implementation status of your college/university.

Note: Once all operations are fully reviewed, this exercise is not necessary to conduct annually.

Please identify your institution's implementation status.

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status. See response to 4A for details about our energy, parking and airport assets and operations.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

In 2015, the university announced a goal to produce [\\$200 million in administrative efficiency savings by fiscal 2020](#). Those efficiencies are being used to support Ohio State's core mission, including a significant investment in student scholarships. Ohio State has pursued a broad operational excellence program to meet these goals, including both university-wide efficiencies and goals for each colleges and administrative unit to meet the \$200 million goal.

Through FY18, the university has generated more than \$112 million in savings, including \$54.5 million in efficiency savings in fiscal 2018. Since 2015, Ohio State has committed more than \$100 million in additional student financial aid, using efficiency savings and new resources from the 2020 Vision. In total, almost 32,000 Buckeyes have benefitted from these programs. Ohio State is on track to exceed the \$200 million efficiency goal by fiscal 2020. (The university's operational excellence scorecard has been attached in Appendix A.)

Financial aid commitments target low- and moderate-income Ohioans. They include:

- the Buckeye Opportunity Program, which serves 4,200 Ohio students who qualify for Pell Grants (see description in 4A).
- the President’s Affordability Grants program, which support more than 15,000 students per year
- the Land Grant Opportunity Scholarship program, which has doubled in size to 176 per year and increased in value so that they cover the full cost of attendance.

Efficiency savings also support the Digital Flagship, the largest learning-technology deployment in university story. Entering the 2018-19 academic year, the university distributed iPad Pro learning technology suites to more than 11,000 students at all Ohio State campuses.

Beyond direct savings that have been captured and re-deployed, the university has also achieved efficiency savings that allow the university to re-invest in excellence. These include savings in strategic procurement, in capital projects and at the Wexner Medical Center.

If the college/university has not implemented this exercise to date, please explain.

4C Affinity partnerships and sponsorships: Colleges and universities must, on determining assets and operations that are to be retained, evaluate opportunities for affinity relationships and sponsorships that can support students, faculty, and staff. Colleges and universities can use these types of partnerships to generate new resources by identifying “win-win” opportunities with private entities that are interested in connecting with students, faculty, staff, alumni, or other members of their communities. Please complete the section that aligns with the implementation status of your college/university.

Did the college/university initiate any new partnerships or sponsorships in FY18? If yes, please complete the below table for those new relationships.

Partnerships/Sponsorships	Description	Revenue Generated
Coca-Cola	15-year pouring rights contract	\$84.7 million over life of contract (projected)

If the college/university saw efficiencies gained in FY18 in already existing relationships, please identify, specifically including revenue generated. *Include in the table above or add a similar table.*

The new [Coca-Cola pouring rights agreement](#), effective in FY19, includes \$6 million to improve student facilities and strategic priorities, \$2.25 million for student scholarships, \$1.88 million for student discovery projects and 90 internships over the life of the contract.

Through a variety of ongoing agreements, the university received \$4.6 million in FY18 and arranged for more than 160 internships per year. In addition, the university used funding from our NIKE relationship to support the University Institute for Teaching and Learning, which worked with 200 newly hired faculty last year to enhance teaching excellence. Since spring 2016, faculty and

graduate students have engaged in more than 2,000 instances of professional development courses and other offerings sponsored by UITL and its partners.

If the college/university has not implemented this exercise to date, please explain.

Administrative Practices

Recommendation 5 | Administrative cost reforms

5A Cost diagnostic: Each college/university must produce a diagnostic to identify its cost drivers, along with priority areas that offer the best opportunities for efficiencies. This diagnostic must identify, over at least a 10-year period:

- Key drivers of costs and revenue by administrative function and academic program;
- Distribution of employee costs — both among types of compensation and among units;
- Revenue sources connected to cost increases — whether students are paying for these through tuition and fees, or whether they are externally funded;
- Span of control for managers across the college/university — how many employees managers typically oversee, by the manager's function; and
- Priority steps that would reduce overhead while maintaining quality — which recommendations would have the most benefit?

Note: Once a full cost diagnostic has been performed, this exercise is not necessary to conduct annually.

Did the college/university perform this exercise in FY18? If yes, please provide an overview of the process used and the key outcomes.

The cost diagnostic was conducted in previous years. See our FY17 report.

Please provide details on the result(s) of the assessment. What are the cost drivers, based on the categories above? Please discuss the college/university's priority areas that offer the best opportunities for the recommendation.

If the college/university has not performed this exercise to date, please explain why.

5B Productivity measure: While the measure should be consistent, each college/university should have latitude to develop its own standards for the proper level of productivity in its units. This will allow, for instance, for appropriate differences between productivity in high-volume environments vs. high-touch environments.

What steps has the institution taken to improve productivity in FY18? Please discuss any updates to the utilization of process/continuous improvement methodologies such as Lean Six Sigma.

Our operational excellence program, OE@OSU, has mentored and trained more than 900 efficiency experts throughout Ohio State's colleges and administrative units in Lean Six Sigma methodology to advance operational excellence and continuous improvement. Through fiscal 2017, OE@OSU projects saved or avoided \$41.2 million in costs and eliminated nearly 225,000 hours of non-value added work.

In addition, Ohio State volunteered to be the first higher education institution to undergo a [state performance audit](#). The Auditor of State team issued its report in September 2018, identifying \$6.4 million in projected annual savings, primarily through sunseting legacy systems when the university implements its new enterprise system, standardizing transaction processing and moving additional data centers to the State of Ohio Computer Center. The university is already addressing those recommendations and incorporating others into planning for future efficiency measures.

The report also highlights achievements of OE@OSU program, including addressing fleet management, which was not part of the performance audit because of the university's progress in this area. The Office of Administration and Planning has reduced its fleet by 56 vehicles (17.7%), avoiding \$3.5 million in acquisition cost and providing annual operating savings of \$740,000 annually. Other areas with large fleet are also taking action.

5C Organizational structure: Each college/university should, as part or because of its cost diagnostic, review its organizational structure in line with best practices to identify opportunities to streamline and reduce costs. The college/university reviews should consider shared business services — among units or between college/university, when appropriate — for fiscal services, human resources, and information technology.

Note: Once fully implemented, this exercise is not necessary to conduct annually.

Did the college/university evaluate its organizational structure in FY18? If yes, please provide an overview of the process used and the key outcomes. If no change from FY17, please indicate.

The evaluation was completed in previous years but the university continues to implement the [Enterprise Project](#), which will update Ohio State's finance, human resources, student information and payroll systems. The first of these new systems will launch in 2020. The university is using this multi-year project to advance our operational effectiveness in a variety of ways, such as reducing transactional processing to allow employees to focus more on strategic work. This initiative also will support some streamlining of our organizational structure.

The university also continues to expand and implement additional shared services, particularly in finance, human resources, information technology and procurement. In each area, and in alignment with the Enterprise Project, Ohio State is standardizing processes and working to optimize service levels.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

5D Healthcare costs: A statewide working group should identify opportunities to collaborate on health-care costs.

What initiatives or plan changes did the college/university implement in FY18 to manage or reduce healthcare costs? See below.

Has the college/university achieved any expected annual cost savings through healthcare efficiencies in FY18? Please explain how cost savings were estimated.

The university achieved \$12.6 million in healthcare savings in calendar 2017, which along with other efficiency measures have allowed the university to control the cost of tuition and fees. The university regularly monitors plan design trends and incorporates changes to ensure we are market driven. Other strategies include:

- Improving utilization management resulting in a 12% decrease in inpatient hospital days and a 2.8% decrease in emergency room visits.
 - Cost savings estimated by taking the decrease in utilization times the prior year per unit cost
- Pharmacy benefit management savings through re-contracting, increasing generic dispensing, and increasing network management.
 - Cost savings estimated by improved rebates under the new contract, and repricing claims utilizing greater discounts off average wholesale price obtained from OSU Specialty Pharmacy
- Conducting dependent eligibility verification to ensure that any covered dependent on any health care plan meets the plan's eligibility requirements.
 - Cost savings estimated by taking the number of covered dependents deemed ineligible and removed from coverage and multiplying by the plan's average per member per year annual cost for a dependent
- Conducting claims audits and processing improvements
- Wellness program engagement continues to increase with launch of new vendor

5E Data centers: The college/university must develop a plan to move its primary or disaster recovery data centers to the State of Ohio Computer Center (SOCC).

Please identify your institution's implementation status:

Progress made on implementing recommendation in FY18

If you implemented this recommendation in FY18, please briefly explain your implementation status. See below.

If the college/university previously moved its data center to the SOCC, please identify efficiencies gained, including monetary savings or enhanced security.

In 2014, Ohio State agreed on a partnership to move the university's central data systems to the State of Ohio Computing Center. This has allowed the university to avoid \$40 million in capital costs and to save \$1 million a year in operating costs. The move, which was completed in 2015, involves hundreds of virtual and physical machines that support enterprise resource planning, learning management, email and other critical systems.

Since 2015, the university has migrated the servers of more than half of Ohio State's colleges and support units to the SOCC, generating an additional \$400,000 per year in operating savings. The university continues its ongoing project to migrate remaining areas.

If the college/university has not implemented this recommendation to date, how is it addressing systems security and redundancy issues?

5F Space utilization: Each college/university must study the utilization of its campus and employ a system that encourages optimization of physical spaces. Please complete the section that aligns with the implementation status of your college/university.

Note: This exercise is not necessary to conduct annually.

Please identify your institution's implementation status. No change from prior year's report
Please briefly explain your implementation status. The university uses the BuckIQ analytics tool to compare student enrollments per section, enrollment capacity for each class and the capacity of the physical space. These details help staff to make informed decisions about whether to increase the enrollment capacity for some sections, open a new section, or stop enrollment in certain sections to balance student-to-instructor ratio across sections.
If the college/university implemented this recommendation in FY18, please provide an overview of the process used and the key outcomes, including efficiencies gained.
If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.
If the college/university has not performed this exercise to date, please explain why.

Energy

Energy Efficiencies seek to refine sustainable methods utilized by the college/university to procure and use energy (resulting in more efficient use of energy), including but not limited to lighting systems, heating & cooling systems, electricity, natural gas, and utility monitoring.

FY18 Projects/Initiatives	Efficiencies Gained, including Monetary Impact
Dreese Lab upgrades	Approved in February 2018; project is ongoing. Projected 37% energy efficiency upgrade
Lighting upgrades - Phase I	Approved in February 2018; project is ongoing. Will upgrade more than 50,000 lights in about 51 buildings to LED technology

Have you gained efficiencies in FY18 from previously implemented projects/strategies? If yes, please discuss cumulative efficiencies gained.
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Regional Compacts

Ohio Revised Code Section 3345.59 requires regional compacts of Ohio’s public colleges and universities, with an executed agreement in place by June 30, 2018 for colleges and universities to collaborate more fully on shared operations and programs. Per O.R.C. §3345.59 {E} colleges and universities shall report within their annual efficiency reports the efficiencies gained as a result of the compact.

ODHE recognizes the regional compacts were due to be in place by June 30, 2018; therefore, please discuss your projected efficiencies gained as a result of each of the categories within the compact.

Other than the first row, which speaks globally to the university’s relationships with other institutions, the following chart reflects Ohio State’s arrangement with Central State University.

Category	Description	Monetary Impact
Reducing duplication of academic programming	There continues to be no program duplication evident for the university within the Central Ohio region, or at the regional campus locations. The university, internally, monitors program size and duplication through its regular academic program development, implementation and review processes.	
Implementing strategies to address workforce education needs of the region	The universities, through their program planning strategies, identify needs in counties where they are jointly locating staff. Programming is focused on 4-H Youth Development, Family and Consumer Sciences, Community Development, and/or 4-H Youth Development	
Sharing resources to align educational pathways and to increase access within the region	Access, in this case, is further enhanced by increasing capacity of paid staff in specific counties. Additional capacity should facilitate additional access to educational programs for local citizens.	
Reducing operational and administrative costs to provide more learning opportunities and collaboration in the region	In identified counties where there are staff from CSU and OSU co-located, agreements are or will be in place to facilitate the use of facilities and administrative support.	Once fully implemented, it is estimated that Ohio State would realize \$30,000 annually in efficiencies.
Enhancing career counseling and experiential learning opportunities for students	N/A	
Expanding alternative education delivery models such as competency-based and project-based learning	N/A	

Implementing strategies to increase collaboration and pathways with information technology centers, adult basic and literacy education programs and school districts in your region	N/A	
Enhancing the sharing of resources between institutions to improve and expand the capacity and capability for research and development	N/A	
Identifying and implementing the best use of university regional campuses	The universities, through their program planning strategies, identify needs in counties where they are jointly locating staff. Programming is focused on 4-H Youth Development, Family and Consumer Sciences, Community Development, and/or 4-H Youth Development	

Section II: Academic Practices

Recommendation 6 | Textbook Affordability

6A Negotiate cost: Professional negotiators must be assigned to help faculty obtain the best deals for students on textbooks and instructional materials, starting with high-volume, high-cost courses. Faculty must consider both cost and quality in the selection of course materials.

Please identify your institution’s implementation status:

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status. Ohio State abides by the Higher Education Opportunity Act of 2015 and is working to ensure book orders are submitted as early as possible to enable optimal pricing for students.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

During FY18, Ohio State developed a series of inclusive access pilots for 2018-19 academic year. In fall 2018, a test of the Engage eReader provided digital textbooks in three courses at no cost to students. In the spring 2019 pilot, deeply discounted digital textbooks will be made available to about 1,450 students in nine Social Work courses through the inclusive access model, which offers digital materials that are typically 75 percent-80 percent less expensive than traditional texts. The university anticipates the spring pilot will save students \$196,468 on textbook costs. Through the university’s involvement in the Unizin consortium, the Engage eReader is provided at no cost to students, and course materials are provided at discounted rates that have been negotiated with the publishers. Ohio State plans to expand the rollout of the inclusive access model in the 2019-20 academic year.

If you have not implemented this recommendation to date, please explain.

6B Standardize materials: Colleges and universities must encourage departments to choose common materials, including digital elements, for courses that serve a large enrollment of students. Please complete the section that aligns with the implementation status of your college/university.

Please identify your institution's implementation status:

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status. See below.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

A proposal to revise the University's General Education (GE) program was completed in March 2018 and is now under review in the 12 undergraduate colleges and four regional campuses. The model proposes, for the first time, one GE model for all colleges that is smaller in credit hours than the current offerings. This will open credit hours for students giving them the opportunity to complete minors or take double majors in ways that may not happen today. It also addresses societal themes such as citizenship, sustainability, and health and wellness that will better prepare them to function in the world after graduation. A final decision on the proposal will be made before the end of the 2018-19 academic year.

In addition, Ohio State continued to expand the Affordable Learning Exchange grant program, which provides assistance to faculty members to help them convert materials into free or low-cost digital options. In fiscal 2018, Affordable Learning Exchange projects saved students \$1.6 million through new projects and ongoing ones. To date, Affordable Learning Exchange projects have directly saved 12,000 students \$3 million. By 2021, student savings from the grant program is expected to total \$10 million.

Ohio State is working with North Central State College, the Ohio Association of Community Colleges, Ohio Dominican University, and OhioLINK on a \$1.3 million Ohio Department of Higher Education innovation grant to create, curate, and adopt open content in 22 high-enrollment courses.

With support from the Big Ten Academic Alliance, Ohio State and Penn State are working in partnership to author large-scale open test banks through events called Content Camps. Faculty from across the Big Ten have already authored and reviewed over 5,000 individual test questions, available to instructors at any institution.

If you have not implemented this recommendation to date, please explain.

6C Develop digital capabilities: Colleges and universities must be part of a consortium to develop digital tools and materials, including open educational resources, that provide students with high-quality, low-cost materials. Please complete the section that aligns with the implementation status of your college/university.

Please identify your institution’s implementation status:

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status. Ohio State is a member of the Unizin consortium.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

In FY18, Ohio State launched the [Digital Flagship](#), a digital learning initiative that supports educational innovation for students and economic development opportunities for the community. The initiative is a collaboration with Apple. Ohio State provided more than 11,000 incoming first-year students across all campuses with iPad Pro learning technology kits in advance of the 2018-19 academic year. Students receive the iPads and associated technology for free; Ohio State is paying in excess of \$11.1 million to provide these packages to the first cohort of students.

In addition, Ohio State established and enhanced many aspects of Digital Flagship in advance of the largest distribution of learning technology in the university’s history. Workshops provided the university community with opportunities to learn how to code and how to better integrate technology in their classrooms. As of September 2018, we have trained 170 faculty and advisors through the Digital Flagship Educators cohort, providing intensive pedagogical and course redesign support around technology integration to support learning. At least 130 additional educators will be trained this academic year. A university team worked with Apple to develop Discover, an app that was rolled out at orientation to help students with their transition to college and throughout their journey at Ohio State. The Discover app is available through the Apple store and on iPads distributed as part of Digital Flagship.

The university also continues to benefit from the Unizin consortium, as described in our FY17 report and above in Section 6A.

If you have not implemented this recommendation to date, please explain.

Reducing Textbook Costs for Students

Ohio Revised Code Section 3333.951(C) requires Ohio’s public colleges and universities to report their efforts toward reducing textbook costs for students. Please discuss all initiatives implemented, including those related to 6A, 6B, and 6C above, that ensure students have access to affordable textbooks.

Initiative		Explanation of Initiative	Cost Savings to Students
Inclusive Access Pilot	See 6A		Implementing pilot in FY19
Affordable Learning Exchange	See 6B		\$575,450 in FY18

Textbook Cost Study

Ohio Revised Code Section 3333.951(D) requires Ohio’s public colleges and universities to conduct a study to determine the current cost of textbooks for students enrolled in the institution and submit the study to the Chancellor by a date prescribed by the Chancellor. Please share the results of your study below.

Category	Amount
Average cost for textbooks that are new	\$98.78
Average cost for textbooks that are used	\$59.04
Average cost for rental textbooks	\$63.41 for new rentals; \$37.16 for used rentals
Average cost for eBook	\$57.43 to buy; \$45.97 to rent

Note: Ohio State utilized the methodology developed by the Inter-University Council’s textbook working group. Our analysis focused on the top undergraduate major based on the total number of unduplicated students majoring in each area in the following eight areas:

- Arts (Art)
- Business (Finance)
- Education (Early Childhood Education)
- Engineering (Computer Science and Engineering)
- Health Professions (Nursing)
- Humanity (English)
- Natural Sciences (Biology)
- Social Sciences (Psychology)

The above results do not reflect the effect of open-educational materials or other course materials that are offered at no charge to students.

Textbook Selection Policy Ohio Revised Code Section 3345.025 requires the board of trustees of each state institution of higher education to adopt a textbook selection policy for faculty to use when choosing and assigning textbooks and other instructional materials. Has your college’s/university’s board of trustees adopted a textbook selection policy? Yes

Recommendation 7 | Time to Degree

7A Education campaign: Develop an education campaign on course loads needed to graduate.

Note: This exercise is not necessary to conduct annually.

Please identify your institution’s implementation status.
Progress made on implementing recommendation in FY18

Please briefly explain your implementation status. Ohio State's ["Finish in Four" initiative](#), which is delivered through orientation and academic advisors, emphasizes the course loads needed to complete a bachelor's degree in four years.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

As part of the Digital Flagship (see 6C), the university introduced the Discover App. Designed in partnership with Ohio State students, faculty and staff along with a team of developers from Apple, the app includes a feature called Course Planner, which was added at the request of current OSU undergraduate students. This feature allows students to plan a preferred and secondary path towards their degree, including courses within their major, minor and general education requirements. This tool allows students to more closely track the sequence of courses needed throughout their entire undergraduate career, so they can more carefully plan their time with us.

If you have not implemented this recommendation to date, please explain.

7B Graduation incentive: Establish financial and graduation incentives to encourage full-time students to take at least 15 credits per semester.

Note: Once fully implemented, this exercise is not necessary to conduct annually.

Please identify your institution's implementation status.

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

Ohio State launched the [Ohio State Tuition Guarantee](#) in FY18, providing incoming Ohio resident students with predictability about the cost of a four-year education by freezing tuition, mandatory fees, housing and dining costs for four years. Although not tied to a specific number of credits per semester, this program creates another incentive for students to complete their degree in four years. Exceptions are allowed for students in programs that requires more than four years to complete or who face circumstances such as military service, medical emergencies or family emergencies. The class that entered Ohio State in fall 2018 (FY19) is the second under the Tuition Guarantee model.

Completion grants were awarded to 160 students for 2017-2018. These grants go to those who are very near to graduation and in jeopardy of being dropped for non-payment. Each completion grant averaged about \$1,000, a one-time amount that allows students to stay in school and work toward completing their degrees. The grants are funded through institutional and donor funds available through the University Innovation Alliance, a collaborative of 11 public research institutions committed to increasing the number and socioeconomic diversity of college graduates.

The university has also approved a new [tuition waiver](#), to start in spring 2019, that will assist students who are taking more than 18 credit hours in a term to complete their degrees or to take advantage of internships or research opportunities. For eligible students who obtain the approval of their academic advisors, these waivers would provide savings of more than \$400 per additional credit hour. The university anticipates students will save up to \$500,000 per academic year through the use of these waivers.

If you have not implemented this recommendation to date, please explain.

7C Standardize credits for degree: Streamline graduation requirements so that most bachelor's degree programs can be completed within 126 credit hours or less, and associate degree programs can be completed within 65 credit hours or less. Exceptions are allowed for accreditation requirements.

Please identify the share of programs at your institution that require more than 126 credit hours to earn a baccalaureate or more than 65 credit hours to earn an associate degree.

Virtually all of Ohio State's ~400 undergraduate programs require less than 126 credit hours. Less than 10 percent of programs have requirements for accreditation standards that may require 126 or slightly more. As part of the Ohio State Tuition Guarantee program and continued efforts to ensure record four- and six-year graduation rates, the university is undergoing a review of programs with more than 126 credit hours to reduce hours and time to degree when possible. A foundation of this effort is Ohio State's initiative to review the university's General Education curriculum to create a standard unified GE curriculum across disciplines and to reduce the total number of hours required for the GE.

Please explain the major reasons specific academic program may require more than 126 or 65 credit hours to earn the respective degree.

7D Data-driven advising: Enhance academic advising services so that students benefit from both high-impact, personalized consultations and data systems that proactively identify risk factors that hinder student success.

Please identify your institution's implementation status:

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

Ohio State and Columbus State Community College are collaborating to share data on Columbus State's incoming students to design a pilot program focused on providing more effective bridge services to support economically disadvantaged and/or under-represented minority students planning to complete a baccalaureate degree at Ohio State after completing an associate degree at Columbus State. Those services will include academic advising by an Ohio State advisor located at Columbus State.

As part of its commitment to the University Innovation Alliance, Ohio State is participating in a study, funded by a First in the World grant, to examine the effectiveness of more proactive, high-touch advising in promoting improved time to degree. Now in their second year, the “success coaches” hired for this study work with approximately 1,000 Pell-eligible and/or first-generation students on the Columbus campus and all four regional campuses.

Ohio State’s First Year Experience office trains peer leaders to connect with and provide support to first-year students identified as at-risk based on 1) non-cognitive indicators of college student success gathered through the Noel Levitz College Student Inventory and 2) other data collected by the peer leaders.

A group is working to develop an “online degree audit” matching online courses to the degree requirements they will fulfill, so students who leave short of completing a degree may find it easier to finish remaining requirements.

If you have not implemented this recommendation to date, please explain.

7E Summer programs: Evaluate utilization rates for summer session and consider opportunities to increase productive activity.

Please identify your institution’s implementation status.

Progress made on implementing recommendation in FY18

Please briefly explain your implementation status.

After revamping the academic structure of Summer Term in 2016, Ohio State implemented a 25% discount on tuition and the non-resident surcharge in 2017. By reducing the cost of summer tuition, Ohio State offers students the opportunity to save money directly and by reducing their time to degree.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

In summer 2018 (FY19), students saved \$9.2 million through the 25% tuition discount compared with fall/spring rates.

If you have not implemented this recommendation to date, please explain.

7F Pathway agreements: Develop agreements that create seamless pathways for students who begin their educations at community or technical colleges and complete them at universities.

Please provide the details of the work completed related to this area in FY18 only. See below

At the end of FY18, how many articulation pathway agreements does your college/university have in place? How many are 2+2? How many are 3+1? Is the number of pathways available for students increasing?

The university has 84 total agreements (80 are 2+2 and one each is 1+1, 1+3, 2.5+2 and 2+3).

Please discuss efficiencies gained by implementing this recommendation. Please discuss how students have benefited, in terms of both cost and quality of their education.

These pathways provide students with an efficient path to graduation. Students who follow the plan will take course work that applies to both the associate degree, as an intermediate credential, and to the baccalaureate degree to which the plan connects.

7G Competency-based education: Consider developing or expanding programs that measure student success based on demonstrated competencies instead of through the amount of time students spend studying a subject.

Please provide the details of work completed related to this area in FY18 only. The FY17 report stands.

Please discuss efficiencies gained by implementing this recommendation. Please discuss how students have benefited, in terms of both cost and the quality of their education. In particular, how many students are estimated to be served by the college's/university's competency-based education programs? Has your college/university seen improvements in completion rates? Have students seen cost savings?

University comment: Given Ohio State's student body, our analysis is that competency-based education is not the best focus for enhancements. Instead, we are continually refining our curriculum based on the high standards of our incoming students. The university does employ competency-based approaches in online courses to allow instructors to track how many students have achieved a required learning objective.

Recommendation 8 | Course and Program Evaluation

This recommendation is not applicable this year. Per O.R.C 3345.35, the colleges and universities need to address this recommendation every five years. The next applicable date is FY22.

What steps, if any, did your college/university take in FY18 to share courses/programs with partnering colleges/universities?

If you implemented course/program sharing, please discuss efficiencies gained, including cumulative efficiencies to date.

Recommendation 9 | Co-located Campuses

Ohio Revised Code Section 3333.951 requires Ohio's co-located colleges/universities to annually review best practices and shared services in order to improve academic and other services and reduce costs for students. Co-located campuses are then required to report their findings to the Efficiency Advisory Committee.

Please identify efficiencies gained in FY18 only.

Our Lima, Mansfield, Marion and Newark campuses have collectively generated \$5.4 million in savings through shared services with co-located institutions.

Ohio State campus: Lima
Co-located Campus: Rhodes State College (Lima)
Estimated total cost savings from shared services: \$1.41 million

Type of Shared Service or Best Practice	Please explain in detail your findings related to this shared service or best practice.
Physical Facilities Operations	<p>Cost sharing for physical facilities leadership, building maintenance and environment services, campus custodial services is done on a building square feet method of calculation. Cost sharing for groundskeeping is done on an aggregate square feet method of calculation. Cost sharing for scheduling of campus facilities is done on a cost-share reconciliation method each quarter.</p> <p>➤ Estimated savings to university: \$904,600</p>
Academic Support Services (includes libraries)	<p>Cost sharing for library services for personnel, materials and equipment are done on a campus full time equivalent (FTE) method of calculation. Cost sharing for library collection costs are done by direct cost collections unique to each institution.</p> <p>➤ Estimated savings to university: \$168,300</p>
Student Activities and Athletics Office	<p>Cost sharing for the personnel and operation expenses are done on a campus full time equivalent (FTE) method of calculation.</p> <p>➤ Estimated savings to university: \$177,300</p>
Auxiliary Services	<p>The cafeteria and vending service is outsourced through a contract with external service providers. Cost sharing for contract is done on a full time equivalent (FTE) method of calculation.</p> <p>Cost sharing for shared copying and printing services on a cost-share reconciliation method each quarter. The bookstore and gift shop service is outsourced through a contract with external service providers. Cost sharing for contract is done on a FTE method of calculation.</p> <p>Cost sharing of telephone services is done by direct cost by extension and on a cost-share reconciliation method each quarter for expenses.</p> <p>➤ Estimated savings to university: \$155,800</p>
Approach and process to sharing services with the co-located campus.	<p>In accordance with state policy and by mutual accord, the university and the co-located institution share resources and connect programs to benefit the students of both institutions. This collaboration allows for multiple pathways for student education, reducing unnecessary duplication of services, and promotes the effective use of state fiscal, physical, and personnel resources. The university and co-located institution have formal collaboration agreements and partner wherever possible with the goal of heightening academic quality, operational transparency and economic efficiency.</p>

Ohio State campus: Mansfield
Co-located Campus: North Central State College (Mansfield)
Estimated total cost savings from shared services: \$1.44 million

Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.)	Please explain in detail your findings related to this shared service or best practice.
Physical Facilities	<p>Cost sharing is managed generally by a formula based on assigned square feet for each co-located institution.</p> <p>➤ Estimated savings to university: \$793,900</p>
Academic Support Services	<p>Cost sharing for library services is 55% for the University and 45% for the co-located campus; cost-sharing for internship programming is 50/50 basis.</p> <p>➤ Estimated savings to university: \$128,850</p>
Campus Security and Public Safety	<p>Cost sharing for public safety admin, traffic management personnel, and police and emergency response services is generally on a 50/50 basis for the University and for the co-located institution.</p> <p>➤ Estimated savings to university: \$159,100</p>
Student Life and Campus Events	<p>Cost sharing for student engagement and recreation and intramural sports is 75% for the University and 25% for the co-located institution. Cost sharing for athletics is based on student participation from each institution and is tracked monthly.</p> <p>➤ Estimated savings to university: \$58,800</p>
Administrative Services	<p>Cost sharing for office of advancement is shared on mutually shared activities/events; cost for institution-specific activities/events are paid by the specific institution; each institution pays for its personnel. Cost sharing for shared marketing “agency” is split 50/50 on mutual shared activities/ events and personnel; cost for institution specific activities/events are paid by the institution.</p> <p>Estimated savings to university: \$92,200</p>
Auxiliary Services	<p>Cost for childcare center is supported by revenue generated from user fees and grants. Cafeteria and vending services have proceeds from contracts directed to a Campus Improvement Fund to benefit shared improvements. Cost for shared copying and printing services are managed and paid by the co-located institution and provided on a cost basis to the University.</p> <p>Estimated savings to university: \$202,200</p>
Approach and process to sharing services with the co-located campus.	<p>In accordance with state policy and by mutual accord, the University and the co-located institution share resources and connect programs to benefit the students of both institutions. This collaboration allows for multiple pathways for student education, reducing unnecessary duplication of services, and promotes the effective use of state fiscal, physical, and personnel resources. The University and co-located institution have formal collaboration agreements and partner wherever possible with the goal of heightening academic quality, operational</p>

	transparency, and economic efficiency.
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Ohio State campus: Marion Co-located Campus: Marion Technical College Estimated total cost savings from shared services: \$1.25 million	
Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.)	Please explain in detail your findings related to this shared service or best practice.
Physical Facilities Operations	Cost sharing for these services is done on an assignable square footage (ASF) and faculty/staff/student full time equivalent (FTE) method of calculation. ➤ Estimated savings to university: \$959,000
Academic Support Services	Cost sharing for these services is done on an assignable square footage (ASF) and faculty/staff/student full time equivalent (FTE) method of calculation. ➤ Estimated savings to university: \$111,000
Campus Security and Public Safety	Cost sharing for these services is done on an assignable square footage (ASF) and faculty/staff/student full time equivalent (FTE) method of calculation. Estimated savings to university: \$60,000
Student Activities and Athletics Office	Cost sharing for these services is done on an assignable square footage (ASF) and faculty/staff/student full time equivalent (FTE) method of calculation. Estimated savings to university: \$8,000
Auxiliary Services	Cost sharing for these services is done on an assignable square footage (ASF) and faculty/staff/student full time equivalent (FTE) method of calculation. Estimated savings to university: \$98,000
Technology Services	Cost sharing for these services is done on an assignable square footage (ASF) and faculty/staff/student full time equivalent (FTE) method of calculation. Estimated savings to university: \$17,000
Approach and process to sharing services with the co-located campus.	In accordance with state policy and by mutual accord, the University and the co-located institution share resources and connect programs to benefit the students of both institutions. This collaboration allows for multiple pathways for student education, reducing unnecessary duplication of services, and promotes the effective use of state fiscal, physical, and personnel resources. The University and co-located institution have formal collaboration agreements and partner wherever possible with the goal of heightening academic quality, operational transparency, and economic efficiency.

Ohio State campus: Newark
Co-located Campus: Central Ohio Technical College
Estimated total cost savings from shared services: \$1.28 million

Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.)	Please explain in detail your findings related to this shared service or best practice.
Public Service	Cost sharing for conference services is shared on a 50/50 basis. ➤ Estimated savings to university: \$1,470
Academic Support Services	Cost sharing for both these services is done on a full time equivalent (FTE) method of calculation. ➤ Estimated savings to university: \$134,400
Student Support Services	Cost sharing for these services is done on a headcount method of calculation. Estimated savings to university: \$72,799
Institutional Support	Cost sharing for executive office, office of development, business and finance office, accounting, performing arts, and welcome center is done on a 50/50 method of calculation. Cost sharing for human resources, purchasing, bursar, technology services, marketing and public relations, staff development committee, services center, telecommunications, and telephone services is done on a full time equivalent (FTE) method of calculation. Estimated savings to university: \$157,318
Physical Facilities Operations	Cost sharing for all of these services is done on a full time equivalent (FTE) method of calculation. Estimated savings to university: \$655,067
General Overhead	Cost sharing is done on a full time equivalent (FTE) method of calculation. Estimated savings to university: \$262,500
Approach and process to sharing services with the co-located campus.	In accordance with state policy and by mutual accord, the University and the co-located institution share resources and connect programs to benefit the students of both institutions. This collaboration allows for multiple pathways for student education, reducing unnecessary duplication of services, and promotes the effective use of state fiscal, physical, and personnel resources. The University and co-located institution have formal collaboration agreements and partner wherever possible with the goal of heightening academic quality, operational transparency, and economic efficiency.

Section III: Policy Reforms

Recommendation 10 | Policy Reforms

10A Financial Advising: Provide financial advising and training to students.

Please identify your institution's implementation status:

No change from prior year's report

Please briefly explain your implementation status. Scarlet and Gray Financial is a peer education-based approach that provides a comprehensive suite of financial wellness services to students throughout their college careers. Scarlet and Gray Financial promotes financial literacy and holistic financial wellness through a variety of mediums, including one-on-one coaching sessions, large group presentations, financial education research, and professional development opportunities.

If the college/university previously implemented this recommendation and saw efficiencies gained in FY18, please identify and include cumulative savings.

If you have not implemented this recommendation to date, please explain.

10B Obstacles: The Ohio Department of Higher Education and/or state legislature should seek to remove any obstacles in policy, rule, or statute that inhibit the efficiencies envisioned in these recommendations.

What legislative obstacles or policy roadblocks, if any, inhibit efficiencies and affordability practices at the college/university?

Ohio State continues to support the recommendation of the original task force report regarding real estate: Current state law surrounding real-estate sales and easements is cumbersome and can limit opportunities to negotiate the most advantageous deals for colleges and universities. Under current state law, Ohio's public colleges and universities cannot enter into easements or sell, convey or lease real estate without having legislation passed by the Ohio General Assembly, which can hinder effective negotiations and/or discourage potential buyers who are unwilling to wait for a bill.

Construction Reform

Please discuss efficiencies gained in FY18 from the 2012 Construction Reform legislation.

Construction reform has allowed the university to build projects more efficiently, resulting in reduced construction-management costs, shortened timelines and streamlined delivery. For example, the university now has fewer project management staff, despite an increase in the volume of completed projects. Since 2012, the university has completed more than \$2.5 billion in projects — both large and small — that have benefitted from construction reform.

Academic projects that are underway include the \$95 million Postle Hall project for the College of Dentistry and \$59.1 million in improvements to the Advanced Materials Corridor, which supports the Biomedical Engineering and Materials Sciences and Engineering programs. Efficiency improvements and cost savings on academic projects allow the university to effectively leverage capital funding sources outside of tuition, such as private gifts and state capital funding.

Additional Practices

Are there additional efficiency practices your college/university implemented in FY18 to ensure students have access to an affordable and quality education? Please identify.

The Ohio State Board of Trustees has approved [four affordability measures](#) that will be introduced in Spring 2019 and will collectively save students an estimated \$1.9 million per year. The university will:

- Eliminate 278 course fees, which pay for educational costs such as laboratory sessions or specialized materials. The proposal would eliminate 70 percent of all course fees, benefiting thousands of students across a range of disciplines. Fees that remain cover third-party costs, such as first-aid training, or are in disciplines that rely heavily on laboratories as part of their educational requirements (biology, chemistry and physics).
- Pilot a new strategy to deliver digital textbooks that cost up to 80 percent less than traditional textbooks. In the “inclusive access” pilot, students in nine College of Social Work courses would pay \$24 to \$74 for digital textbooks that would cost \$128 to \$400 as traditional texts, for example. The university plans to expand the use of the inclusive access model in future years.
- Allow students who take heavy academic loads to waive the cost of additional credit hours if they are doing so to complete their degrees or to take advantage of internships or research opportunities. Students can take up to 18 credit hours at the university’s full-time tuition rate, but students may take up to a maximum of 21 credit hours per term. For eligible students who obtain the approval of their academic advisors, these waivers would provide savings of more than \$400 per additional credit hour.
- Expand the university’s support of military families by applying in-state tuition regardless of a student’s residency. Ohio State already extends in-state rates to military families in most circumstances, but the intersection of federal rules, state law and university policy has created some exceptions that affect about two dozen students each semester. The new policy will clarify that active members of the military, veterans and their immediate family members (spouses and children) are to be granted in-state status.

Section IV: Master Recommendation #1 - Students Must Benefit

For chart #1, please provide the cost savings/avoidance in FY18 ONLY for the three specified categories. For chart #2, of the FY18 cost savings/avoidance to your respective college/university, please provide how much of that cost avoidance/savings was redeployed or invested into initiatives that benefit students and/or promote operational excellence.

NOTES: Please do NOT include cumulative savings as this is for FY18 only. Cumulative savings may be discussed in your above response to each recommendation. Feel free to add additional lines as necessary.

Chart #1:

Category	Recommendation	FY18 (Actual)
Cost savings/avoidance to the college/university in FY18 ONLY	3A: Campus contracts	\$61.9 million
	3B: Collaborative Contracts	N/A
	4B: Operations review	\$54.5 million
	4C: Affinity partnerships and sponsorships	\$10.6 million
	5E: Data centers	\$1.4 million
	Subtotal of Institutional Efficiency Savings	\$128.4M
New resource generation for the college/university in FY18 ONLY	4A: Asset review	\$1.07 billion (energy upfront proceeds) \$28 million (annual distributions from parking, energy and NIKE)
	4C: Partnerships	\$4.6M
	Subtotal of New Resource Generation	\$1.1 billion
Cost savings/avoidance to students in FY18 ONLY	4B: Operations review (President's Affordability Grants)	\$25 million
	4B: Operations review (Land Grant Opportunity Scholarships)	\$553,500
	6B: Textbook affordability	\$1.6 million
	6C: Digital Flagship	\$11.1 million
	7B: Completion grants	\$160,000
	7E: Summer programs	\$9.2 million
	Subtotal of Student Savings	\$47.6 million

Chart #2:

Category	Amount Invested in FY18	Explanation
Reductions to the total cost of attendance (tuition, fees, room and board, books and materials, or related costs — such as technology)	\$11.2 million	<ul style="list-style-type: none"> • \$9.2 million in summer tuition discount savings • \$1.6 million Affordable Learning Exchange projects
Student financial aid	\$312.5 million	<ul style="list-style-type: none"> • ~\$283 million invested in energy endowments to support student financial aid • \$25 million in FY18 President’s Affordability Grants • \$553,500 expanded Land Grant Opportunity Scholarships • \$3.9 million distributed in parking endowment scholarships
Student success services, particularly with regard to completion and time to degree	Total not available	Investments in Scarlet and Gray Financial counseling, data-driven academic advising, leadership training and career-development services
Investments in tools related to affordability and efficiency – and excellence in the classroom	\$11.1 million	Digital Flagship iPads; provided free to incoming first-year students
Improvements to high-demand/high-value student programs	Total not available	Since 2014, more than 100 popular online general education courses have been developed, providing students with additional flexibility in scheduling. These courses can speed the time to degree.
Investments in teaching excellence	\$210.5 million	<ul style="list-style-type: none"> • ~\$210 million invested in from energy endowments to support faculty excellence, including 5 chairs • \$458,000 distributed from NIKE endowment to support University Institute for Teaching and Learning
Total	\$545.3 million	

MASTER RECOMMENDATION 2: FIVE-YEAR GOAL FOR INSTITUTIONAL EFFICIENCY SAVINGS AND NEW RESOURCE GENERATION

Ohio State established a five-year plan for the years FY16-FY20 to generate a total of at least \$400 million to be devoted to access, affordability and excellence. The university has already surpassed the goal of devoting at least \$100 million of that total to student financial aid. Savings generated through the 2020 Vision plan are incremental to other cost-savings and resource-generation. The following chart aligns specifically with the 2020 Vision.

Note: Section IV of the university's response to the task force report demonstrates the full range of operational excellence, innovative funding and resource stewardship activities at Ohio State, including ongoing efforts that pre-dated the 2020 Vision.

Category	Recommendation	Component	Description	FY16 (revised)	FY 2017 (Estimate)	FY 2017 (Actual)	FY 2018 (Estimate)	FY 2018 (Actual)	FY 2019 (Estimate)	FY 2020 (Estimate)	Subtotal	Budget Narrative/Explanation of Efficiency Savings \$\$ (attach additional sheets if necessary)
Efficiency Savings	3A	Campus contracts	Require employees to use existing contracts for purchasing goods and services.	\$ 3,040,000	\$ -	\$ -	TBD	\$ -	TBD	TBD	\$ 3,040,000	
	3B	Collaborative contracts	Pursue new and/or strengthened joint purchasing agreements.									
	4B	Operations review	Conduct an assessment of non-academic operations that might be run more efficiently by a regional cooperative, private operator or other entity.									
	5A	Cost diagnostic	Identify key drivers of costs and revenue across the university.	\$ 22,358,000	\$ 30,000,000	\$ 32,895,231	\$ 30,000,000	\$ 54,479,129	\$ 48,461,000	\$ 45,981,000	\$ 204,174,360	
	5C	Organizational structure	Review organizational structure in line with best practices to identify opportunities to streamline and reduce costs.									
	5D	Health-care costs	Seek to control health-care costs									
Subtotal Efficiency Savings				\$ 25,398,000	\$ 30,000,000	\$ 32,895,231	\$ 30,000,000	\$ 54,479,129	\$ 48,460,000	\$ 45,981,000	\$ 207,214,360	
Category	Recommendation	Component	Description	FY16	FY 2017	FY 2017 (Actual)	FY 2018	FY 2018 (Actual)	FY 2019	FY 2020	Subtotal	Budget Narrative/Explanation of New Resource Generation \$\$ (attach additional sheets if necessary)
New Resource Generation	4A	Asset review	Conduct an assessment of non-core assets to determine their market value if sold, leased or otherwise repurposed.	\$ -	\$ -	\$ -	\$ 1,090,000,000	\$ 1,096,587,718	\$ 35,523,000	\$ 36,314,200	\$ 1,168,424,918	Upfront payments (FY18) for energy partnership; annual endowment distributions and philanthropy payments from energy
	4C	Affinity partnerships and sponsorships	Upon determining assets and operations that are to be retained, evaluate opportunities for affinity relationships and sponsorships.	\$ 31,560,000	TBD	\$ 1,007,444	TBD	\$ 1,031,009	\$ 8,328,600	\$ 2,352,600	\$ 44,279,653	Upfront payments (FY16) for Nike partnership; annual endowment distributions for Nike Upfront (FY19) and annual scholarships/student project contributions from Coke
	Subtotal New Resource Generation				\$ 31,560,000	\$ -	\$ 1,007,444	\$ 1,090,000,000	\$ 1,097,618,727	\$ 43,851,600	\$ 38,666,800	\$ 1,212,704,571
TOTAL OF COMBINED INSTITUTIONAL OPPORTUNITIES FOR ENHANCED STUDENT AFFORDABILITY				\$ 56,958,000	\$ 30,000,000	\$ 33,902,675	\$ 1,120,000,000	\$ 1,152,097,856	\$ 92,311,600	\$ 84,647,800	\$ 1,419,918,931	

SPECIFIC RE-DEPLOYMENT OF SAVINGS TO STUDENTS: Please use the area below to describe, in detail, how you plan to re-deploy the institutional resources that are saved and/or generated through the task force components outlined above to reduce costs for students.

Since FY15, Ohio State has committed more than \$100 million in additional need-based aid for Ohio students, with funding provided through efficiencies and new resource generation. Programs include the Buckeye Opportunity Program, President's Affordability Grants and the Land Grant Opportunity Scholarships.

Beyond these savings, the university has introduced the Digital Flagship, a collaboration with Apple that is the largest deployment of learning technology in the university's history. Efficiencies support this program, which provides each incoming student with an iPad Pro and related technology.

The university uses other savings and new resources to invest in teaching excellence, and to control costs through initiatives such as the Ohio State Tuition Guarantee. Each dollar saved supports Ohio State's strategic plan.

SIGNIFICANT CHANGE(S) IN 5-YEAR GOALS FROM FY16 SUBMISSION TO FY17 SUBMISSION: Please use the area below to describe, in detail, significant deviation in your institution's 5-year goals from the FY16 submission to the FY17 submission, if applicable.

Efficiency savings in FY18 include contributions from colleges and support units that were deposited in efficiency accounts during that fiscal year, however the underlying efficiencies may have occurred in previous years.

The FY16 efficiency total has been revised to reflect the total to date toward the 2020 Vision goal of \$200 million in savings.



2020 Vision overview

Efficiency savings and new resources are directed to support our mission

- Operational Excellence and Resource Stewardship benefits students, faculty and staff
- More than \$150 million committed through fiscal 2020 for four major initiatives

Strategic initiative	Description	Funding source
President's Affordability Grants	Aid for 15,000+ low- and moderate-income Ohioans per year	Administrative efficiencies
Buckeye Opportunity Program	Aid package will cover tuition for Ohio students who qualify for Pell grants	Innovative funding
Digital Flagship	11,000 incoming students receive iPad learning technology suite	Administrative efficiencies
University Institute for Teaching and Learning	Annual support for teaching excellence	Innovative funding

Other initiatives supported

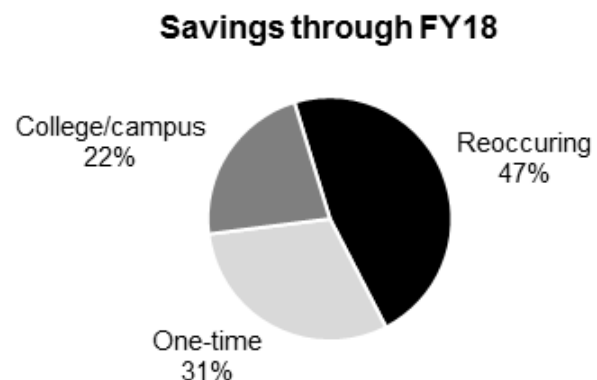
- Support for 5 faculty chairs (Energy endowments)
- Sustainability curriculum and staff development (Energy endowments)
- Student internships and scholarships (Nike and Energy endowments)
- Philanthropy supporting academic and campus initiatives (Energy project)



Operational efficiency scorecard

The 2020 Vision set a 5-year, \$200 million goal for non-WMC efficiencies

Goal	\$200M		
Progress to date	Total	% of goal	Status
Through FY18	\$112.8M	56%	●
Projected through FY19	\$161.2M	81%	●
Projected through FY20	\$207.2M	104%	●



OTHER EFFICIENCY HIGHLIGHTS


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

	Efficiency metric	Status	Notes
Strategic procurement	\$324M compared with FY12	●	Savings largely benefit colleges and units through discounted rates on goods and services
Wexner Medical Center	\$407.6M over four years	●	Margin improvement has improved days cash on hand metric from 81 days to 135.5 days
Capital projects	\$33.8M in FY18	●	Costs avoided by improving project accounting, capturing bid favorability, budget reductions



New resource scorecard

The 2020 Vision set a 5-year, \$200 million goal for innovative funding

Goal	\$200M	
Project	Upfront total	Funding distributed through FY20
NIKE	\$22.5M	\$4.4M
Comprehensive Energy Management	\$1.07B	\$96.5M
Total	\$1.1B 	\$100.9M

OTHER NEW RESOURCE HIGHLIGHTS

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

Project	New resource metric	Notes
Parking	\$128M distributed FY13-FY18	Supports 200+ scholarships per year, 137 Discovery Themes faculty hires, Arts District and more
Affinity relationships	160+ internships per year	Relationships with Nationwide, Huntington and other partners support the campus in various ways