

**BOARD OF TRUSTEES
MIAMI UNIVERSITY
Minutes of the Finance and Audit Committee Meeting
Marcum Conference Center, Oxford, Ohio
Thursday, December 8, 2022, 1:00 p.m.**

Committee Chair, National Trustee Mark Sullivan, called the meeting to order at 1:00 p.m., with sufficient members present to constitute a quorum. The meeting was held in the Marcum Conference Center on the Oxford campus. Roll was called; attending with Trustee Sullivan were Committee members; Trustees Steve Anderson, Sandra Collins, and Mary Schell; National Trustees Biff Bowman, and Dinesh Paliwal. Committee member; Trustee Rod Robinson was absent. Also attending were Trustees Ryan Burgess, Deborah Feldman, Zachary Haines and John Pascoe.

In addition to the Trustees, attending for all or part of the meeting were Senior Vice President David Creamer, and interim Provost Liz Mullenix; Vice Presidents Cristina Alcalde, Jayne Brownell, Brad Bundy, Sue McDowell, David Seidl, Amy Shoemaker, Brent Shock and Randi Thomas; along with interim Vice President for UCM Jessica Rivinius, Executive Fellow Stacey Lowery Bretz, and Ted Pickerill, Chief of Staff and Secretary to the Board of Trustees. Also present to address or assist the Committee were; David Ellis, Associate Vice President for Budgeting and Analysis; Associate Treasurer and CFO of the Foundation Board Bruce Guiot; Cody Powell, Associate Vice President for Facilities Planning and Operations; Matt Garvey of RSM, the independent auditors; and Terry Moore, the Chief Audit Officer; along with many others in attendance to assist or observe.

Executive Session

Following a motion by Trustee Collins, a second by Trustee Bowman and unanimous roll call vote, with four voting in favor and none opposed, the Board convened to Executive Session for the following topics; consult with counsel, pending litigation, and to prepare for negotiations with public employees, as provided by the Open Meetings Act, Ohio Revised Code Section 121.22.

Public Business Session

Approval of the Minutes

Following a motion by Trustee Sullivan and a second by Trustee Paliwal, the Committee, by unanimous voice vote, with all voting in favor and none opposed, approved the minutes from the prior meeting of the Finance and Audit Committee.

FY 2022 Financial Statements and Audit Results

Matt Garvey from independent auditor, RSM, reported to the Committee on the FY2022 audit results. He stated that both the financial audit and the compliance audit were included in RSM's report. The audit included the adoption of GASB no. 87 regarding leases. He stated that

there were no changes to the audit plan, no significant risks were identified, and the results of RSM's tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Following his public report, the Committee met privately with Mr. Garvey.

Following the return of the public, Chair Sullivan expressed the Committee's gratitude to Matt Garvey for his eleven years of dedicated service through RSM.

Associated materials are attached.

Authorization for a New Enterprise Resource Planning (ERP) System

Sr. Vice President Creamer and Vice President for Information Technology Services David Seidl explained that the current ERP system was developed in the 1990s. The product has been fairly static for a long period of time, and the future intentions of Ellucian are unclear. Currently, maintenance of legacy systems and processes inhibits progress and is the primary contributor to stakeholder pain-points.

Miami employed Huron to assist in an evaluation of three options:

- Cloud Transformation Program
- Current Path (defer)
- Ellucian/Banner Modernization

Modernization, through a cloud transformation program, was viewed as the most appropriate and best option. Deferral would postpone the implementation of modern systems and their associated efficiencies, with no savings in total cost. Uncertainty in vendor commitment to support the modernization, and the need to remove existing customizations, made migration to the Banner Cloud platform a less desirable choice.

Because ERP use is wide sweeping in higher ed – utilized for finances, academics, financial aid, HR, etc., implementation will be lengthy, and reduced staffing will necessitate the use of consultants to assist in implementation. If cloud transformation is approved, Avaap will be engaged as an implementation consultant throughout the process.

The current ERP, Banner, is highly tailored to accommodate older systems which were in place at Miami when Banner was first implemented. The new ERP will employ modern systems and best practices, with little customization. It is anticipated the new ERP will enhance efficiency and allow for better connections between systems and better utilization of data.

If approved, implementation would begin near immediately, and is a near four-year process. Implementation will overlap with the current ERP until complete. The total cost is estimated to be approximately \$38M. Once installed, it will allow the retirement of some existing systems providing some savings to the university.

Miami would not be an early implementer, but would be installing the ERP system early in the mainstream market adoption period. Such timing should provide greater access to resources and a lower cost than would be anticipated in future years, when more universities are in the market to implement.

The Committee discussed the recommendations and asked if the process could be accelerated. Workday will be applying lessons learned and best practices from implantations at other universities, but a reduced timeline will be explored and an update report provided to the Committee at a future meeting.

Trustee Collins then moved, Trustee Paliwal seconded and by unanimous voice vote, with all voting in favor and none opposed, the Committee recommended approval of the ERP implementation plan by the full Board of Trustees.

Associated Materials are attached.

Capital Projects

Associate Vice President Cody Powell updated the Committee on the status of capital projects. He reported that no major projects were completed since the last meeting.

The Clinical Health Science and Wellness building is progressing well and should be complete well ahead of the August projection. Initial move in will likely begin during Spring semester. College@Elm has experienced supply chain issues. Due to the rapid project timeline, major equipment was not prepurchased and delays have been experienced; move in is currently expected for February. There were questions regarding tenants for the building which would be addressed by the VP for ASPIRE Randi Thomas at the full Board meeting on Friday, December 9, 2022.

The first phase of the central campus hot water project is complete. The next phase will begin in earnest following May commencement. The McVey Data Science building is progressing well and is on time for a January 2024 completion. Ogden Hall renovation has presented difficulties; several concrete structural deficiencies were discovered, including with the concrete slabs. Structural repair work has delayed the project by at least three months, and Ogden Hall will not meet the August deadline to support Fall move in. Thus far, the extra cost has been covered by the contingency funds, and an increased budget is not requested. The Bell Tower Place portion of the renovation will include a ghost kitchen, staffed by Aramark.

Trustee Sullivan then moved, Trustee Paliwal seconded and by unanimous voice vote, with all voting in favor and none opposed, the Committee recommended approval of the Bell Tower Place plan by the full Board of Trustees.

Associated Materials are attached.

FY2023 Year to Date Operating Results

Dashboards

Sr. Vice President Creamer introduced a new set of Dashboards to provide information on various measurements; such as admitted student trends, Ohio publics main campus UG applications, and Ohio publics main campus UG admission rates. He stated that appropriate dashboard measures will be presented and discussed at each meeting of the Committee.

It was noted that the dashboard provided easy access to important information and progress metrics, and that the value would be enhanced if it could be reviewed in real time, rather than a snapshot in time. It was noted that this is an example of what ERP modernization could provide.

Associated Materials are attached.

Revised FY2023 Appropriation Budget

Sr. Vice President Creamer provided a year-to-date operating results update. He stated that Regional Campus revenue is lower than expected by approximately \$1.3 million due to lower enrollments, and that academic personnel compensation expenses are approximately \$4.9 million more than originally budgeted. Therefore, a net revision of approximately \$6.2 million in additional funds drawn from reserves was requested.

Trustee Feldman then moved, Trustee Paliwal seconded and by unanimous voice vote, with all voting in favor and none opposed, the Committee recommended approval by the full Board of Trustees.

Associated Materials are attached.

State of Ohio Efficiency Report

Associate Vice President Dave Ellis explained that the annual Efficiency Report is required by Ohio law, and is administered by the Ohio Department of Higher Education. The Department sets the required items to be reported each year, and often includes with them some other required reports, such as the textbook affordability report.

Trustee Sullivan then moved, Trustee Paliwal seconded and by unanimous voice vote, with all voting in favor and none opposed, the Committee recommended the full Board of Trustees adopt the report and approve submission to the State.

Associated Materials are attached.

Internal Audit Plan

Chief Audit Officer Terry Moore provided an overview on audit plan development, which includes:

- Identification, assessment, and prioritization of risks
- Drafting an audit plan
- Solicitating feedback
- Presenting the plan for approval

He also provided an update on risk rankings by division, and proposed the audit plan for approval.

Trustee Bowman then moved, Trustee Paliwal seconded and by unanimous voice vote, with all voting in favor and none opposed, the audit plan was approved.

Associated Materials are attached.

Investment Subcommittee

National Trustee Biff Bowman, Chair of the Investment Subcommittee, relayed the following:

The Investment Sub-committee met in-person in Oxford on December 7. The Committee reviewed the capital stack comprised of the endowment pool, the University's non-endowment investments, and its operating cash.

- Operating cash flow so far for FY23 through October 31 is tracking to forecast
- The endowment/PIF was valued at \$658 million as of October 31

The Committee reviewed investment performance for FY23 through October 31 for both the non-endowment and endowment.

- After a robust July, returns turned negative, although Miami has slightly outperformed benchmarks
- Rising interest rates meant to dampen sustained rising inflation have impaired most types of investments
- Non-endowment was down about 2% for the FYTD
- Endowment/PIF was down about 1.8% (although Miami is still collecting some private capital figures)
- Preliminary results for November were strongly positive, enough to have moved Miami's fiscal year to date returns back to positive

SIG reviewed Miami's investment manager fees for the previous fiscal year. Fee negotiations and asset aggregations with other clients resulted in an estimated savings of about \$796,000 for the non-endowment in FY22.

Next, Bruce Guiot provided a retirement plan update. Assets in the Alternative Retirement Plan and the 403(b) supplemental plans totaled over \$483 million as of September 30.

Dr. Creamer and Bruce Guiot provided a brief update and led a discussion on various sustainability initiatives and topics related to the physical campus, Miami's investments, and Miami's credit rating.

Finally, SIG provided a preview of modelling they are conducting regarding the impact of higher inflation and interest rates on their capital market assumptions. The Subcommittee will discuss the results in more detail at the next meeting.

Associated Materials are attached.

Additional Reports

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

- [Cash and Investments Report](#)
- [Internal Audit Report](#)
- [Enrollment Report](#)
- [University Advancement Update](#)
- [Lean Project Update](#)

Adjournment

With no more business to come before the Committee, Trustee Paliwal moved, Trustee Collins seconded and by unanimous voice vote, with all voting in favor and none opposed, the meeting was adjourned.



Theodore O. Pickerill II
Secretary to the Board of Trustees



RSM US LLP

**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

Independent Auditor's Report

President and Board of Trustees of Miami University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Miami University (the University), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 14, 2022.

This report does not extend to the Miami University Foundation due to the Foundation issuing a separate Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated October 14, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM VS LLP

Cleveland, Ohio
October 14, 2022



Miami University

FY 2022 AUDIT RESULTS

Report to the Finance and Audit
Committee

December 8, 2022



Finance and Audit Committee

Miami University

We are pleased to present this report related to our June 30, 2022, audit of Miami University's (the University) financial statements. Our report shares the results of our audit work as required by professional standards alongside other meaningful insights, which we believe will help you in executing your oversight responsibility for the University's financial reporting process.

It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to be of service to Miami University.

This report is intended solely for the information and use of the Finance and Audit Committee and management, and is not intended to be, and should not be, used by anyone other than these specified parties.



Helping you meet requirements, turn challenges into opportunities and improve your business.

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EXECUTIVE SUMMARY

Audit Status

The 2022 audit is complete and we issued an unmodified opinion on the financial statements.

Significant Changes to the Planned Audit Strategy

There were no significant changes to the planned audit strategy communicated to the Finance and Audit Committee in our report dated May 12, 2022.

Significant Risks

There were no changes to the significant risks identified and communicated to the Finance and Audit Committee in our report dated May 12, 2022.

Adoption of New Accounting Policy

In 2022, the University adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*.



UNDERSTAND
THE CLIENT



RISK
ASSESSMENT



FURTHER AUDIT
PROCEDURES



EVALUATION



DELIVERY

Accounting policies and practices

The following required communications summarize our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Matter to Report	Yes	No
Changes to the planned scope and timing of the audit	✓	We have issued a separate communication dated May 12, 2022 regarding the planned scope and timing of our audit and identified significant risks.
Accounting policies and practices		
Preferability of accounting policies and practices	✓	Under accounting principles generally accepted in the United States of America, management may select among alternative accounting practices in certain circumstances. In our view, in such circumstances, management has selected the preferable accounting practice.
Adoption of, or change in, accounting policies	✓	<p>Management has the ultimate responsibility for the appropriateness of the accounting policies used by the University. The following is a description of accounting policies or their application that were either initially selected or changed during the year:</p> <p>In 2022, the University adopted GASB Statement No. 87, <i>Leases</i>. This Statement established new requirements for calculating and reporting the University's lease activities for lessors and lessees. There was no material impact on the University's financial statements due to the adoption of Statement No. 87.</p>
Significant accounting policies	✓	We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.
Significant unusual transactions	✓	We did not identify any significant unusual transactions.

Significant Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events.

Allowance for Uncollectible Student, Pledges and Loans Receivable

Accounting policy

The allowance for uncollectible accounts is based on management's estimate of the collectability of identified receivables, as well as aging of accounts.

Management's estimation process

The University calculates a specific percent reserve on the aging of the accounts based on historical experiences and by identifying specific accounts which are doubtful of collection.

Basis for our conclusion on the reasonableness of the estimate

We tested the underlying information supporting the allowance. We concluded management's estimate is reasonable.

Investments

Accounting policy

Investments are recorded at fair value or estimated fair value and net asset value.

Management's estimation process

Investments that are market traded are recorded at fair value based on quoted market prices, as established by the major securities markets. The value of holdings of commingled funds, not having a readily determined market value, is based on the net asset value per share as supplied by the investment manager. Investments in real estate are recorded at estimated fair value.

Basis for our conclusion on the reasonableness of the estimate

For market traded investments, we tested the fair value information provided by management and found it to be consistent with fair values we obtained from another third-party source. For alternative investments, we corroborated the information to documentation obtained directly from fund management of the alternative investment funds and found it to be appropriate and reasonable.

Significant Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events.

Depreciable Life

Accounting policy

Property and equipment are recorded at cost and then depreciated over the estimated useful lives of the assets.

Management's estimation process

Estimated useful lives are 50 years for buildings; 25 years for infrastructure, land improvements, and library books and publications; 20 years for improvements to buildings; and 5 to 7 years for equipment, vehicles, and furniture.

Basis for our conclusion on the reasonableness of the estimate

We believe the estimates and process used by the University are appropriate based upon our testing, which included substantive and analytical procedures.

Compensated Absences

Accounting policy

Vacation and sick time is accrued for employees based upon the terms of their employment contract or years of service.

Management's estimation process

Unused vacation and sick time are determined by current rates, terms of employment and subject to maximum accruals.

Basis for our conclusion on the reasonableness of the estimate

We tested the detail listing of accrued vacation and sick time at June 30, 2022 and noted the amounts accrued are reasonable based on the policy

Significant Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events.

Net Pension Asset/Liability

Accounting policy

The University has net pension assets (liabilities) for two retirement plans administered by the State Teachers Retirement System of Ohio (STRS) and the Ohio Public Employees Retirement System (OPERS). The University relies on STRS and OPERS plan actuaries and auditors to determine the University's proportionate share of the net pension asset (liability) and its components, based on the percentage of contributions to the retirement plans compared to other participating employers in the respective retirement plans.

Management's estimation process

Management relies on STRS and OPERS actuaries and auditors to determine the University's net pension asset (liability) and pension expense. Management records the University's proportionate share in the financial statements.

Basis for our conclusion on the reasonableness of the estimate

We tested the payroll information submitted to STRS and OPERS, obtained the actuarial reports, and audited pension allocation schedules. We also utilized an RSM actuarial specialist to review the significant assumptions and conclusions used by the plans' actuaries. We concluded the process used by management and the estimates recorded are reasonable.

Other Post-Employment Benefits (OPEB) Asset

Accounting policy

The University has two other post-employment benefit plans administered by the State Teachers Retirement System of Ohio (STRS) and the Ohio Public Employees Retirement System (OPERS). The University relies on STRS and OPERS plan actuaries and auditors to determine the University's proportionate share of the net OPEB asset and its components, based on the percentage of contributions to the post-employment benefit plans compared to other participating employers in the respective post-employment benefit plans.

Management's estimation process

Management relies on STRS and OPERS actuaries and auditors to determine the University's net OPEB asset and OPEB expense. Management records the University's proportionate share in the financial statements.

Basis for our conclusion on the reasonableness of the estimate

We tested the payroll information submitted to STRS and OPERS, obtained the actuarial reports, and audited OPEB allocation schedules. We also utilized an RSM actuarial specialist to review the significant assumptions and conclusions used by the plans' actuaries. We concluded the process used by management and the estimates recorded are reasonable.

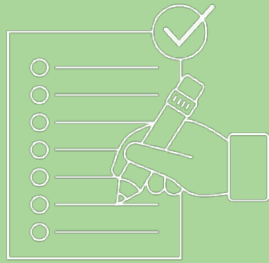
Reporting Matters

Matter to Report

Departure from the auditor's standard report

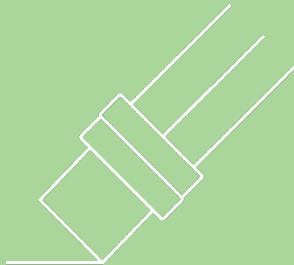
Emphasis-of-matter paragraph	As discussed in Note 7 to the financial statements, the University restated net position at June 30, 2021 by \$751,000. The restatement was required to be made for the implementation of GASB Statement No. 87 – Leases. Our opinion is not modified with respect to this matter.
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Audit Adjustments and Uncorrected Misstatements



There were no audit adjustments made to the original trial balance presented to us to begin our audit.

AUDIT ADJUSTMENTS



Uncorrected misstatements or matters underlying these uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

UNCORRECTED MISSTATEMENTS

Observations About the Audit Process

Matter to Report	Yes	No
Observations about the audit process		
Significant issues discussed with management	✓	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Disagreements with management	✓	There were no disagreements with management.
Significant difficulties encountered in performing the audit	✓	We did not encounter any significant difficulties in dealing with management during the audit.
Consultations with other accountants	✓	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Difficult or contentious matters that required consultation	✓	We did not encounter any significant and difficult or contentious matters that required consultation outside our engagement team.

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2022

Financial Report





ROUDEBUSH HALL ROOM 218
OXFORD, OH 45056-3653
(513) 529-4226

Treasurer's Report

Overall the University's financial position improved at June 30, 2022. Total assets decreased 2.6 percent in fiscal year 2022 to \$2.63 billion compared to \$2.71 billion in fiscal year 2021. Liabilities decreased 16.7 percent and totaled \$906.3 million.

Following a year of exceptional investment returns, the investment portfolios experienced losses for the fiscal year ending June 30, 2022. Operational investments (excluding operating cash) suffered a loss of 6.3 percent, reversing the previous year's 18.8 percent gain. The pooled investment fund, which includes the University and Foundation endowments, posted an estimated loss of 6.0 percent (pending receipt of most of the private capital valuations for the last quarter), down from the 31.2 percent gain in the previous year.

While Miami University's financial outlook is finally moving on from the negative impact of the pandemic, major economic and demographic shifts are expected to adversely influence the University's finances for at least the rest of this decade. Trends such as declining numbers of high school graduates, a lower college participation rate, increased competition from online and mega-universities, and greater price sensitivity by students and parents are expected to make revenue generation more difficult. Except for a brief period following the end of the Vietnam war, the current economic outlook for colleges and universities is the most challenging since World War II.

Respectfully submitted,

A handwritten signature in black ink that reads 'David K. Creamer'.

David K. Creamer
Senior Vice President for Finance and Business Services and Treasurer

Investment Report

Miami University and Miami University Foundation
JUNE 30, 2022



INVESTMENT POOLS

Total investment assets for Miami University and Miami University Foundation at fiscal year-end declined slightly from an all-time high, though still exceeded \$1.5 billion. Total investment assets decreased by about \$34 million from the previous year after encountering difficult capital markets reacting to surging inflation and rising interest rates. The University's non-endowment pool, its working capital and reserves, rose slightly to \$850 million from \$842 million. The Pooled Investment Fund (PIF), the combined University and Foundation endowment, declined to \$686 million from \$725 million. The fiscal year-end asset values among the pools are as follows:

Pool	Type of Funds	Invested as of June 30, 2022
University Non-Endowment	Working capital and cash reserves to support operating activities	\$850,105,000
Pooled Investment Fund (University & Foundation Endowments)	Funds donated to the University and the Foundation to establish endowments in perpetuity	\$686,467,000
Trusts, Annuities, and Separately Invested Assets	Gifts managed independently of the pooled funds	\$ 20,686,000
Total Investments		\$1,557,258,000

The Investment Committee of the Miami University Foundation's Board of Directors provides governance oversight to the PIF, while the Miami University Board of Trustees maintains oversight of the non-endowment pool. In 2018, the Boards outsourced investment management discretion of both the PIF and non-endowment to an external firm, Strategic Investment Group (SIG).

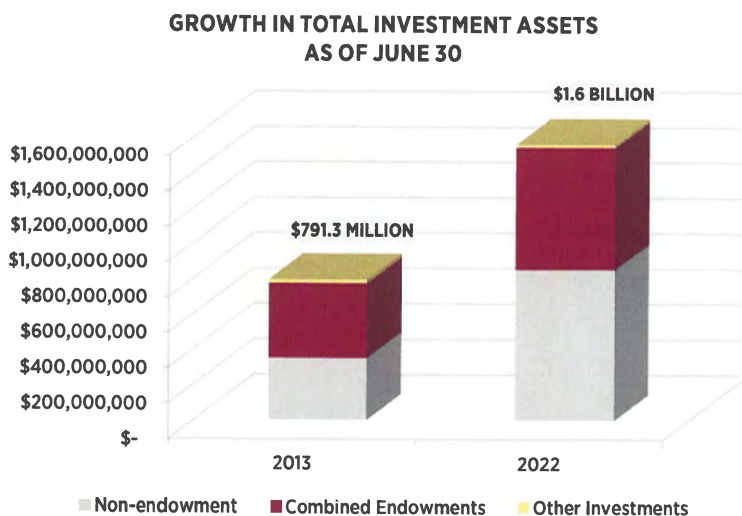
The University's non-endowment pool holds the working capital and cash reserves that fund the University's operating activities. Its balance fluctuates significantly during the course of a year based on the University's cash flow cycle of receipts and expenditures. June 30 typically marks the low point of this annual cycle.

The PIF invests endowed gifts from donors and quasi-endowments established by the Boards. This pool operates under the philosophy that the funds are invested in perpetuity to provide benefits to today's students as well as to the many generations of Miami students yet to come. Miami invests these funds with the understanding that economic cycles will rise and fall, but that a well-diversified portfolio will provide the long-term growth necessary to fund current distributions and preserve the purchasing power of the endowment across generations. The investment policy governing the endowment pool recognizes

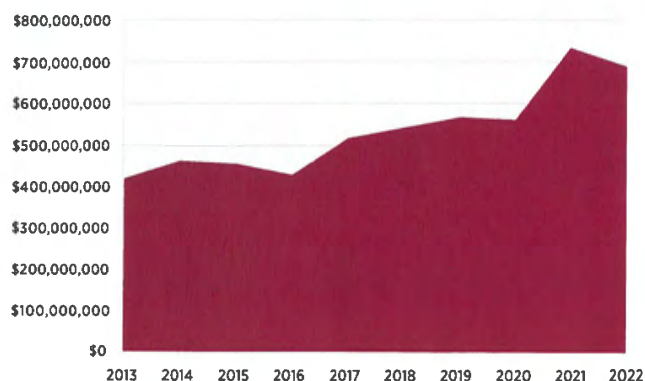
that the portfolio can tolerate year-to-year fluctuations in returns because of its infinite time horizon, and looks beyond short-term fluctuations toward an investment process that provides the best risk-adjusted total return over very long time periods.

The University and Foundation also hold assets given by donors in the form of trusts, annuities, insurance policies, real estate, and other assets. These funds are, by necessity, managed separately from the PIF.

Over the last ten years, Miami's total investment assets have roughly doubled, driven by generous donor support, prudent financial discipline, and healthy investment earnings.



MIAMI UNIVERSITY COMBINED ENDOWMENTS GROWTH

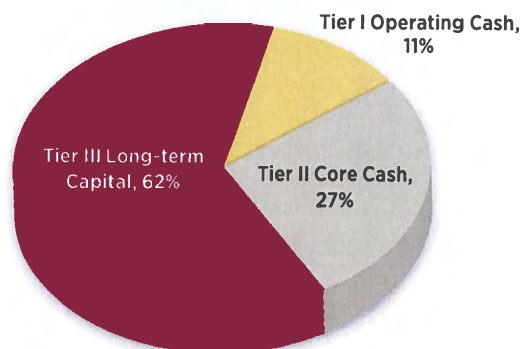


ASSET ALLOCATION

The non-endowment pool has three components. Tier I operating cash represents the University's working capital and is invested in short-term cash equivalents, with a target balance of two to six months of average cash needs. Tier II core cash represents short-term reserves along with funds set aside by the Board of Trustees for special initiatives. Tier II is invested in U.S. Treasury securities with maturities generally under two years. Tier III long-term capital consists of longer-term reserves. As the size of this pool has grown, this portion of the pool has adopted an investment profile similar to the PIF endowment, but excludes less liquid asset classes. At fiscal year-end, it was invested primarily in a mix of global public equity, various types of fixed income securities, assorted real asset exposures, and low correlation absolute return hedged strategies.

Cash flow generation was positive for the year as campus operations returned to near pre-pandemic levels. Tier I operating cash ended the year with \$96.6 million, higher than the target due to expected high capital project outlays in the coming year and planning contingencies prompted by rising interest rates. Tier II consisted of \$186.1 million in the baseline allocation and \$40 million in the special initiatives fund being

MIAMI UNIVERSITY NON-ENDOWMENT ASSET ALLOCATION JUNE 30, 2022

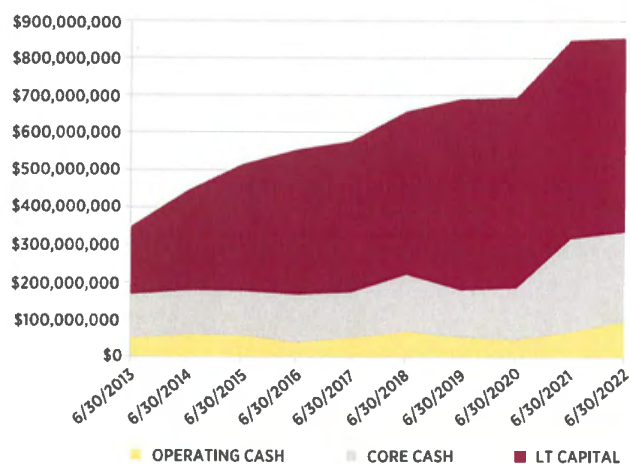


used as seed capital for new academic programs. Tier III finished the year at \$527.3 million. Rebalancing actions taken during the year included \$40 million transferred from operating cash to long-term capital and \$4.4 million drawn from Tier II special initiatives to operating cash.

The Foundation Investment Committee reviews the PIF investment policy regularly, and the Board of Directors adopted an updated PIF investment policy in May 2022. The PIF's strategic allocation considers not just asset exposure, but also the sources of risk and the interaction among the various assets and strategies. This pool's primary strategic allocation categories are public equity, consisting of exposures to U.S., non-U.S., and global equity strategies; alternatives, consisting of private equity and absolute return hedged strategies; real assets, comprised of timber, commodities, and real estate; fixed income, consisting of U.S. Treasury securities and public active credit strategies; and opportunistic, consisting primarily of private credit strategies. Each category has a long-term strategic target weight and SIG has discretion to make tactical shifts within approved ranges. While SIG manages a portion of the fixed income allocation in-house, it also deploys capital with approximately 130 sub-managers.

Changes in the PIF asset allocation reflected adjustments to the long-term target asset allocation policy adopted by the Foundation Board near the end of the previous fiscal year. Notably, perceived inflation and interest rate risk prompted a sharp reduction in fixed income exposure and increases to public equity, alternatives, and real assets. Within the

MIAMI UNIVERSITY NON-ENDOWMENT ASSET ALLOCATION HISTORY



POOLED INVESTMENT FUND CHANGE IN ASSET ALLOCATION

	2021	2022
Public Equity	48.9%	51.5%
Alternatives	24.6%	28.4%
Real Assets	6.9%	7.8%
Fixed Income	11.9%	4.8%
Opportunistic	4.1%	4.8%
Cash, Accruals, & Pending Trades	3.6%	2.7%
Total	100%	100%

POOLED INVESTMENT FUND
INVESTMENT POLICY TARGET ALLOCATION, RANGES, & BENCHMARKS

Asset Category	Long-Term Policy Allocation	Long-Term Policy Ranges		Benchmark Indices
		-	+	
Public Equities	43%	-10%	+10%	
U.S. Equities	19%	-10%	+10%	Russell 3000 Index
Developed Non-U.S. Equities	12%	-10%	+10%	MSCI World ex-U.S. Investible Market Index
Emerging Markets Equities	12%	-10%	+10%	MSCI Emerging Markets Index
Alternatives (Net)	37%	-12%	+10%	
Private Equities	25%	-10%	+5%	Custom Private Equity Index
Hedge Funds (Net)	12%	-12%	+10%	HFRX Equal Weighted Strategies Index
<i>Hedge Funds (Gross)</i>	<i>19%</i>	<i>-19%</i>	<i>+5%</i>	
<i>Portable Alpha Overlay</i>	<i>-7%</i>	<i>-7%</i>	<i>+10%</i>	
Real Assets	8%	-8%	+10%	
Real Estate	3%	-3%	+5%	NCREIF Fund Index Open End Diversified Core Equity Index
Timber	0%	-0%	+6%	Thomson Reuters Cambridge Timber Index
Commodities	2%	-2%	+6%	S&P GSCI Total Return Index
TIPS	3%	-3%	+6%	Bloomberg Barclays I-10 Year U.S. TIPS Index
Fixed Income	12%	-10%	+10%	
U.S. Investment Grade Bonds	12%	-10%	+10%	Bloomberg Barclays U.S. Aggregate Index
U.S. High Yield Bonds	0%	-0%	+10%	BofA Merrill Lynch High Yield Cash Pay Index
Non-U.S. Fixed Income	0%	-0%	+10%	
Opportunistic	0%	-0%	+10%	
Cash	0%	-0%	+20%	
TOTAL	100%			

alternative category, exposures were increased to both hedge fund strategies and private equity. Public equity exposure remains high relative to the target while the target level for private equity is being implemented over a multiple year period.

Liquidity measures how quickly the exposure to a particular asset manager can be redeemed and turned into cash. Approximately 55 percent of the portfolio could be converted to cash within a month, while over three quarters of the portfolio could be redeemed within a quarter.

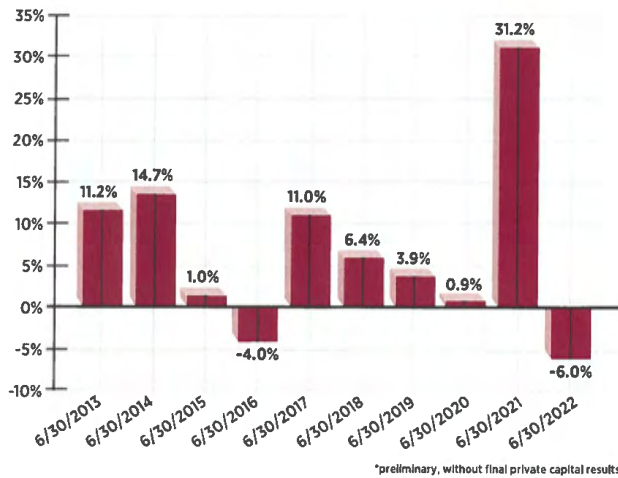
INVESTMENT RETURNS

Global capital markets reversed the robust gains generated in the previous fiscal year. Significant governmental monetary and fiscal stimulus, supply chain bottlenecks, and labor shortages sparked by the pandemic eventually translated into levels of inflation not experienced in the United States in four decades. In addition, the Russian invasion of Ukraine triggered sharp increases in energy prices, which tend to permeate in many ways throughout the global economy. Central banks have begun to take measures to check inflation, but the accompanying slow down in economic activity and reduction in discretionary income caused financial asset prices to decline significantly. Global equity prices as measured by the MSCI All Country World Index (ACWI) declined 15.7 percent

after rising 39.2 percent the previous year. U.S. small cap stocks and emerging market equities were each down in excess of 25 percent. Bonds provided no safe haven, as rising interest rates led to negative double digit returns for many debt instruments. Traditional inflation hedges such as commodities and real estate did provide strong positive returns during the year. Uncertainty over the ability of central banks to reign in inflation, the level of interest rates needed to accomplish that task, and the resulting cost to economic growth and corporate earnings, are likely to weigh on capital markets for the foreseeable future.

The combined Tier II and Tier III portions of the University's non-endowment pool posted a loss of 6.3 percent for the fiscal year ended June 30, 2022, down considerably from a gain of 18.8 percent earned in the previous year. Tier II baseline lost 0.7 percent due to rising interest rates, while Tier III was down 8.2 percent. Within the long-term capital portion, real assets (real estate, commodities, and Treasury Inflation Protection Securities) generated a strong 16.0 percent return, but its impact was overcome by the much larger weighting to global public equities, which had a 15.6 percent loss. Annualized performance for the trailing ten years was 4.9 percent, providing annualized added return over the 90-day Treasury bill during that period of over four and one-quarter percentage points.

COMBINED RATES OF RETURN FY2013 - FY2022

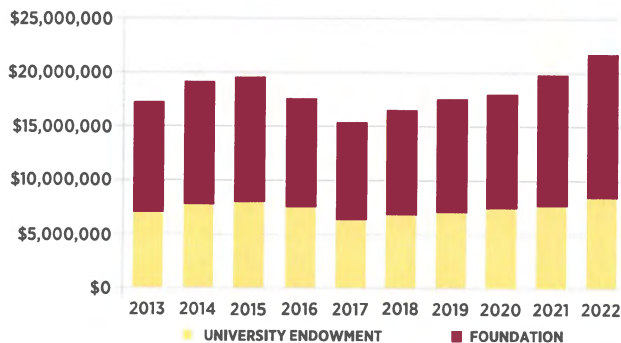


The PIF had an estimated loss of 6.0 percent (please note the FY2022 return is incomplete, since we do not yet have results for all private capital investments which have a significant reporting delay). This outcome was a significant reversal from the historic 31.2 percent gain posted in the previous year. PIF did significantly outperform its portfolio custom benchmark for the year by about 2.1 percentage points. PIF's estimated annualized performance for the trailing ten years was 8.4 percent, which is over 1.2 percentage points above its long-term primary objective of inflation plus 5 percent.

PROGRAM SUPPORT

Endowments provide a lasting legacy for Miami because their principal is invested in perpetuity and an annual distribution from earnings is made to support a variety of activities of the University. The spending policies of the University and Foundation are intended to achieve a balance between the need to preserve the purchasing power of the endowment principal in perpetuity and the need to support current obligations. Fulfilling these dual objectives is often referred to as achieving "intergenerational equity," in which no generation of students and faculty is advantaged in relation to other generations.

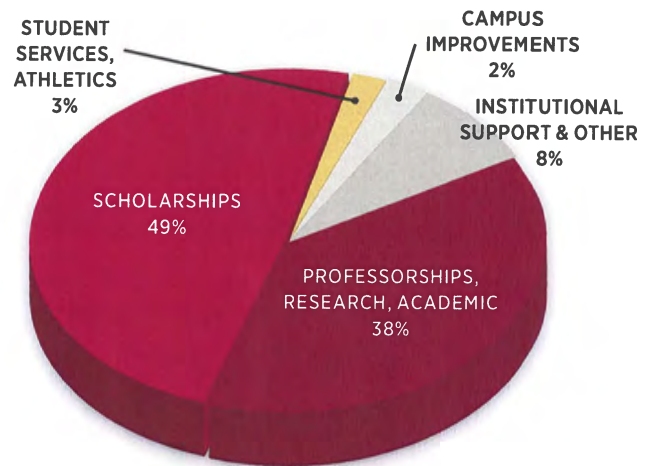
ANNUAL UNIVERSITY & FOUNDATION ENDOWMENT ACTUAL EARNINGS DISTRIBUTIONS



The endowment spending policies for both the University and Foundation, adopted by the Boards in fiscal year 2017, distribute four percent of the average of the previous twelve quarterly market values as of March 31st of each fiscal year. The policies are intended to provide consistent, predictable, and sustainable annual distributions, while maintaining intergenerational equity and preserving the purchasing power of the endowed principal.

The combined endowment distribution for fiscal year 2022 was over \$21.7 million, the most ever distributed in one year and about \$2 million more than the previous year. Over the last ten years, the cumulative distributions have totaled over \$184 million and have provided an important source of funding to help make a Miami education more affordable for our students and to help offset changes in state support. The following chart shows the proportion of programs supported by the 2022 distributions.

MIAMI UNIVERSITY AND FOUNDATION ENDOWMENTS PROGRAMS SUPPORTED BY ENDOWMENT FISCAL YEAR 2022



The operating challenges higher education has been encountering in Ohio and across the nation continue to persist. While pandemic related burdens have subsided, issues such as unfavorable demographic trends, stagnant state support, staffing difficulties, and increasing sensitivity to cost of attendance continue to impact operations and decision making. Fiscal year 2022 added two additional difficulties in the form of escalating inflationary pressures and net investment losses. However, the financial support generated from Miami's investment resources provide some measure of relief. Miami's students, faculty, and staff appreciate the generous patronage from our alumni and friends that has helped to strengthen the institution's position as we confront these obstacles. This backing, combined with the continued innovative and forward-thinking leadership of our boards and administration, set Miami apart and enable us to continue to provide exceptional educational experiences.

Independent Auditor's Report

President and Board of Trustees of Miami University

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of Miami University (the University), a component unit of the State of Ohio, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Miami University, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 7 to the financial statements, the University restated net position at June 30, 2021 by \$751,000. The restatement was required to be made for the implementation of GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 9-18 as well as required supplementary information for certain retirement plan data and other postemployment benefits (OPEB) related data on pages 56-59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

RSM VS LLP

Cleveland, Ohio
October 14, 2022

Introduction

The following discussion and analysis provides an overview of the financial position and activities of Miami University for the year ended June 30, 2022. This discussion should be read in conjunction with the accompanying financial statements and footnotes.

The University's annual report consists of this Management's Discussion and Analysis, the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, the Statement of Cash Flows, and the Notes to the Financial Statements. The financial statements of the University have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when the related liability has been incurred. The financial activity of the Miami University Foundation, a component unit of the University, is included through a discrete presentation as part of the University's financial statements.

The financial statements, footnotes, and this discussion have been prepared by and are the responsibility of University management.

Financial Highlights

Overall, the University's financial position improved at June 30, 2022. Total assets decreased 2.6 percent in fiscal year 2022 to \$2.63 billion compared to \$2.70 billion in fiscal year 2021. Liabilities decreased 16.7 percent and totaled \$906.3 million. Significant financial events during fiscal year 2022 were:

- The University's fall 2021 cohort, at a confirmed size of 4,519 first-year resident undergraduate students, was the sixth enrolled cohort under the Miami Tuition Promise program. The incoming cohort of first-year, first-time undergraduate resident students at the Oxford campus has a guaranteed tuition amount due each year of their full-time enrollment for the four years of the guarantee. Total undergraduate enrollment increased 1 percent to 20,784 students for fall 2021 compared to 20,580 total undergraduate students in the fall 2020 class. Graduate enrollment for fall 2021 decreased by 3.3 percent to a total of 2,261 compared to 2,337 graduate students in the fall 2020 class.
- For the fall 2021 cohort, the University continued its shift from emphasizing test score measures such as an average ACT and using "test optional admissions" instead. The University's commitment to increase selectivity, diversity, and maintain quality with strong academic credentials in enrollment goals was evidenced by a GPA average of 3.84 for the fall 2021 class. The profile of the incoming class for fall 2021 consisted of 35.8 percent non-resident, and 13.3 percent students of color. The fall 2021 categories of transfer students and relocation students increased by 77 students. The Hamilton campus' incoming class size decreased from 472 students from fall 2020 to 457 for fall 2021, and the Middletown campus decreased from 246 students to 196 first-time incoming students for the fall 2021 class.

Financial Highlights (Continued)

- Following a year of exceptional investment returns, the investment portfolios experienced losses for the fiscal year ending June 30, 2022. Operational investments (excluding operating cash) suffered a loss of 6.3 percent, reversing the previous year's 18.8 percent gain. The pooled investment fund, which includes the University and Foundation endowments, posted an estimated loss of 6.0 percent (pending receipt of most of the private capital valuations for the last quarter), down from the 31.2 percent gain in the previous year. Global capital markets reacted negatively to surging inflation triggered by disrupted supply chains and labor shortages, and then further exacerbated by the conflict in Ukraine and oil prices roughly doubling. In response, central banks began tightening monetary policy through both increases in interest rates and tapering of asset purchasing programs. In the United States (U.S.), the June quarter marked the second consecutive quarter of a decline in gross domestic product, an often-used barometer of determining an economic recession, and both U.S. public equities and bonds had their worst first half year performance in decades. Markets are expected to remain volatile until visibility improves around corporate earnings, economic growth, and interest rate stability.

Adoption of Governmental Accounting Standards Board (GASB) Statement No. 87

Effective July 1, 2021, the University adopted GASB Statement No. 87, *Leases*. This Statement established new requirements for calculating and reporting the University's lease activities, whether as lessee or lessor. GASB 87 did not have a material impact on the assets, liabilities, deferred inflows of resources and net position of the University as beginning net position as of July 1, 2021 was restated by \$751,000 for the effects of the University's adoption of the Statement. Further details of the implementation impact are disclosed in Note 7.

Statement of Net Position

The Statement of Net Position presents the assets, liabilities, deferred outflows/inflows of resources, and net position of the University as of the end of the fiscal year. The difference between total assets and deferred outflows and total liabilities and deferred inflows, or net position, is one indicator of the overall strength of the institution. Also, the increase or decrease in total net position indicates whether the financial position of the institution is improving or declining. Except for capital assets, all other assets and liabilities are measured at a point in time using current values. Capital assets are recorded at historical cost less an allowance for depreciation.

The net position is classified into three major categories. The first category, net investment in capital assets, reports the University's net equity in property, plant, and equipment. The second major category, restricted net position, reports assets that are owned by the University, but the use or purpose of the funds is restricted by an external source or entity. This category is subdivided into two types: nonexpendable and expendable. Nonexpendable restricted net position is primarily endowment funds that may be invested for income and capital gains, but the endowed principal may not be spent. Expendable restricted net position may be spent by the University, but only for the purpose specified by the donor, grantor, or other external entity. The third category, unrestricted net position, is separated into two types: allocated and unallocated. Allocated unrestricted net position is available to the University, but is set aside for a specific purpose by University policy, management, or the governing board. Unallocated unrestricted net position is available to be used for any lawful purpose of the institution.

Management's Discussion and Analysis
June 30, 2022
Statement of Net Position (Continued)

	(Dollars in Thousands)		
	2022	2021 (Restated)	2020
Assets:			
Current assets	\$ 977,011	\$ 1,025,834	\$ 740,365
Capital assets and right to use assets, net	1,334,944	1,349,370	1,390,163
Long-term investments	261,704	282,732	224,219
Other assets	60,589	46,220	20,917
Total assets	2,634,248	2,704,156	2,375,664
Deferred outflows of resources	53,931	50,940	97,563
Total assets and deferred outflows of resources	\$ 2,688,179	\$ 2,755,096	\$ 2,473,227
Liabilities:			
Current liabilities	\$ 122,250	\$ 116,114	\$ 103,681
Noncurrent liabilities	784,030	972,164	1,019,461
Total liabilities	906,280	1,088,278	1,123,142
Deferred inflows of resources	223,116	121,250	86,274
Net Position:			
Net investment in capital assets	716,592	736,495	764,897
Restricted – nonexpendable	105,803	114,233	95,382
Restricted – expendable	118,344	104,299	74,825
Unrestricted – allocated	607,316	579,291	309,622
Unrestricted – unallocated	10,728	11,250	19,085
Total net position	1,558,783	1,545,568	1,263,811
Total liabilities, deferred inflows of resources and net position	\$ 2,688,179	\$ 2,755,096	\$ 2,473,227

Total assets of the University decreased 2.6 percent or \$69.9 million in fiscal year 2022. This decrease was primarily a result of a decrease in cash and cash equivalents and investments. Detail of the decrease in investments is provided in the Financial Highlights section of this report.

Total liabilities decreased 16.7 percent or \$182.0 million in fiscal year 2022. This decrease was primarily the result of a change in actuarial assumptions of the net pension liability totaling \$136.9 million. Details of the net pension liability are disclosed in Note 8. The decrease was partially offset by an additional \$47.9 million in general receipts revenue bonds that were issued during fiscal year 2022. Details of the bond issuance is provided in the Capital Assets and Debt Administration section of this report.

Total assets of the institution increased 13.9 percent or \$329.4 million in fiscal year 2021. This increase was primarily a result of an increase in investments. Detail of the increase in investments is provided in the Financial Highlights section of this report.

Total liabilities decreased 3.1 percent or \$34.7 million in fiscal year 2021. This decrease was primarily the result of a change in actuarial assumptions of the net pension liability and net OPEB liability totaling \$133.4 million. The decrease was partially offset by an additional \$204.4 million in general receipts revenue bonds that were issued during fiscal year 2021. Details of the bond issuance is provided in the Capital Assets and Debt Administration section of this report.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the University's results of operations for the fiscal year. The revenues and expenses are generally reported as either operating or non-operating. Operating revenues are generated by providing goods and services to customers and constituencies of the institution. Operating expenses are incurred when goods and services are provided by vendors and employees for the overall operations of the University. Non-operating revenues include the student instructional subsidy from the State of Ohio, while other revenues include the State's capital appropriation. Investment losses and returns are also included in non-operating revenue. Interest on debt is the primary component of non-operating expense.

In fiscal year 2022, total revenues of the institution from all sources were approximately \$632.0 million, which represents a \$181.3 million or 22.3 percent decrease from the prior year. Approximately 81.6 percent of revenues were classified as operating, and 18.4 percent were classified as non-operating or other revenues.

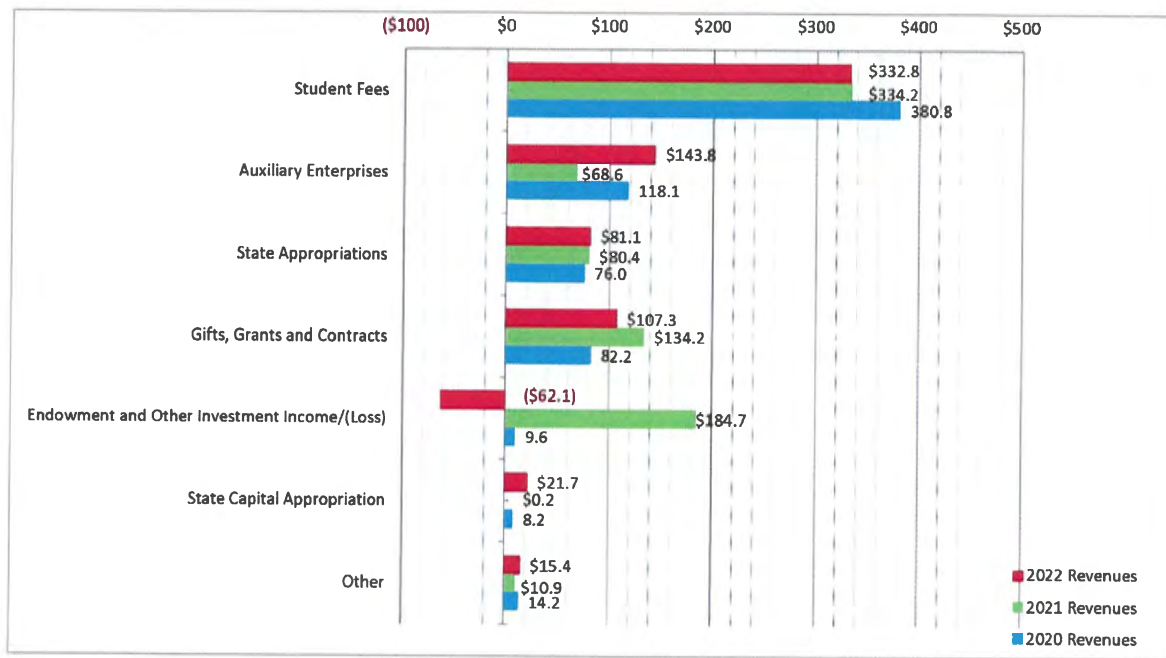
In fiscal year 2021, total revenues of the institution from all sources were approximately \$813.3 million, which represents a \$124.3 million or 18.0 percent increase from the prior year. Approximately 53.1 percent of revenues were classified as operating, and 46.9 percent were classified as non-operating or other revenues.

	(Dollars in Thousands)		
	2022	2021	2020
Operating revenues	\$ 515,830	\$ 431,810	\$ 529,031
Non-operating revenues	90,947	378,973	149,166
Other revenues	25,258	2,515	10,843
Total revenues	632,035	813,298	689,040
Operating expenses	(593,635)	(503,125)	(658,186)
Non-operating expenses	(25,185)	(27,665)	(25,343)
Total expenses	(618,820)	(530,790)	(683,529)
Change in net position	\$ 13,215	\$ 282,508	\$ 5,511

Statement of Revenues, Expenses and Changes in Net Position (Continued)

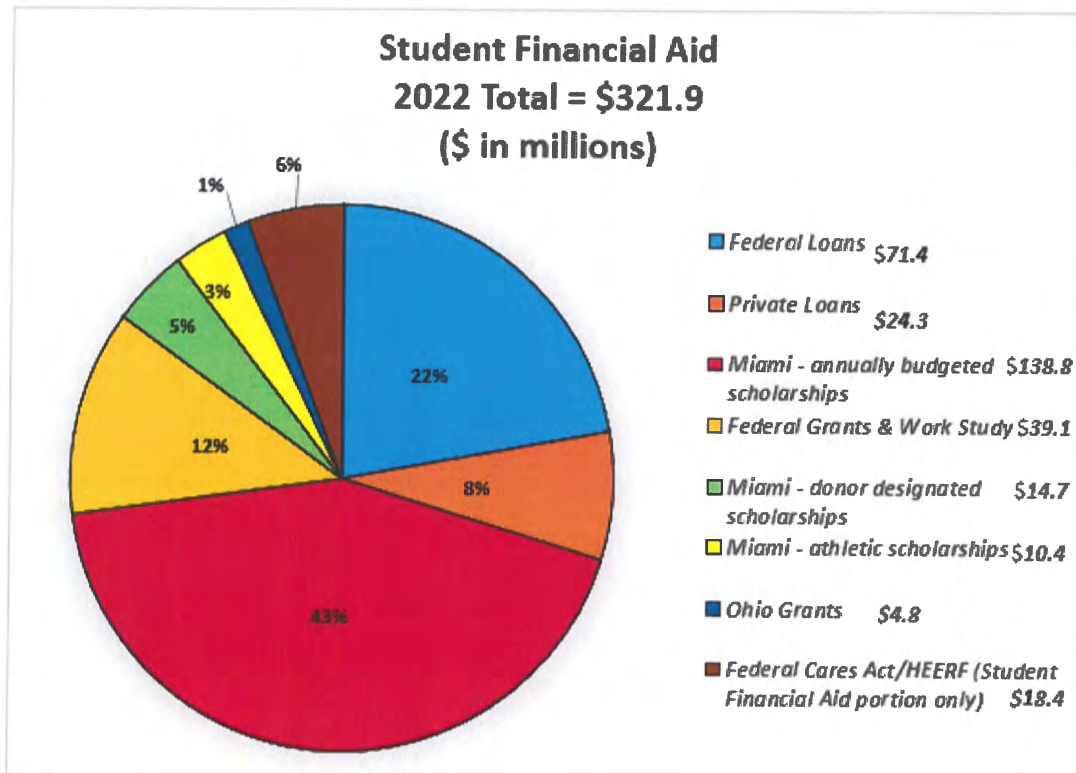
The University revenue base is shown in the accompanying chart. Student tuition and fees make up the largest percentage of revenues at 52.0 percent. Auxiliary enterprises such as residence and dining halls, several student recreational facilities, and the bookstore account for the second highest amount at 22.5 percent to the total. Gifts, grants, and contracts represent 16.8 percent. State capital appropriations are 12.7 percent and State appropriations are 3.4 percent of the total. Net endowment and investment income contributed to a 9.7 percent decrease in the total.

Total Revenues (\$ in Millions)



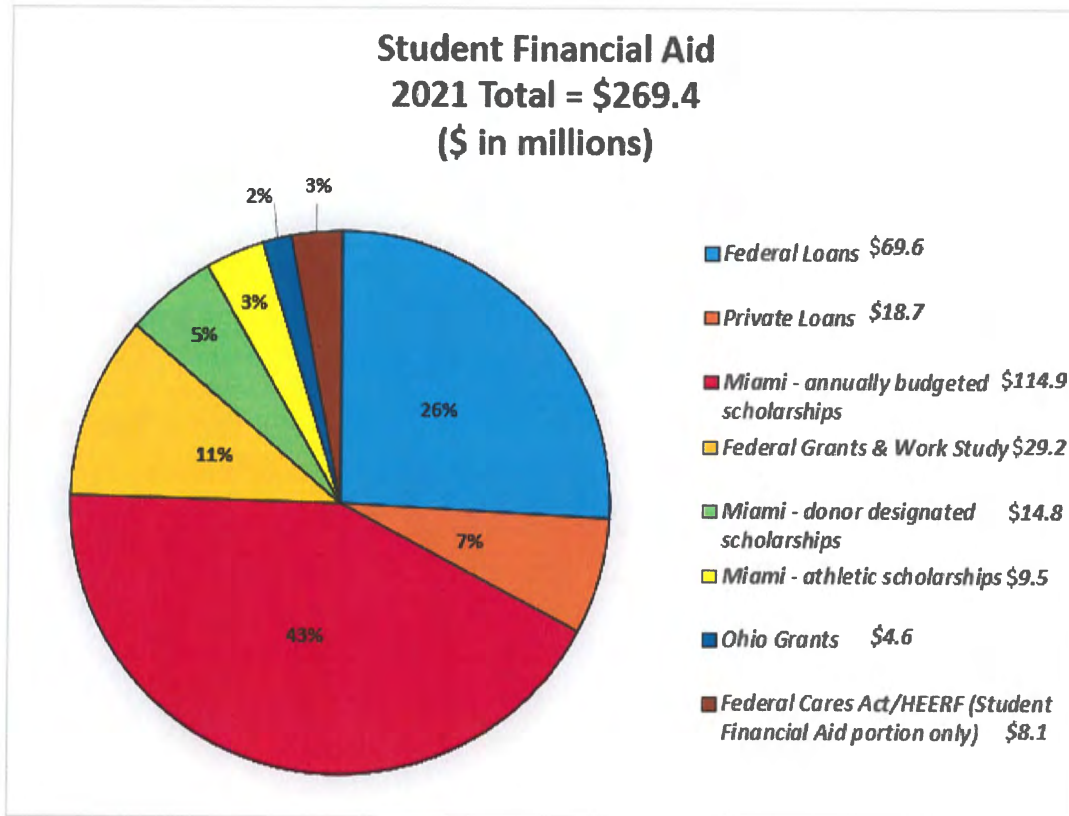
Statement of Revenues, Expenses and Changes in Net Position (Continued)

The University continues to expand the scholarship packages for in-state and out-of-state students in order to recognize student achievement and to continue making a high-quality education more affordable for parents and students. In fiscal year 2022, Miami-funded financial aid increased by \$24.7 million or 17.7 percent. In total, financial aid awards were \$321.9 million.



Statement of Revenues, Expenses and Changes in Net Position (Continued)

In fiscal year 2021, Miami-funded financial aid increased by \$9.2 million or 7.1 percent. In total, financial aid awards were \$269.4 million.



Miami University

Management's Discussion and Analysis June 30, 2022

Capital Assets and Debt Administration

During fiscal year 2022, the University completed and capitalized several projects. These projects were funded by a combination of bond proceeds, state capital appropriations, gifts and local funding. Major projects capitalized in 2022 include renovation projects to Dorsey Hall, Flower Hall, Hahne Hall, McBride Hall, McFarland Hall, Main Steam Plant, Yager Stadium, Equestrian Center Indoor Arena, and the Center for Performing Arts.

During fiscal year 2021, the University completed and capitalized several projects. These projects were funded by a combination of bond proceeds, state capital appropriations, gifts and local funding. Major projects capitalized in 2021 include renovation projects to Marcum Conference Center, Stanton Hall, the Soccer Stadium Complex, Yager Stadium, Equestrian Center Indoor Arena and the Middletown Campus Regional Book Depository. Other infrastructure improvements included the South Quad Hot Water Conversion.

See Note 4 for additional information concerning capital assets and accumulated depreciation.

The University's bond rating remained the same in fiscal years 2022 and 2021 with a rating of Aa3 from Moody's Investors Services and a rating of AA from Fitch Ratings.

On June 7, 2022, the University issued \$47,935 in General Receipts Revenue Bonds (2022A) with an interest rate of 5.00 percent and maturities from 2022 to 2035. The proceeds of the Series 2022A Bonds were used to refund the Miami University Series 2012 General Receipts Revenue and Refunding Bonds on September 1, 2022.

On June 9, 2021, the University issued \$75,930 in General Receipts Revenue Bonds (2021A) with an interest rate of 5.00 percent and maturities from 2022 to 2037. The proceeds of the Series 2021A Bonds were used to refund the Miami University Series 2011 General Receipts Revenue and Refunding Bonds.

For more detailed information on current outstanding debt, see Note 5 and 6.

Economic Factors That Will Affect the Future

While Miami University's financial outlook is finally moving on from the negative impact of the pandemic, major economic and demographic shifts are expected to adversely influence the University's finances for at least the rest of this decade. Trends such as declining numbers of high school graduates, a lower college participation rate, increased competition from online and mega-universities, and greater price sensitivity by students and parents are expected to make revenue generation more difficult. Except for a brief period following the end of the Vietnam war, the current economic outlook for colleges and universities is the most challenging since World War II.

On the first day of classes for fall 2022, Miami University's main campus enrolled a first-time, student cohort of 4,102 students down from 4,592 in the prior year. While the first-time student cohort was smaller than the prior fall, tuition revenue from the cohort, after discounts, is estimated to be up 10% from the prior fall. Total enrollment on the first day of classes for the main campus fell from 19,153 to 19,104. Overall, first day enrollment at the University declined from 23,359 to 23,026 as enrollments at Miami's other sites in Hamilton, Middletown, Luxembourg and West Chester declined from 4,206 to 3,826. Overall tuition and fee revenue, after discounts, is expected to decline year over year for a fourth straight year.

Economic Factors That Will Affect the Future (Continued)

The decline in net tuition revenue is due primarily to the reduction in students enrolling from China at both the Oxford and regional sites. These students routinely paid the full nonresidential tuition making the negative financial impact of these enrollment losses more severe. The sharp growth in students enrolling from China in the previous decade had temporarily offset the negative effect of declining numbers of high school graduates in the regions where Miami primarily recruits its students. While Miami University expects enrollments from China to improve once the effect of the pandemic in that country lessens, these enrollments are not expected to return to the level seen in the last decade, requiring new enrollment strategies to offset the tuition loss from China.

Additionally, state appropriations for higher education in Ohio continue to only grow modestly with the statewide funding for public universities in Ohio for fiscal year 2023 increasing by only 0.9 percent, although Miami's allocation is increasing by 3.25 percent due to its outperformance with other public universities in Ohio. The challenging long-term pattern of modest growth in state appropriations for higher education in Ohio is not expected to improve, while strict limitations on the amount of tuition increases that can be assessed to Ohio residents are expected to continue.

In light of these fiscal and economic realities, Miami's Board of Trustees on June 28, 2019, adopted a new strategic plan for the University. The new strategic plan's primary emphasis is on how to overcome today's financial and demographic challenges while sustaining the University's long history of academic excellence and strong financial performance.

The need for faster and greater change by Miami University is stressed in the new strategic plan. In keeping with this emphasis, the University's Board of Trustees authorized a \$50 million investment fund to help initiate new academic programs that better align with today's student and employer interests. Additionally, \$125 million in new tax-exempt bonds were issued to fund new facilities to align with new or expanded programs in clinical health, data science, engineering, and technology. New clinical health and data science buildings are currently under construction and are scheduled to open in May 2023 and January 2024, respectively. In total, 15 new or expanded academic programs aimed at today's student interests have been implemented in the last three years consistent with the new strategic plan.

At the same time that new academic programs are being developed, a review was completed of existing academic programs and majors with 25 programs to be sunset to allow for the reallocation of financial resources between academic programs. To further assist in growing enrollments and tuition revenue, Miami's admissions and marketing teams began the execution of a new marketing plan in the year just completed and will continue the implementation of this plan in the new year.

The most important measure of the success for these new marketing and recruitment strategies will be whether applications for admission and selectivity improve sufficiently in the future to enable a flat or declining discount rate and not necessarily larger undergraduate student cohorts. The record number of student applications for fall 2022 was an important factor in the increase in net tuition generated by this fall's new class even though the size of the class was almost 11 percent smaller.

Economic Factors That Will Affect the Future (Continued)

While the number of traditional age undergraduate students enrolling in higher education is expected to decline in most of Miami's student markets, the number of working professionals seeking advanced degrees or specialized certificates is expected to rise. Historically, this student population has been hard to attract to Miami's main campus given its rural location but technological change is allowing for some growth and expansion of these markets with some of the previously mentioned new degree programs focused on this audience. While professional graduate education is a growing focus for Miami, the University will continue to focus primarily on undergraduate students and programs for its future financial success.

For decades, Miami and other public colleges and universities could rely on tuition increases and/or increasing demand to provide the financial resources needed to replace the loss of state support, offset rising costs, and provide for growth and expansion of their universities. That economic model is less effective today as major shifts in the underlying elements of supply and demand for higher education are creating a very different set of economic factors. Miami University recognizes the significance of these changes and is developing new strategies in response to these trends, but it must be able to execute these new initiatives timely and effectively to continue to keep pace with this new and rapidly changing higher education landscape.

Miami University

Statement of Net Position
June 30, 2022
(Dollars in Thousands)

	Miami University 2022	University Foundation 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 151,434	\$ 22,351
Investments	760,424	-
Accounts, pledges and notes receivable, net	56,606	5,127
Inventories	2,663	-
Prepaid expenses	5,884	-
Total current assets	977,011	27,478
Noncurrent assets:		
Restricted cash and cash equivalents	-	9,717
Investments	261,704	663,603
Pledges and notes receivable, net	25,005	23,776
Net pension asset	2,676	-
Net OPEB asset	32,908	-
Nondepreciable capital assets	132,450	-
Depreciable capital assets, net	1,199,838	-
Lease assets, net	2,656	-
Total noncurrent assets	1,657,237	697,096
Total assets	2,634,248	724,574
Deferred outflows of resources:		
Deferred loss on debt refunding	180	-
Pensions	52,343	-
OPEB	1,408	-
Total deferred outflows of resources	53,931	-
Total assets and deferred outflows of resources	\$ 2,688,179	\$ 724,574
Liabilities		
Current liabilities:		
Accounts payable	\$ 39,616	\$ 20,000
Accrued salaries and wages	16,379	-
Accrued compensated absences	1,810	-
Unearned revenue	13,603	-
Deposits	11,006	-
Current portion of long-term debt	39,286	-
Other current liabilities	550	551
Total current liabilities	122,250	20,551
Noncurrent liabilities:		
Accrued compensated absences	16,620	-
Bonds payable, net	626,582	-
Lease liability	2,101	-
Notes payable	1,519	-
Federal Perkins loan program	340	-
Net pension liability	136,868	-
Other noncurrent liabilities	-	265,485
Total noncurrent liabilities	784,030	265,485
Total liabilities	906,280	286,036
Deferred inflows of resources:		
Deferred gains on debt refunding	11,274	-
Beneficial interest in perpetual trust	2,260	-
Pensions	163,180	-
OPEB	38,080	-
Leases	8,322	-
Total deferred inflows of resources	223,116	-
Net position:		
Net investment in capital assets	716,592	-
Restricted:		
Nonexpendable - permanent endowments	105,803	292,024
Expendable - gift and grant programs	118,344	142,209
Unrestricted	618,044	4,305
Total net position	1,558,783	438,538
Total liabilities, deferred inflows and net position	\$ 2,688,179	\$ 724,574

See notes to financial statements.

Miami University

Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2022
(Dollars in Thousands)

	Miami University	University Foundation
	2022	2022
Operating revenues:		
Tuition, fees, and other student charges	\$ 494,294	\$ -
Less allowance for student scholarships	(161,474)	-
Net tuition, fees, and other student charges	332,820	-
Sales and services of auxiliary enterprises	149,401	-
Less allowance for student scholarships	(5,567)	-
Net sales and services of auxiliary enterprises	143,834	-
Federal grants	17,963	-
Gifts	-	3,127
Sales and services of educational activities	1,729	-
Private grants	4,777	-
State grants	3,229	-
Local grants	193	-
Other	11,285	-
Total operating revenues	515,830	3,127
Operating expenses:		
Education and general:		
Instruction and departmental research	193,928	-
Separately budgeted research	16,115	-
Public service	6,406	-
Academic support	60,904	-
Student services	35,150	-
Institutional support	72,964	-
Operation and maintenance of plant	30,770	-
Scholarships and fellowships	42,456	-
Auxiliary enterprises	107,837	-
Depreciation and amortization	80,224	-
Pension and other postemployment benefit	(62,971)	-
Other	9,852	-
Total operating expenses	593,635	-
Net operating (loss) income	(77,805)	3,127
Non-operating revenues (expenses):		
State appropriations	81,097	-
Gifts, including those from the University Foundation	32,161	-
Federal grants	44,717	-
Net investment loss, net of investment expense of \$2,956 for the University and \$3,859 for the Foundation in FY 22	(63,940)	(23,737)
State grants	2,464	-
Interest on debt	(25,185)	-
Payments to Miami University	-	(17,895)
Other non-operating expenses	(5,552)	(1,651)
Net non-operating revenues (expenses)	65,762	(43,283)
Loss before other revenues, expenses, gains or losses	(12,043)	(40,156)
Other revenues, expenses, gains or losses:		
State capital appropriation	21,652	-
Capital grants and gifts	1,807	-
Additions to permanent endowments	1,799	16,996
Total other revenues, expenses, gains or losses	25,258	16,996
Change in net position	13,215	(23,160)
Total net position at beginning of year, as restated (Note 7)	1,545,568	461,698
Total net position at end of year	\$ 1,558,783	\$ 438,538

See notes to financial statements.

Miami University

Statement of Cash Flows
Year Ended June 30, 2022
(Dollars in Thousands)

	2022
Cash flows from operating activities:	
Tuition, fees, and other student charges	\$ 491,463
Sales and services of auxiliary enterprises	148,423
Contracts	21,233
Other operating receipts	21,444
Payments for employee compensation and benefits	(371,604)
Payments to vendors for services and materials	(133,167)
Student scholarships	(209,497)
Loans issued to students and employees	(1,490)
Collection of loans from students and employees	1,550
Net cash flows used in operating activities	<u>(31,645)</u>
Cash flows from noncapital financing activities:	
State share of instruction funds	81,097
Grants for noncapital purposes	70,198
Gifts	31,038
Net cash flows provided by noncapital financing activities	<u>182,333</u>
Cash flows from capital and related financing activities:	
State capital appropriation	21,652
Grants for capital purposes	1,508
Other capital and related receipts	575
Proceeds from debt obligations	57,915
Payments to construct, renovate, or purchase capital assets	(89,251)
Principal paid on outstanding debt	(94,655)
Interest paid on outstanding debt	(35,544)
Net cash flows used in capital and related financing activities	<u>(137,800)</u>
Cash flows from investing activities:	
Proceeds from sale of investments	288,213
Purchases of investments	(360,633)
Endowment fees	(1,898)
Other investment income	3,617
Net cash flows used in investing activities	<u>(70,701)</u>
Net change in cash and cash equivalents	(57,813)
Cash and cash equivalents:	
Beginning	<u>209,247</u>
Ending	<u>\$ 151,434</u>

(Continued)

Miami University

Statement of Cash Flows (Continued)

Year Ended June 30, 2022

(Dollars in Thousands)

	2022
Reconciliation of operating loss to net cash flows used in operating activities:	
Operating loss	\$ (77,805)
Adjustments to reconcile net operating loss to net cash flows used in operating activities:	
Depreciation expense	80,224
Net loss on retirements of capital assets	34,109
Accounts receivable bad debt adjustments	401
Adjustments to reconcile change in net position to net cash used in operating activities:	
Accounts receivable	(8,794)
Inventories	(717)
Prepaid expenses	787
Notes receivable	1,183
Net pension asset	(623)
Net OPEB asset	(8,276)
Deferred outflows of pension resources	(11,943)
Deferred outflows of OPEB resources	8,679
Accounts payable	(1,566)
Accrued salaries and wages	(3,319)
Accrued compensated absences	(1,279)
Unearned revenue and deposits	851
Federal Perkins loans	(1,069)
Net pension liability	(138,850)
Deferred inflows leases	8,322
Deferred inflows of pension resources	107,404
Deferred inflows of OPEB resources	(19,364)
Net cash flows used in operating activities	\$ (31,645)
Supplemental disclosures of noncash information:	
Capital assets included in accounts payable	\$ 19,698
Capital assets acquired by gifts in kind	\$ 148

See notes to financial statements.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 1. Summary of Significant Accounting Policies

Miami University (the University) is a land grant institution chartered by the State of Ohio in 1809 and governed by a Board of Trustees (the Board). The Board consists of up to 17 members, including two student members and up to six non-voting national trustees. Voting members are appointed one each year for nine-year terms by the governor with the advice and consent of the state senate. The two student non-voting members are appointed for two-year staggered terms by the governor with the advice and consent of the senate, and the national trustees are appointed by the voting members and can serve for no more than two consecutive three-year terms.

In accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100: *Defining the Financial Reporting Entity*, the University's financial statements are included as a discretely presented component unit in the State of Ohio's Annual Comprehensive Financial Report.

Furthermore, in accordance with GASB Codification Section 2600: *Reporting Entity and Component Unit Presentation and Disclosure*, the Miami University Foundation (the Foundation) is included as a discretely presented component unit in a separate column in the University's financial statements to emphasize that it is legally separate from the University. The Foundation, which is a separate not-for-profit foundation, meets the criteria set forth in the Codification Section 2600 due to the significance of its operational and financial relationship with the University. Note 11 provides additional information on the Foundation. Certain disclosures concerning the Foundation are not included because it has been audited separately and reports have been issued under separate cover. Copies of these reports may be obtained from Treasury Services, 107 Roudebush Hall, Miami University, Oxford, Ohio, 45056.

Basis for presentation: The financial statements of the University have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when the related liability has been incurred. For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities as defined by GASB Statement Nos. 34 and 35.

Recent and pending accounting pronouncements: Effective July 1, 2021, the University adopted GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. There was no material impact on the University's financial statements due to the adoption of Statement No. 87. See Note 7 for further details regarding the implementation of this standard.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2020. GASB Statement No. 95 postponed the effective date to reporting periods beginning after December 15, 2021. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

Notes to Financial Statements
(Dollars in Thousands)

Note 1. Summary of Significant Accounting Policies (Continued)

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective at various dates as outlined in the Statement. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The University has not yet determined the impact this statement will have on the financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. The requirements of this Statement are effective at various dates as outlined in the Statement. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

Notes to Financial Statements
(Dollars in Thousands)

Note 1. Summary of Significant Accounting Policies (Continued)

Effective July 1, 2021, the University early adopted GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective at various dates as outlined in the Statement. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB No. 62*. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The University has not yet determined the impact this statement will have on the financial statements.

Cash and cash equivalents: Cash consists primarily of cash in banks and money market accounts. Cash equivalents are short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less at the time of purchase.

Investments: Investments that are market traded are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The value of holdings of commingled or non-publicly traded funds is based on the funds' net asset value as supplied by the investment manager. Investments in real estate are recorded at estimated fair value.

Investment income is recorded on the accrual basis and purchases and sales of investments are recorded on a trade-date basis. Investment transactions occurring on or before June 30 that settle after such date are recorded as receivables or payables.

Note 1. Summary of Significant Accounting Policies (Continued)

Accounts, pledges and notes receivable allowance: The allowance for doubtful accounts is determined based on management's judgment of potential uncollectible amounts, based on historical experience, analysis of the aging of payment schedules, type of receivable, and other known facts and circumstances.

Inventories: The University reports inventories at the lower of first-in, first out cost or market.

Capital assets: Land, buildings, and equipment are recorded at cost at the date of acquisition. In the case of gifts or other donated capital assets, they are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset in an orderly market transaction at the acquisition date. Acquisition value is a market-based entry price. Intangible assets include patents, trademarks, land rights and computer software. Land, collections of works of art and historical treasures are capitalized but not depreciated. Any collection that is not capitalized is charged to operations at the time of purchase. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Estimated useful lives are 50 years for buildings; 25 years for infrastructure, land improvements, and library books and publications; 20 years for improvements to buildings; and 5 to 7 years for machinery and equipment, vehicles, and furniture. Intangible assets are depreciated based on the estimated life of each asset. The University's capitalization threshold is the lower of 5 percent of the original building cost or \$100 for building renovations and \$5 for other capitalized items. The capitalization threshold for intangible assets is \$100 except for internally generated computer software which has a threshold of \$500.

Leases: The University is a lessee for noncancellable leases of buildings, machinery and equipment and vehicles. The University recognizes a lease liability and an intangible right-to-use lease asset in the financial statements for leases. At the commencement of a lease, the University measures the lease liability at the interest rate charged on the lease, if available, or otherwise discounted using the University's incremental borrowing rate. The lease assets are amortized over the shorter of the lease term or the underlying asset useful life.

The University is a lessor for noncancellable leases of equipment and office space. The University recognizes a lease receivable and deferred inflow of resources in the financial statements. At the commencement of the lease, the University measures the lease receivable at the interest rate charged on the lease, if available, or otherwise discounted using the University's incremental borrowing rate.

Unearned revenue: Tuition and fees relating to summer sessions that are conducted in July and August are recorded in the accompanying Statement of Net Position as unearned revenue. Unearned revenue also includes the amounts received from grant and contract sponsors that have not yet been earned and amounts received from a tuition payment service for payments received for the next fiscal year. These will be recorded as revenue in the following fiscal year.

Pensions: For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) Traditional and Combined Plans as well as the State Teachers Retirement System of Ohio Retirement Plan (STRS Ohio) (collectively referred to as, the Pension Plans) any additions to/deductions from the Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1. Summary of Significant Accounting Policies (Continued)

Postemployment benefits other than pensions (OPEB): For purposes of measuring the OPEB liability or asset, deferred outflows of resources and deferred inflows of resources related to healthcare costs, and employer OPEB expense, information about the fiduciary net position of the OPERS OPEB Plan as well as the STRS Ohio OPEB Plan (collectively referred to as, the OPEB Plans) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plans. For this purpose, health care costs are recognized when due and payable in accordance with the health care terms. Investments are reported at fair value.

Operating and non-operating revenue: The University defines operating activities, for purposes of reporting on the Statement of Revenues, Expenses, and Changes in Net Position, as those activities that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Substantially all of the University's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Codification 2200: *Annual Comprehensive Financial Report*, including state appropriations, certain federal grants, gifts, and investment income.

Revenue recognition: The University recognizes tuition, fees and other student charges as goods and services are provided to customers and constituencies of the institution. State appropriations are recognized when received or made available. Restricted funds are recognized as revenue as expenditures are incurred for cost reimbursement grants, when eligibility requirements have been met, or for contracts when earned. Gifts are recognized when an unconditional promise to pay is received. In the absence of such promise, revenue is recognized when the gift is received.

Allowance for student scholarships: Allowances for student tuition and fee revenues, and certain other revenues from students, are reported in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs, are recorded as either operating or non-operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance.

Bond premiums, discounts and issuance costs: Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are recognized as an expense in the period incurred.

Deferred outflows/inflows of resources: Deferred outflows of resources are a consumption of net positions by the University that is applicable to a future reporting period. Deferred outflows of resources of the University consist of certain changes in the deferred loss on debt refunding, net pension asset/liability and net OPEB asset/liability not included in pension expense and OPEB expense, respectively. Employer contributions to the pension plan and OPEB plan subsequent to the measurement date of the net pension liability and OPEB liability, respectively, are also required to be reported as a deferred outflow of resources of the University. Deferred inflows of resources are an acquisition of net positions by the University that is applicable to a future reporting period. Deferred inflows of resources consist of deferred gains on debt refunding, the University's share of beneficial interests in perpetual trusts, certain changes in net pension asset/liability not included in pension expense, net OPEB asset/liability not included in OPEB expense, and the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

Note 1. Summary of Significant Accounting Policies (Continued)

Compensated absences: Full-time unclassified staff earn vacation at rates of 18 to 22 days per year, based on the terms of their employment contract, with a maximum accrual of 52 days. Classified employees earn vacation at rates up to 25 days per year, based on years of service and hours reported, with a maximum accrual equivalent to the amount earned in three years. Upon retirement, termination, or death, the employee is compensated at the final rate of pay for unused vacation up to a maximum of 40 days. Faculty do not accrue vacation benefits.

Full-time faculty, unclassified staff, and classified staff earn 15 days of sick leave per year and individuals who work less than full-time earn sick leave on a pro-rata basis. There is no limit on the number of sick leave hours that can be accumulated. Upon retirement, a staff member with 10 or more years of Ohio public service is paid for one-fourth the value of earned but unused sick leave not to exceed 30 days, based on the employee's rate of pay at the time of retirement. The termination payment method is used to compute the liability for sick leave. Employees transferring to or from another State of Ohio agency may transfer any unused accumulated sick leave entitlement to/from the new agency. Persons leaving employment for reasons other than retirement are not compensated for unused sick leave.

Net position: Net positions are divided into three major categories. The first category, net investment in capital assets includes property, plant and equipment, net of accumulated depreciation and net of capital related debt and capital related deferred inflows of resources. Capital related debt is offset by unspent bond proceeds, if any. The second major category is restricted net position. This category contains assets that are owned by the institution (offset by liabilities payable from those assets, if any), but the use or purpose of the funds is restricted by an external source or entity. The corpus of the nonexpendable restricted assets is available for investment purposes only. The expendable restricted assets may be expended by the institution, but must be spent only for the purpose as determined by a donor or external entity. The income generated from the nonexpendable restricted investments and the expendable restricted funds may be used for student loans, scholarships and fellowships, instruction, research, and other needs to support the operation of the University. The third category is unrestricted net position and is separated into two types: allocated and unallocated. Allocated unrestricted assets are available to the institution, but are allocated for a specific purpose within the institution by University policy, management, or the governing board. The allocated unrestricted net position was \$607,317 as of June 30, 2022, and is to be used for loans, scholarships, investments and capital projects. Unallocated unrestricted net positions are available to be used for any lawful purpose of the institution. Generally, it is the University's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted resources are available.

Tax status: The University is exempt from federal income taxes under Section 115 of the Internal Revenue Code. As such, the University is subject to federal income taxes only on unrelated business income, if any, under the provisions of Section 511 in the Internal Revenue Code.

Estimates: Management has made, where necessary, estimates and judgments that affect certain amounts reported in the financial statements. These estimates and judgments are based on current information, and actual results could differ from those estimates.

Subsequent events: The University has evaluated subsequent events occurring between the end of the fiscal year and October 14, 2022, the date the financial statements were available to be issued.

Note 2. Cash, Cash Equivalents and Investments

The University's cash and investment activities are governed by policies adopted by the Board in accordance with authority granted by the Ohio Revised Code. Such policies are implemented by the treasurer and overseen by the Board's finance and audit committee.

The University's investment strategy incorporates financial instruments that involve varying elements of risk including market risk, credit risk, interest rate risk, and custodial credit risk. The University's investment policies and procedures establish risk guidelines for each of the two primary investment pools, the non-endowment pool and endowment pool. Diversification is a fundamental risk management strategy for both pools.

Cash and cash equivalents: At year-end, the carrying amount of the University's cash and cash equivalents was approximately \$151,434. Cash and cash equivalents consist primarily of cash in banks, money market accounts and the State Treasury Asset Reserve of Ohio (STAR Ohio) that include short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less. STAR Ohio is a statewide fund managed by the State Treasurer of Ohio with the carrying amount of the assets reported at amortized cost. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25,000.

At June 30, 2022, approximately \$5,512 of cash and cash equivalents was covered by federal depository insurance; \$74,199 was covered by collateral held by third-party trustees pursuant to Paragraph 135.181 of the Ohio Revised Code in collateral pools securing all public funds on deposit with specific depository institutions; and the remaining \$71,723 was not collateralized or insured leaving it exposed to custodial credit risk. Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the University may not be able to recover its deposits or collateral securities. The University maintains active relationships with multiple cash equivalent accounts to reduce its exposure to custodial credit risk at any single institution.

Investments: Investments held by the University at June 30, 2022 are presented below, categorized by investment type and credit quality rating. Credit quality ratings provide information about the investments' credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Beginning in fiscal year 2019, management of the University's investments has been delegated by the Board to an external investment firm. The external investment firm has discretion to manage the University's investments within the framework of the investment policy statement. The University's formal investment policy does not specifically address interest rate risk, credit risk, custodial credit risk, or concentration risk, though these risks are monitored and managed by the external investment firm as part of their management and due diligence process. The external investment firm has implemented a combination of internally and externally managed investment vehicles, including separate accounts, limited partnerships, and commingled funds. The University's investment management policy establishes guidelines for average credit quality ratings in the portfolios. Investments in Tier II of the policy include U.S. Treasury and government agency securities generally with an average weighted maturity of between zero and two years for the baseline allocation. Investments in Tier III of the policy include diversified global equity and fixed income securities, along with absolute return strategies. Moody's Investors Services and Fitch Ratings have assigned AAA credit ratings to U.S. Treasury obligations. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The University's investments are held in trust by a custodian in the University's name. The University has credit risk associated with counterparty nonperformance. However, credit risk associated with exchange-traded contracts are typically perceived to be less because exchanges typically provide clearinghouse arrangements in which the collective credit of the managers of the exchange is pledged to support the financial integrity of the exchange. Margins, which may be subject to loss in the event of a default, are generally required in exchange trading and further mitigate credit risk. All of the future contracts held by the University at June 30, 2022 were exchange traded contracts.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 2. Cash, Cash Equivalents and Investments

The credit ratings of investments in debt securities are based on Moody's investor services and are summarized as follows as of June 30, 2022:

Investment Type	Fair Value	Not Applicable	AAA	AA, A, and BBB	Below BBB
U.S. Treasury bonds	\$ 107,355	\$ -	\$ 107,355	\$ -	\$ -
U.S. Treasury notes	207,900	-	207,900	-	-
U.S. Treasury strips	1,636	-	1,636	-	-
U.S. Treasury inflation protection securities	26,030	-	26,030	-	-
Common and preferred stocks	1,013	1,013	-	-	-
Exchanged traded funds	16,235	16,235	-	-	-
Commingled funds	661,637	661,637	-	-	-
Other	322	322	-	-	-
Total investments	\$ 1,022,128	\$ 679,207	\$ 342,921	\$ -	\$ -

The University's bond investments are exposed to interest rate risk, which is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is managed primarily by adjusting portfolio duration.

Bond investments by length of maturity as of June 30, 2022 are summarized as follows:

Investment Type	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
U.S. Treasury bonds	\$ 107,355	\$ 58,848	\$ 15,172	\$ 19,438	\$ 13,897
U.S. Treasury notes	207,900	90,800	117,100	-	-
U.S. Treasury strips	1,636	-	1,636	-	-
U.S. Treasury inflation protection securities	26,030	7,103	8,912	10,015	-
Total bonds	\$ 342,921	\$ 156,751	\$ 142,820	\$ 29,453	\$ 13,897

Fair value of financial instruments: Fair value is defined in the accounting standards as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management utilizes valuation techniques that maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3) within the fair value hierarchy established by GASB. Assets carried at fair value are required to be classified and disclosed in one of the following three categories:

Level 1: Quoted prices in active markets for identical assets as of the report date. The quoted market prices are from those securities traded on an active exchange such as the New York Stock Exchange, NASDAQ or an active over-the-counter market.

Level 2: Significant other observable inputs including prices quoted in active markets for similar assets.

Level 3: Inputs that are unobservable including the University's own assumptions in determining the fair value of investments.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 2. Cash, Cash Equivalents and Investments (Continued)

The following table presents the investments by fair value hierarchy as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Investment assets:				
U.S. Treasury bonds	\$ -	\$ 107,355	\$ -	\$ 107,355
U.S. Treasury notes	-	207,900	-	207,900
U.S. Treasury strips	-	1,636	-	1,636
U.S. Treasury inflation protection securities	-	26,030	-	26,030
Common and preferred stocks	920	-	93	1,013
Exchanged traded funds	16,235	-	-	16,235
Other	-	-	322	322
Miami University Foundation investment pool	-	-	260,462	260,462
	<u>\$ 17,155</u>	<u>\$ 342,921</u>	<u>\$ 260,877</u>	<u>\$ 620,953</u>

Funds reported at fair value based on net asset value per share:

Non-publicly traded funds	
Cintrifuse Syndicate Fund II, LLC ^(a)	\$ 1,099
Harrison Street Core Property LP Fund ^(b)	2,552
KKR Global Credit Opportunities Fund ^(c)	5,673
Morgan Stanley Prime Property Fund ^(d)	6,834
PRISA LP ^(b)	2,827
Strategic Active Credit Trust ^(e)	33,264
Strategic Developed Markets ex-U.S. Equity Trust ^(f)	80,687
Strategic Emerging Markets Equity Trust ^(g)	28,448
Strategic Global Equity Trust ^(h)	33,660
Strategic SPC Alpha Segregated Portfolio ⁽ⁱ⁾	129,524
Strategic U.S. Equity Trust ^(j)	76,114
Hedge funds ^(k)	493
Total investment assets	<u>\$ 1,022,128</u>

The redemption frequency, if eligible, ranges from monthly to quarterly for the various funds reported at fair value based on net asset value per share at June 30, 2022, with a redemption notice period, if applicable, ranging from 30 days to 90 days. As of June 30, 2022, the University has commitments to limited partnerships of approximately \$289 that have not yet been funded.

Certain investments that are measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Net Position.

- (a) This fund primarily includes investments in limited partnerships focused on venture capital. This fund is generally illiquid, and it does not offer access to redemptions during the life of the partnership. Capital is periodically called, invested, and then returned over time. Typically, these partnerships have a life exceeding ten years and may take up to twenty years before they have fully returned contributed capital.
- (b) This fund is an open-ended commingled fund that invests in commercial real estate.
- (c) This fund primarily invests in debt securities such as bank loans and high yield bonds with below investment grade credit ratings.
- (d) This fund is a real estate investment trust.
- (e) This fund invests primarily in long-only investments in publicly traded bonds and other debt securities generally with below investment grade credit ratings as well as futures and options on such securities and certain bond indices.
- (f) This fund generally invests in long positions in publicly traded equity securities focusing in developed economies outside of the United States including Western Europe and Asia, as well as futures and options in such securities and certain stock indices.

Note 2. Cash, Cash Equivalents and Investments (Continued)

- (g) Securities focusing in markets outside of the United States and Western Europe, including Asia and Latin America as well as Eastern Europe, Africa and the less developed Mediterranean economies.
- (h) This fund generally invests in long positions in global publicly traded equity securities as well as futures and options on such securities and certain stock indices.
- (i) This fund generally invests in hedge funds that invest in both long and short positions in publicly traded equity and debt securities on a global basis. Most debt securities are sub-investment grade and may be hard to price due to thin trading volumes. The various strategies collectively target a market neutral position.
- (j) This fund generally invests in long positions in domestic publicly traded equity securities as well as futures and options in such securities and certain stock indices.
- (k) This fund primarily includes investments in hedge funds that invest in both long and short positions in publicly traded equity and debt securities on a global basis. This investment is being redeemed as underlying liquidity restrictions permit.

All of the University's investments in publicly traded securities are subject to market risk. As a result, a significant downturn in the securities markets could adversely affect the market value of University assets. Investments include globally oriented strategies that include exposure to non-U.S. equity and debt securities. While providing a potential diversification benefit, such international investments are exposed to foreign currency risk. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. At June 30, 2022, the University had no exposure to foreign currency risk. All direct investments and investment vehicles in the portfolios are denominated in U.S. dollars. The University's investments that are exposed to concentration risk consist of its holdings in Strategic Developed Markets ex-U.S. Equity Trust fund, Strategic SPC Alpha Segregated Portfolio fund and Strategic U.S. Equity Trust fund which represent 7.9 percent, 12.7 percent and 7.4 percent of the total investment assets at June 30, 2022, respectively. Exposure to individual diversified commingled funds does not exceed five percent of investments. Commingled funds held by the University include a wide range of investments, including hedge funds. The University's objective for investing in these hedge funds is to provide stable, absolute returns that are uncorrelated to fluctuations in the stock and bond markets. Specific investments are also reviewed and aggregated, as available from each fund manager, on a regular basis to ensure that the portfolio does not maintain unwarranted concentration risks with respect to any single factor or security at the fund manager's level, asset class level and portfolio level.

Endowment funds: The Miami University Foundation (Foundation) manages the Foundation and University endowment and quasi-endowment funds in a single investment pool (Pooled Fund). The University's investments are maintained as a separate fund in the financial system of the Foundation and receive a proportionate share of the Pooled Fund's activity. The Foundation owns the assets of the Pooled Fund; the University has an interest in the Pooled Fund. The Foundation's Pooled Fund is not registered with the Securities and Exchange Commission as an investment company. The Foundation's Board of Directors appoints an Investment Committee, which is responsible for oversight of the Pooled Fund in accordance with Foundation policies. University investments include \$260,462 managed by the Foundation as of June 30, 2022. The assets held on behalf of the University are included in other noncurrent liabilities on the Statement of Net Position of the Foundation. The fair value of the University's position in the Pooled Fund is based on the University's proportional share of the Pooled Fund, which is marked-to-market at year-end. Note 11 provides additional information on the Foundation and the Pooled Fund.

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of Ohio provides statutory guidelines for prudent management, investment, and expenditure of donor-restricted endowment funds held by charitable organizations. The University's interpretation of its fiduciary responsibilities for donor-restricted endowments under UPMIFA requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity to the extent possible and to produce maximum total return without assuming inappropriate risks. The investment policies governing these funds look beyond short-term fluctuations in economic cycles toward an investment philosophy that provides the best total return over very long time periods.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 2. Cash, Cash Equivalents and Investments (Continued)

The University employs a total return policy which defines the total amount of dividends, interest and realized gains to be distributed from the endowment assets. The policy distributes four percent of the average of the previous twelve quarterly market values as of March 31st of each fiscal year. The authorized spending amount was \$8,271 in 2022. In accordance with donors' stipulations, a portion of the earnings was returned to endowment principal and the balance of \$8,130 was distributed for expenditure for 2022. Donor restricted endowments with insufficient accumulated earnings made a partial distribution.

Note 3. Accounts, Pledges and Notes Receivable, Net

The accounts, pledges and notes receivable as of June 30 are summarized as follows:

	2022
Accounts receivable:	
Student receivables	\$ 8,501
University Foundation	19,925
Grants and contracts	6,192
Investment trade receivables	7,341
Lease receivable	8,436
Other receivables	5,564
Total accounts receivable	55,959
Less allowances for doubtful accounts	(1,250)
Net accounts receivable	54,709
 Pledges receivable:	
Pledges receivable	24,340
Less allowance for doubtful pledges	(1,352)
Net pledges receivable	22,988
 Notes receivable:	
Federal loan programs	2,416
University loan programs	3,372
Total notes receivable	5,788
Less allowance for doubtful notes	(1,874)
Net notes receivable	3,914
 Total	 \$ 81,611

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 4. Capital Assets

The capital assets and accumulated depreciation as of June 30 are summarized as follows:

	2022				
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Capital assets:					
Land	\$ 6,025	\$ -	\$ -	\$ -	\$ 6,025
Collections of works of art and historical treasures	10,690	238	-	-	10,928
Construction in progress	30,289	88,036	-	(2,828)	115,497
Total nondepreciable capital assets	47,004	88,274	-	(2,828)	132,450
Land improvements	72,867	1,769	-	-	74,636
Buildings	1,758,033	1,505	-	2,828	1,762,366
Infrastructure	202,287	2,532	-	-	204,819
Machinery and equipment	87,539	3,311	(9,106)	(17)	81,727
Library books and publications	76,043	621	-	-	76,664
Vehicles	5,994	75	(509)	17	5,577
Intangible assets	12,056	102	-	-	12,158
Total depreciable capital assets	2,214,819	9,915	(9,615)	2,828	2,217,947
Total capital assets	2,261,823	98,189	(9,615)	-	2,350,397
Less accumulated depreciation:					
Buildings	674,682	57,391	-	-	732,073
Infrastructure	100,335	7,466	-	-	107,801
Land improvements	29,005	2,631	-	-	31,636
Machinery and equipment	60,211	10,099	(1,128)	-	69,182
Library books and publications	58,315	1,748	-	-	60,063
Vehicles	5,559	286	(509)	-	5,336
Intangible assets	11,977	41	-	-	12,018
Total accumulated depreciation	940,084	79,662	(1,637)	-	1,018,109
Total capital assets, net	\$ 1,321,739	\$ 18,527	\$ (7,978)	\$ -	\$ 1,332,288

The accumulated depreciation beginning balance for machinery and equipment was adjusted during 2022 to recognize depreciation expense from prior years.

Note 5. Long-Term Liabilities

The long-term liabilities as of June 30 are summarized as follows:

	2022				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds and leases payable:					
Bonds payable	\$ 624,774	\$ 47,935	\$ (93,329)	\$ 579,380	\$ 37,975
Lease liability	1,501	1,716	(565)	2,652	551
Notes payable	2,358	680	(759)	2,279	760
Premiums	85,921	9,981	(10,725)	85,177	-
Total bonds and leases payable	714,554	60,312	(105,378)	669,488	39,286
Other liabilities:					
Compensated absences	19,709	9,579	(10,858)	18,430	1,810
Federal Perkins loans	1,959	237	(1,306)	890	550
Total other liabilities	21,668	9,816	(12,164)	19,320	2,360
Total	\$ 736,222	\$ 70,128	\$ (117,542)	\$ 688,808	\$ 41,646

Miami University's General Receipts Revenue Bonds (Series 2010A, 2012, 2014, 2017, 2020A, 2021A, and 2022A) relate to the multi-phase effort to renovate all campus student housing and dining facilities as well as general educational facilities, and contain subjective acceleration clauses. In the event of default, the Trustee, upon the written request of the bondholders of not less than 25 percent (in aggregate) principal amount of the obligations outstanding, shall declare the principal of all obligations with accrued interest thereon, to be immediately due and payable on the announced accelerated maturity date.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 6. Indebtedness

During the year ended June 30, 2022, the University issued \$47,935 in General Receipts Revenue Bonds (2022A) with an interest rate of 5.00 percent and maturities from 2022 to 2035. The proceeds were used to refund a portion of the Miami University General Receipts Bonds, Series 2012, which were callable on September 1, 2022. The net change in cash flows related to the refunding was approximately \$7,128 and the net present values savings was approximately \$6,451. In 2022, the University defeased the Series 2012 bonds by placing the proceeds from Series 2022A bonds into an escrow to provide for future debt service. The outstanding balance of the defeased bonds was \$47,935 as of June 30, 2022.

The June 7, 2022 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$6,182 as well as the reacquisition price of \$263 from the bond refunding General Receipts Revenue Bonds Series 2020A. The unamortized difference of \$5,902 at June 30, 2022 is reported in the accompanying financial statements as deferred inflow of resources and is being amortized through the year 2035.

During the year ended June 30, 2021, the University issued \$75,930 in General Receipts Revenue Bonds (2021A) with an interest rate of 5.00 percent and maturities from 2022 to 2037. The proceeds were used to refund the Miami University General Receipts Bonds, Series 2011, which were callable on September 1, 2021. The net change in cash flows related to the refunding was approximately \$26,169 and the net present value savings was approximately \$23,205. In 2021, the University defeased the Series 2011 bonds by placing the proceeds from the Series 2021A bonds into an escrow to provide for future debt service. The outstanding balance of the defeased bonds was \$75,930 as of June 30, 2022.

The June 9, 2021 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$5,430. The unamortized difference of \$5,063 at June 30, 2022 is reported in the accompanying financial statements as a deferred inflow of resources and is being amortized through the year 2037.

During the year ended June 30, 2021, the University also issued \$128,470 in General Receipts Revenue Bonds with interest rates ranging from 4.00 percent to 5.00 percent and maturities from 2021 to 2046. A part of the proceeds of the 2020A Series were used to refund the mandatory sinking fund redemption for years 2035 through 2037 for the Miami University General Receipts Bonds, Series 2012, and the mandatory sinking fund redemption for years 2035 and 2036 for the Miami University General Receipts Bonds, Series 2014. The balance of the proceeds are for all or a portion of the cost of the acquisition, construction, equipping and/or furnishing of certain facilities on the main campus of the University, including a new health sciences building and a new digital innovation multidisciplinary building.

The July 16, 2020 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$278.

The July 16, 2020 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$199. The unamortized difference of \$180 at June 30, 2022 is reported in the accompanying financial statements as a deferred outflow of resources and is being amortized through the year 2035 for the refunding of Series 2014 Bonds.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 6. Indebtedness (Continued)

During the year ended June 30, 2017, the University issued \$154,635 in General Receipts Revenue Bonds with interest rates ranging from 4.00 percent to 5.00 percent and maturities from 2017 to 2042. A part of the proceeds were used to refund a portion of the remaining Miami University General Receipts Bonds, Series 2007. The net change in cash flows related to the refunding was approximately \$5,800 and the net present value savings was approximately \$5,000. In 2017, the University defeased a portion of the Series 2007 bonds by placing some of the proceeds from the Series 2017 bonds into an escrow account to provide for future debt service. The outstanding balance of defeased bonds was \$27,500 as of June 30, 2022.

The February 14, 2017 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$599. The unamortized difference of \$309 at June 30, 2022, is reported in the accompanying financial statements as a deferred inflow of resources and is being amortized through the year 2028.

During the year ended June 30, 2015, the University issued \$52,335 in General Receipts Revenue Bonds with a 1.88 percent coupon and maturities from 2016 to 2025. The proceeds were used to retire the University's Series 2005 bonds.

During the year ended June 30, 2014, the University issued \$135,035 in General Receipts Revenue Bonds with interest rates ranging from 3.00 percent to 5.00 percent and maturities from 2015 to 2040.

During the year ended June 30, 2013, the University issued \$116,065 in General Receipts Revenue Bonds with an interest rate of 5.00 percent and maturities from 2014 to 2038.

During the year ended June 30, 2011, the University issued \$125,000 in General Receipts Revenue Bonds consisting of \$105,445 Series 2010A (Federally Taxable Build America Bonds—Direct Payment) and \$19,555 Series 2010B (Tax-Exempt Bonds). Interest rates range from 5.96 percent to 6.77 percent for the Series 2010A bonds and 5.00 percent for the Series 2010B bonds. Maturities range from 2017 to 2036 for the Series 2010A bonds with a final payment in 2017 for the Series 2010B bonds. The Series 2010 bond proceeds were used to provide funding for the first phase of planned improvements to student housing and dining facilities and the first phase of construction of the Armstrong Student Center.

The proceeds of the 2022A issuance was to refund the 2012 issuance and the proceeds of the 2021A issuance was to refund the 2011 issuance, which was primarily used to refund the 2003 issuance. The proceeds from the 2020A issuance refunded the mandatory sinking fund for both the 2012 and 2014 issuances, in addition to financing the cost of certain facilities on the main campus of the University, including a health sciences building and a nedigital innovation multidisciplinary building. The proceeds from the 2017, 2014 and 2012 issuances have been and will continue to be used to fund the multi-phase effort to renovate all campus student housing and dining facilities as well as to retire outstanding indebtedness of the University for more favorable borrowing terms as described in the proceeding paragraphs. The 2015 issuance was to refinance the 2005 issuance that was used to fund the campus student housing and dining facilities as well as the Farmer School of Business and infrastructure projects. The 2010A issuance was used to fund the Armstrong Student Center as well as campus student housing and dining facilities.

The indebtedness created through the issuance of General Receipts' bonds is collateralized by a pledge of all general receipts, excluding state appropriations and monies received for restricted purposes.

The University incurred total interest costs of \$25,185 for the year ending June 30, 2022.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 6. Indebtedness (Continued)

The maturity dates, interest rates, and outstanding principal balances as of June 30, 2022 are as follows:

	Maturity Dates	Interest Rates	Outstanding Debt
Bonds payable:			
Series 2022A general receipts	2023 - 2035	5.00%	\$ 47,935
Series 2021A general receipts	2023 - 2038	5.00%	75,930
Series 2020A general receipts	2023 - 2047	4.00% - 5.00%	126,275
Series 2017 general receipts	2023 - 2043	4.00% - 5.00%	124,600
Series 2015 general receipts	2023 - 2026	1.88%	16,515
Series 2014 general receipts	2023 - 2041	3.50% - 5.00%	97,355
Series 2012 general receipts	2023 - 2039	3.00% - 5.00%	5,655
Series 2010A general receipts	2023 - 2037	5.76% - 6.77%	85,115
Total bonds payable			579,380
Bond premiums			85,177
Total bonds payable, net			\$ 664,557

The principal and interest payments for the bonds in future years are as follows:

	Principal	Interest	Total
2023	\$ 37,975	\$ 27,409	\$ 65,384
2024	38,460	23,468	61,928
2025	33,885	22,001	55,886
2026	29,680	20,587	50,267
2027	31,195	19,115	50,310
2028 - 2032	140,370	76,197	216,567
2033 - 2037	155,135	39,686	194,821
2038 - 2042	87,715	12,247	99,962
2043 - 2047	24,965	1,714	26,679
Total	\$ 579,380	\$ 242,424	\$ 821,804

The University has \$2,279 in notes payable obligations that have varying maturity dates through 2025. The scheduled maturities of these obligations as of June 30, 2022 are:

2023	\$ 760
2024	760
2025	759
Total minimum notes payable	\$ 2,279

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 7. Leases

Effective July 1, 2021, the University adopted GASB Statement No. 87, *Leases*. This change in accounting principle established new requirements for calculating and reporting the University's lease activities. Beginning net position as of July 1, 2021 was restated for the effects of the University's adoption of GASB 87. A summary of the restatement of beginning net position is as follows:

Net position as previously reported, June 30	\$	1,546,319
Adjustment for GASB No. 87		
Capital assets: Building, net		(2,389)
Lease payable		1,638
Net position as restated, June 30	\$	1,545,568

Lessor: The University leases space on towers to cellular companies and office space to external parties. In accordance with GASB 87, the University records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The University recognized deferred inflows of resources of lease revenue of \$1,439 and interest income of \$122 for the year ending June 30, 2022. Below is a schedule of future payments that are included in the measurement of the lease receivable:

	Principal	Interest	Total
2023	\$ 1,277	\$ 114	\$ 1,391
2024	1,380	96	1,476
2025	1,224	78	1,302
2026	1,242	60	1,302
2027	1,265	41	1,306
2028-2032	2,048	48	2,096
Total	\$ 8,436	\$ 437	\$ 8,873

Lessee: The University leases facilities, equipment and vehicles from others. These leases have terms between 1 year and 10.5 years requiring monthly, quarterly or annual payments. The expected lease payments are discounted using the interest rate charged on the lease, if available, and are otherwise discounted using the University's incremental borrowing rate. The right to use assets are amortized over the shorter of the lease term or the underlying asset useful life.

As of June 30, 2022, the total amount of right-to-use lease assets by major class, and the related accumulated amortization, disclosed separately from other capital assets is as follows:

	2022				
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Lease assets being amortized:					
Buildings	\$ 1,501	\$ 207	\$ -	\$ -	\$ 1,708
Machinery and equipment	-	1,116	-	-	1,116
Vehicles	-	394	-	-	394
Total leased assets being amortized	1,501	1,717	-	-	3,218
Less accumulated amortization:					
Buildings	-	200	-	-	200
Machinery and equipment	-	261	-	-	261
Vehicles	-	101	-	-	101
Total accumulated amortization	-	562	-	-	562
Total, net of accumulated amortization	\$ 1,501	\$ 1,155	\$ -	\$ -	\$ 2,656

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 7. Leases (Continued)

Included in facilities is a building that the University subleases. The lease and sublease of the facility are accounted for as two separate transactions as both a lessee and a lessor. The right-to-use asset, net of amortization, and the lease liability as of June 30, 2022 were \$1,351 and \$1,374, respectively. At June 30, 2022, the University reported a lease receivable and deferred inflow of resources of \$1,374 and \$1,358, respectively.

As of June 30, 2022, the principal and interest requirements to maturity for the lease liability is as follows:

	Principal	Interest	Total
2023	\$ 551	\$ 36	\$ 587
2024	485	29	514
2025	248	25	273
2026	227	21	248
2027	196	17	213
2028-2032	945	38	983
Total	\$ 2,652	\$ 166	\$ 2,818

Note 8. Net Pension Liability/Asset

Substantially all non-student employees are covered by one of three retirement plans. The University faculty is covered by the State Teachers Retirement System of Ohio (STRS Ohio). Non-faculty employees are covered by the Ohio Public Employees Retirement System of Ohio (OPERS). Employees may opt out of STRS Ohio and OPERS and participate in the Alternative Retirement Plan (ARP).

OPERS offers three separate retirement plans: the defined benefit plan (traditional plan), the defined contribution plan, and a combined plan. The defined contribution plan is excluded as it is not material to the financial statements for reporting purposes.

Defined benefit plans: Both STRS Ohio and OPERS (traditional and combined plans) are cost-sharing multiple-employer statewide retirement systems. Both plans provide retirement, disability, postretirement health care coverage, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute.

STRS Ohio and OPERS issue stand-alone financial reports. Copies of these reports may be obtained by visiting the STRS website at www.strsoh.org, or visiting the OPERS website at www.opers.org.

Benefits provided: STRS Ohio plan benefits are established under Chapter 3307 of the Ohio Revised Code (ORC), as amended by Substitute Senate Bill 342 in 2012, which gives the Retirement Board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the cost-of-living adjustment as the need or opportunity arises, depending on the retirement system's funding progress.

Any member in the STRS Ohio plan may retire who has (1) five years of service credit and attained age 60; (2) 28 years of service credit and attained age 55; or (3) 30 years of service credit regardless of age. Beginning August 1, 2015, eligibility requirements for an unreduced benefit changed. The maximum annual retirement allowance, payable for life, considers years of credited service, final average salary (3-5 years) and multiplying by a factor ranging from 2.2 percent to 2.6 percent with 0.1 percent incremental increases for years greater than 30-31, depending on retirement age. Additionally, there are no cost-of-living adjustments.

Notes to Financial Statements
(Dollars in Thousands)

Note 8. Net Pension Liability / Asset (Continued)

A plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. Additionally, eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits.

A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the plan. Death benefit coverage up to \$2,000 can be purchased by participants in all three of the plans. Various other benefits are available to members' beneficiaries.

OPERS plan benefits are established under Chapter 145 of the Ohio Revised Code, as amended by Substitute Senate Bill 343 in 2012. The requirements to retire depend on years of service (15 to 30 years) and from attaining the age of 48 to 62, depending on when the employee became a member. Members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. Member retirement benefits are calculated on a formula that considers years of service (15-30 years), age (48-62 years) and final average salary, using a factor ranging from 1.0 percent to 2.5 percent.

A plan member who becomes disabled before age 60 or at any age, depending on when the member entered the plan, and has completed 60 contributing months is eligible for a disability benefit.

A death benefit of \$500-\$2,500 is determined by the number of years of service credit of the retiree. Benefits may transfer to a beneficiary upon death with 1.5 years of service credits with the plan obtained within the last 2.5 years, except for law enforcement and public safety personnel, who are eligible immediately upon employment.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3 percent.

Contribution requirements: Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory employer rate and member contribution rate is 14.0 percent of covered payroll (for both pension and OPEB and the Plan determines how much to allocate to OPEB each year). For STRS Ohio, the University contributed \$10,096 for the years ended June 30, 2022.

OPERS plan contributions are established under Chapter 145 of the Ohio Revised Code, as amended by Substitute Senate Bill 343 in 2012. During calendar years 2020 and 2019 and forward, employees covered by the OPERS system were required by state statute to contribute 10.0 percent of their salary to the plan. The University was required to contribute 14.0 percent of covered payroll, and the Plans determine how much to allocate to OPEB each year. Law enforcement employees who are a part of the OPERS law enforcement division contribute 13.0 percent of their salary to the plan for the calendar year. For these employees, the University was required to contribute 18.1 percent of covered payroll for the same years. The member contribution rate for all other employees and the University's contribution rate remained unchanged. The University contributed \$13,316 for the year ended June 30, 2022. For 2022, no portion of employer contributions to OPERS were allocated to health care (OPEB) for members in the Traditional Plan.

The payroll for employees covered by STRS Ohio for the year ended June 30, 2022 was approximately \$72,120. The payroll for employees covered by OPERS for the year ended June 30, 2022 was approximately \$94,477.

Miami University

Notes to Financial Statements
(Dollars in Thousands)

Note 8. Net Pension Liability / Asset (Continued)

Pension liabilities and assets, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2022, the University reported a liability of \$136,868 for its proportionate share of the net pension liability for the OPERS Traditional plan and the STRS Ohio plan, in the amounts of \$51,064 and \$85,804, respectively. The net pension liability was measured as of December 31, 2021 for the OPERS traditional plan and June 30, 2021 for the STRS Ohio plan. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the same date for each plan. The amount used to allocate the net pension liability, deferred inflows/outflows and pension expense was based on the contributions during the measurement period which was determined by the OPERS Traditional plan and STRS Ohio plan to be a reliable approximation of long term contribution effort to the two plans. At the measurement date, the University's proportion was .586913 percent for OPERS Traditional, which was a decrease of .034951 from its proportion measured as of December 31, 2020 and .671086 percent for STRS Ohio, which was a decrease of .087842 from its proportion measured as of June 30, 2020.

At June 30, 2022, the University reported an asset of \$2,676 for its proportionate share of the net pension asset for the OPERS Combined plan. The net pension asset was measured as of December 31, 2021. The method used to calculate the net pension asset was determined by an actuarial valuation as of that date. The amount used to allocate the net pension asset, deferred inflows/outflows and pension expense was based on the contributions during the measurement period which was determined by the OPERS Combined plan and to be a reliable approximation of long term contribution effort to the plan. At the measurement date, the University's proportion was .679262 percent for OPERS Combined plan, which was a decrease of .032102 from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the University recognized pension income of approximately \$18,840 consisting of pension income of approximately \$14,414 for the OPERS Traditional plan, approximately \$4,335 for the STRS Ohio plan and \$91 for the OPERS Combined plan.

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	STRS Ohio	OPERS	Total
Deferred outflows of resources:			
Differences between expected and actual actuarial experience	\$ 2,651	\$ 2,620	\$ 5,271
Changes in assumptions	23,804	6,519	30,323
Changes in proportion and differences between University contributions and proportionate share of contributions	165	190	355
University contributions subsequent to the measurement date	10,097	6,297	16,394
Total	\$ 36,717	\$ 15,626	\$ 52,343
Deferred inflows of resources:			
Differences between expected and actual actuarial experience	\$ 538	\$ 1,419	\$ 1,957
Net difference between projected and actual earnings on pension plan investments	73,947	61,312	135,259
Changes in proportion and differences between University contributions and proportionate share of contributions	17,246	8,718	25,964
Total	\$ 91,731	\$ 71,449	\$ 163,180

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 8. Net Pension Liability / Asset (Continued)

Deferred inflows and outflows of resources related to the net difference between projected and actual earnings on pension plan investments are amortized over five years. The remaining deferred inflows and outflows of resources are amortized over the average remaining service lives of the active and inactive participants in the plan. Deferred outflows of resources includes \$16,394 for the year ended June 30, 2022, for University contributions subsequent to the measurement dates of the Plans and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

	STRS Ohio	OPERS	Total
Year ended June 30:			
2023	\$ (16,485)	\$ (14,689)	\$ (31,174)
2024	(14,735)	(22,434)	(37,169)
2025	(15,399)	(14,837)	(30,236)
2026	(18,492)	(10,176)	(28,668)
2027	-	(6)	(6)
Thereafter	-	22	22
	<u>\$ (65,111)</u>	<u>\$ (62,120)</u>	<u>\$ (127,231)</u>

Actuarial assumptions used for the year-ended June 30, 2022

For STRS Ohio, the total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

STRS Ohio

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Wage Inflation	3.00 percent
Investment rate of return	7.00 percent, net of investment expenses, including inflation
Discount rate of return	7.00 percent
Cost-of-living adjustments (COLA)	0.00 percent

For OPERS, the total pension liability/asset in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

OPERS	Traditional Pension Plan	Combined Plan
Wage Inflation	2.75 percent	2.75 percent
Projected salary increases	2.75 percent to 10.75 percent (includes wage inflation at 2.75 percent)	2.75 percent to 8.25 percent (includes wage inflation at 2.75 percent)
Investment rate of return and discount rate	6.90 percent	6.90 percent
Cost-of-living adjustments (COLA)	Pre January 7, 2013 retirees: 3.00 percent simple Post January 7, 2013 retirees: 3.00 percent simple through 2022, then 2.05 percent simple	Pre January 7, 2013 retirees: 3.00 percent simple Post January 7, 2013 retirees: 3.00 percent simple through 2022, then 2.05 percent simple

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 8. Net Pension Liability / Asset (Continued)

Mortality rates: STRS Ohio post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Tables, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Tables with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

OPERS pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Experience studies: STRS actuarial assumption used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. OPERS actuarial assumptions used in the December 31, 2021 valuation are based on the results of an actual experience study for the period January 1, 2016 through December 31, 2020.

Investment return assumptions: STRS Ohio utilizes investment consultants to develop an estimated range for the investment return assumption based on the target allocation adopted by the respective Retirement Board of STRS Ohio.

The long-term expected rate of return on OPERS defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage, adjusted for inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	STRS Ohio		OPERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	28.00 %	7.35 %	21.00 %	3.78 %
International equities	23.00	7.55	23.00	4.88
Alternative investments/Private equity	17.00	7.09	12.00	7.43
Fixed income	21.00	3.00	24.00	1.03
Real estate	10.00	6.00	11.00	3.66
Other	1.00	2.25	9.00	2.89
Total	100.00 %		100.00 %	

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**Notes to Financial Statements
(Dollars in Thousands)**

Note 8. Net Pension Liability / Asset (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.00 percent for STRS Ohio as of the measurement date (June 30, 2021). The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the total pension liability (asset) was 6.90 percent for OPERS as of the measurement date (December 31, 2021). The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employer contributions will be made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of net pension liability (asset) to changes in discount rate: The following presents the University's proportionate share of the STRS Ohio and OPERS net pension liability (asset) calculated using a discount rate 1 percent higher and 1 percent lower than the plans' current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
STRS Ohio	\$ 160,679	\$ 85,804	\$ 22,535
	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
OPERS - Traditional Plan	\$ 134,632	\$ 51,064	\$ (18,476)
OPERS - Combined Plan	(1,997)	(2,676)	(3,206)

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Notes to Financial Statements (Dollars in Thousands)

Note 9. Defined Contribution Retirement Plans

Full-time faculty and unclassified employees are eligible to participate in the Alternative Retirement Plan (ARP) offered by STRS Ohio and OPERS. Full-time faculty and unclassified employees are eligible to choose a provider, in lieu of STRS Ohio or OPERS, from the list of six providers currently approved by the Ohio Department of Insurance and who hold agreements with the University. The University's Board of Trustees has established the employer and employee contributions requirements, which are noted below.

Eligible employees have 120 days from their date of hire to make an irrevocable election to participate in the ARP. Under this plan, employees who would have otherwise been required to be in STRS Ohio or OPERS, and who elect to participate in the ARP, must contribute the employee's share of retirement contributions to one of seven private providers approved by the Ohio Department of Insurance. The legislation mandates that the employer must contribute an amount to the state retirement system to which the employee would have otherwise belonged, based on an independent actuarial study commissioned by the Ohio Retirement Study Council and submitted to the Ohio Board of Regents. The required contribution was 4.47 percent for STRS Ohio and 2.44 percent for OPERS of covered payroll for the years ended June 30, 2022. The employer also contributes what would have been the employer's contribution under STRS Ohio or OPERS, less the aforementioned percentages, to the private provider selected by the employee. The University plan provides these employees with vesting after one year. The pension expense for the ARP was \$7,700 for the year ended June 30, 2022.

ARP does not provide disability benefits, annual cost-of-living adjustments, postretirement health care benefits, or death benefits to plan members and beneficiaries. Benefits consist of the sum of contributions and investment returns earned by each participant's choice of investment options.

The payroll for employees electing the alternative retirement program for the year ended June 30, 2022 was approximately \$77,191.

Note 10. Postemployment Benefits Other Than Pensions (OPEB)

OPEB plans: STRS Ohio is a cost-sharing multiple employer statewide retirement plan. STRS Ohio provides access to health care coverage for eligible retirees who participated in the Defined Benefit or Combined Plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and reimbursement of a portion of the monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Benefit recipients contributed \$254.0 million or 58% of the total health care costs in fiscal 2021 (excluding deductibles, coinsurance and copayments).

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage. For the year ended June 30, 2021, STRS Ohio received \$96.5 million in Medicare Part D government reimbursements.

Note 10. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

The ORC permits, but does not require, OPERS to offer post-employment health care coverage. Authority to establish and amend health care coverage is provided in Chapter 145 of the ORC. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. The health care portion of the employer contribution rate for the Traditional Pension Plan and Combined Plan is comparable, as the same coverage options are provided to participants in both plans. Beginning January 1, 2015, the service eligibility criteria for health care coverage increased from 10 years to 20 years with a minimum age of 60, or 30 years of qualifying service at any age. Beginning with January 2016 premiums, Medicare-eligible retirees could select supplemental coverage, and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage for non-Medicare retirees includes hospitalization, medical expenses and prescription drugs. The System determines the amount, if any, of the associated health care costs that will be absorbed by the System and attempts to control costs by using managed care, case management, and other programs. Additional details on health care coverage can be found in the Plan Statement in the OPERS 2021 Annual Comprehensive Financial Report.

The OPERS funding policy provides for periodic member and employer contributions at rates established by the Board, subject to limits set in statute. With assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage. All contribution rates were within the limits authorized by the ORC. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was zero for 2021.

STRS Ohio and OPERS issue stand-alone financial reports. Copies of these reports may be obtained by visiting the STRS website at www.strsoh.org, or visiting the OPERS website at www.opers.org.

The payroll for employees covered by STRS Ohio for the years ended June 30, 2022 was approximately \$72,120. The payroll for employees covered by OPERS for the years ended June 30, 2022 was approximately \$94,477. There were no employer contributions made to fund post-employment benefits for the year ended June 30, 2022.

OPEB asset, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB: At June 30, 2022, the University reported an asset of \$18,759 for its proportionate share of the net OPEB liability for the OPERS plan. The net OPEB asset was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The amount used to allocate the net OPEB asset, deferred inflows/outflows and OPEB expense was based on the total employer (pension and OPEB) contributions during the measurement period which was determined by the OPERS plan to be a reliable approximation of long term contribution effort to the plan. At the measurement date, the University's proportion was .598902 percent for OPERS, which was a decrease of .035031 from its proportion measured as of December 31, 2020.

At June 30, 2022, the University reported an asset of \$14,149 for its proportionate share of the net OPEB asset for the STRS Ohio plan. The net OPEB asset was measured as of June 30, 2021 for the STRS Ohio plan. The total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date for the plan. The amount used to allocate the net OPEB asset, deferred inflows/outflows and OPEB expense was based on the total employer (pension and OPEB) contributions during the measurement period which was determined by the STRS Ohio plan to be a reliable approximation of long term contribution effort to the plan. At the measurement date, the University's proportion was .671086 percent for STRS Ohio, which was a decrease of .087842 from its proportion measured as of June 30, 2020.

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Notes to Financial Statements (Dollars in Thousands)

Note 10. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

For the year ended June 30, 2022, the University recognized OPEB income of approximately \$18,960 consisting of OPEB income of approximately \$17,855 for the OPERS plan and \$1,105 for the STRS Ohio plan.

At June 30, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2022		
	STRS Ohio	OPERS	Total
Deferred outflows of resources:			
Differences between expected and actual actuarial experience	\$ 504	\$ -	\$ 504
Changes in assumptions	904	-	904
Total	\$ 1,408	\$ -	\$ 1,408
Deferred inflows of resources:			
Differences between expected and actual actuarial experience	\$ 2,592	\$ 2,845	\$ 5,437
Net difference between projected and actual earnings on OPEB plan investments	3,922	8,943	12,865
Changes in assumptions	8,441	7,593	16,034
Changes in proportion and differences between University contributions and proportionate share of contributions	292	3,452	3,744
Total	\$ 15,247	\$ 22,833	\$ 38,080

Deferred inflows and outflows of resources related to the net difference between projected and actual earnings on OPEB plan investments is amortized over five years. The remaining deferred inflows and outflows of resources are amortized over the average remaining service lives of the active and inactive participants in the plan. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

	STRS Ohio	OPERS	Total
Year ended June 30:			
2023	\$ (3,981)	\$ (15,105)	\$ (19,086)
2024	(3,884)	(4,357)	(8,241)
2025	(3,752)	(2,020)	(5,772)
2026	(1,661)	(1,351)	(3,012)
2027	(567)	-	(567)
Thereafter	6	-	6
	\$ (13,839)	\$ (22,833)	\$ (36,672)

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Notes to Financial Statements (Dollars in Thousands)

Note 10. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

For STRS Ohio, the total OPEB asset in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

STRS Ohio

Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Projected payroll increases	3.00 percent
Investment rate of return	7.00 percent, net of investment expenses, including inflation
Discount rate	7.00 percent
Health care cost trends	
Medical	
Pre-Medicare	5.00 percent initial, 4.00 percent ultimate
Medicare	(16.18) percent initial, 4.00 percent ultimate
Prescription Drug	
Pre-Medicare	6.5 percent initial, 4.00 percent ultimate
Medicare	29.98 percent initial, 4.00 percent ultimate

For OPERS, the total OPEB asset at the December 31, 2021 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

OPERS

Single discount rate	6.00 percent
Investment rate of return	6.00 percent
Municipal bond rate	1.84 percent
Wage inflation	2.75 percent
Projected salary increases	2.75 percent to 10.75 percent (includes wage inflation)
Health care cost trends	5.5 percent initial, 3.50 percent ultimate in 2034

Actuarial assumptions used for the year-ended June 30, 2022

Mortality rates: For STRS Ohio healthy retirees, the mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Tables with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

OPERS pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to the table noted above.

Notes to Financial Statements
(Dollars in Thousands)
Note 10. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Experience studies: STRS actuarial assumptions used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. OPERS actuarial assumptions used in the December 31, 2021 valuation are based on the results of an actuarial experience study for the period 2016 through 2020.

Investment return assumptions: STRS Ohio utilizes investment consultants to develop an estimated range for the investment return assumption based on the target allocation determined by the respective Retirement Board of STRS Ohio.

The long-term expected rate of return on OPERS health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage, adjusted for inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	STRS Ohio		OPERS	
	Target Allocation	Long-Term	Target	Long-Term
Domestic equities	28.00 %	7.35 %	25.00 %	5.64 %
International equities	23.00	7.55	25.00	7.36
Alternative investments	17.00	7.09	-	-
Fixed income	21.00	3.00	34.00	1.07
Real estate	10.00	6.00	-	-
REITs	-	-	7.00	6.48
Other	1.00	2.25	9.00	2.43
Total	100.00 %		100.00 %	

Discount rate: For STRS Ohio, the discount rate used to measure the total OPEB asset was 7.00 percent as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on health care fund investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB asset as of June 30, 2021.

For OPERS, a single discount rate of 6.00 percent was used to measure the total OPEB asset on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 10. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

The following presents the University's proportionate share of the STRS Ohio and OPERS net OPEB asset calculated using a discount rate 1 percent higher and 1 percent lower than the plans' current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
STRS Ohio	\$ (11,940)	\$ (14,149)	\$ (15,995)
	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
OPERS	\$ (11,032)	\$ (18,759)	\$ (25,172)

Sensitivity of net OPEB asset to changes in healthcare cost trend rates: The following presents the University's proportionate share of the STRS Ohio and OPERS net OPEB asset calculated using healthcare cost trend rates 1 percent higher and 1 percent lower than the plans' current rate:

	1% Decrease	Current Health Care Cost Trend Rate	1% Increase
STRS Ohio	\$ (15,920)	\$ (14,149)	\$ (11,959)
OPERS	\$ (18,961)	\$ (18,759)	\$ (18,518)

OPEB plan fiduciary net position: Detailed information about the OPEB plans' fiduciary net position is available in the separately issued STRS Ohio and OPERS financial report.

Note 11. Discretely Presented Component Unit

The Miami University Foundation (the Foundation) is a separate not-for-profit entity organized for the purpose of promoting educational and research activities of the University. Since the resources held by the Foundation can be used only by and for the benefit of the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements.

The Foundation board (Board) is comprised of at least fifteen directors that are elected by the Board and eight directors that are appointed by Miami University. At least two-thirds of the elected directors are required to be alumni or former students of Miami University. The Foundation issues reports using standards issued by the Financial Accounting Standards Board.

Amounts received by the University from the Foundation are restricted and are included in gifts in the accompanying financial statements. The Foundation values its investments at fair value.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 11. Discretely Presented Component Unit (Continued)

Summary financial information for the Foundation as of June 30, the date of its most recent audited financial report, is as follows:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Net assets at end of year	\$ 4,305	\$ 434,233	\$ 438,538
Change in net assets for the year	(621)	(22,539)	(23,160)
Distributions to Miami University	17,895	-	17,895

Cash and cash equivalents: Cash and cash equivalents consists primarily of cash in banks, money market accounts, and the State Treasury Asset Reserve of Ohio (STAR Ohio and STAR Plus) that include short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less. The Foundation maintains active relationships with multiple cash equivalent accounts to reduce its exposure to custodial credit risk at any single institution. The carrying amounts of these items are a reasonable estimate of their fair value.

Investments: Investments that are market traded are recorded at fair value based primarily on quoted market prices, as established by the major securities markets.

The value of holdings of non-publicly traded funds that do not have a readily determined market value is based on the funds' estimated net asset value as supplied by the investment manager. The values are reviewed and evaluated by Foundation management. Market prices are not available for certain investments. These investments are carried at estimated fair value provided by the funds' management. Some valuations are determined as of June 30, while the remaining valuations are determined based on March 31 information when June 30 information is not yet available and adjusted by cash receipts, cash disbursements, and securities distributions and unrealized gains and losses through June 30. The Foundation believes that the carrying amounts are reasonable estimates of fair value as of year-end. Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed. Such differences could be material.

The issuing insurance companies determine the cash surrender value of the life insurance policies annually.

All donor-restricted endowment investments and board-designated endowments are managed in a unitized investment pool (Pooled Funds), unless donor-restricted endowment gift agreements require that they be held separately. For the Pooled Funds, the fair value of the investments is determined at the end of each month and the incremental fair value increase or decrease is allocated to the individual fund accounts based on the number of shares the fund owns at the beginning of the month.

Investment income is recorded on the accrual basis and purchases and sales of investments are recorded on a trade-date basis. Investment transactions occurring on or before June 30, which settle after such date, are recorded as receivables or payables. Net dividend and interest income as well as gains/losses are allocated based on the number of shares owned.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 11. Discretely Presented Component Unit (Continued)

Long-term investments: Investments held by the Foundation as of June 30, 2022:

	Fair Value
Investment description:	
Pooled Investment Fund (PIF):	
Strategic Investment Management, LLC funds	\$ 442,203
Various private capital investments	151,578
Government bonds	43,979
Global debt	11,119
Other	2,716
Split-interest funds:	
Charitable remainder trusts	10,614
Charitable gift annuities	921
Pooled income funds	473
Total	\$ 663,603

The Foundation maintains a diversified investment portfolio for the Pooled Investment Fund (PIF) intended to reduce market risk, credit risk, and interest rate risk with a strategy designed to take advantage of market inefficiencies. Beginning in fiscal year 2019, management of the PIF has been delegated by the Board of the Foundation to an external investment firm, Strategic Investment Management, LLC. The external investment firm has discretion to manage the PIF within the framework of the investment policy statement. Additionally, the external investment firm has implemented a combination of internally and externally managed investment vehicles, including separate accounts, limited partnerships, and commingled funds. The Foundation's investment portfolio also includes publicly traded securities and the underlying holdings for certain non-publicly traded funds includes publicly traded securities. As a result, a significant downturn in the securities markets could adversely affect the market value of Foundation assets. As of June 30, 2022, the Foundation has made commitments to limited partnerships of approximately \$127,016 that have not yet been funded, some of which management expects may not be called by the partnerships due to the life-cycle of the respective partnerships.

For the year ending June 30, 2022, dividend and interest income of \$1,315 is net of fees from external investment managers totaling \$19.

Fair value measurements: The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Subsequent changes in fair value are recorded as an adjustment to earnings.

Pledges receivable: As of June 30, 2022, contributors to the Foundation have made unconditional pledges totaling \$20,477, with one pledge accounting for over 39 percent of that total. Net pledges receivable have been discounted using rates commensurate with the risks involved to a net present value of \$19,515 at June 30, 2022. Discount rates ranged from 0.6 percent to 3.40 percent. Management has set up an allowance for uncollectible pledges of \$1,040 at June 30, 2022. All pledges have been classified as restricted expendable net positions since they will be fulfilled within a specified period of time or meet donor imposed stipulations.

The Foundation had also been notified of revocable pledges, bequests, and other indications of intentions to give. These potential contributions are not permitted to be recorded as they are deemed intentions to give and not promises to give.

Note 11. Discretely Presented Component Unit (Continued)

Split-interest agreements: The Foundation's split-interest agreements with donors consist primarily of charitable gift annuities, pooled income funds and irrevocable charitable remainder trusts for which the Foundation serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements. Assets held for these agreements are included in investments.

Endowment: UPMIFA provides statutory guidelines for prudent management, investment, and expenditure of donor-restricted endowment funds held by charitable organizations.

The Foundation's interpretation of its fiduciary responsibilities for donor-restricted endowments under UPMIFA requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity to the extent possible and to produce maximum total return without assuming inappropriate risks. The investment policies governing these funds look beyond short-term fluctuations in economic cycles toward an investment philosophy that provides the best total return over very long time periods.

UPMIFA specifies that unless stated otherwise in the gift agreement, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure by the institution. Barring the existence of specific donor instruction, the Foundation's policy is to classify as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) changes to the endowment made in accordance with the direction of the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA, and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in restricted-expendable net positions. As of June 30, 2022, funds with original gifts values of \$22,434, fair values of \$22,018, and deficiencies of \$416 were reported in restricted expendable net positions.

Net position classification: Resources of the Foundation are classified for reporting purposes into net positions based on the existence or absence of donor-imposed restrictions and state law. Net positions unrestricted represent the portion of funds over which the Foundation has discretionary control as there are no donor-imposed purposes or time restrictions on how the funds may be spent. Restricted expendable net positions include gifts and grants for which donor imposed restrictions have not been met (primarily future capital projects or gifts for educational purposes), earnings from long term investments which are donor restricted, and time restricted trust activity. Restricted nonexpendable net positions include gifts which generally require, by donor restriction, that the corpus be invested in perpetuity. The donors generally permit the use of a portion of the income earned to be utilized for specific purposes based on their restrictions.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 12. Commitments

At June 30, 2022, the University is committed to future contractual obligations for capital expenditures of approximately \$142,294. These commitments are being funded from the following sources:

Contractual obligations:

Approved state appropriations not expended	\$	257
University funds and bond proceeds		142,037
Total	\$	142,294

Note 13. Risk Management

The University's employee health insurance program is a self-insured plan. Administration of the plan is provided by Community Insurance Company, doing business as Anthem Blue Cross and Blue Shield (Anthem). Employees are offered two plan options, a Traditional PPO Plan or a High Deductible Health Plan with a Health Savings Account.

Health insurance claims are accrued based upon estimates of the claims liabilities. These estimates are based on past experience, current claims outstanding, and medical inflation trends. As a result, the actual claims experience may differ from the estimate. An estimate of claims incurred but not reported in the amount of \$2,629 is included in the accrued salaries and wages as of June 30, 2022. The change in the total liability for actual and estimated claims is summarized below at June 30:

	2022	2021
Liability at beginning of year	\$ 2,513	\$ 3,094
Claims incurred	46,893	41,371
Claims paid	(47,036)	(41,127)
Change in estimated claims incurred but not reported	259	(825)
Liability at end of year	\$ 2,629	\$ 2,513

To reduce potential loss exposure, the University has established a reserve for health insurance stabilization of \$20,000.

The University participates in a consortium with all other Ohio state-assisted universities (excluding The Ohio State University) for the acquisition of "All-Risk" Property and Casualty insurance. The name of the consortium is the IUC-Risk Management & Insurance Consortium (IUC-RMIC). Due to various reasons, the Consortium and its members were presented with many renewal challenges again this past year, which resulted in some changes to the programs effective July 1, 2022.

The "All-Risk" Property program, which has been in place for 28 years, has a loss limit of \$1,000,000 shared between all IUC-RMIC members. The Casualty program, which has been in place for 23 years and includes general liability, automobile liability and educator's legal liability, now has a dedicated loss limit of \$50,000.

Miami University

Notes to Financial Statements (Dollars in Thousands)

Note 13. Risk Management (Continued)

In both coverages, the University's base deductible is \$100 with a few other deductibles applying to catastrophic property losses (flood, named storm, earthquake). The first layer of coverage is the Consortium's self-insurance pool whereby all members fund this layer per the agreed-to contribution and allocation methodology. For "All-Risk" Property, the next \$400 of any covered claim is paid from the property self-insurance pool. For Casualty, the next \$1,400 of a covered claim is paid from the casualty self-insurance pool. To date, the University has had three (3) property claims and three (3) casualty claims that have exceeded the base deductible and has either been paid by the self-insurance pool or a combination of the pool and insurance. Currently, there are a few claims reserved in excess of the University's base deductible.

Further, the University identifies opportunities to transfer additional University risks through the participation in other group purchase insurance programs with its peers, such programs include cyber liability, terrorism including limited coverage for active assailant, fine arts, foreign liability including access to security, medical and political evacuation services, special accident, medical malpractice, crime, excess social engineering, fiduciary liability and pollution liability.

The State of Ohio self-insures worker's compensation benefits for all state employees, including University employees. Under the direction of the Ohio Bureau of Worker's Compensation and the University, Careworks and Sheakley UniComp, Inc. assist in the administration and disposition of worker's compensation claims.

Note 14. Contingencies

The University receives grants and contracts from certain federal, state, and local agencies to fund research and other activities. The costs, both direct and indirect, that have been charged to the grants or contracts are subject to examination and approval by the granting agency. It is the opinion of the University's administration that any disallowance or adjustment of such costs would not have a material effect on the financial statements.

The University is presently involved as a defendant or codefendant in various matters of litigation. The University's administration believes that the ultimate disposition of any of these matters would not have a material adverse effect upon the financial condition of the University.

Required Supplementary Information

Miami University

**Retirement Plan Data
Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015
(In Thousands)**

	STRS Ohio	OPERS Traditional	OPERS Combined
<u>For the Year Ended June 30, 2022</u>			
University's proportion of the net pension liability (asset)	0.671086%	0.586913%	0.679262%
University's proportionate share of the net pension liability (asset)	\$ 85,804	\$ 51,064	\$ (2,676)
University's covered payroll	72,120	86,755	2,991
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	118.97%	58.86%	-89.47%
Plan fiduciary net position as a percentage of the total pension liability	87.80%	92.62%	169.88%
<u>For the Year Ended June 30, 2021</u>			
University's proportion of the net pension liability (asset)	0.758928%	0.621864%	0.711364%
University's proportionate share of the net pension liability (asset)	\$ 183,634	\$ 92,084	\$ (2,053)
University's covered payroll	68,234	84,935	2,929
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	269.12%	108.42%	-70.09%
Plan fiduciary net position as a percentage of the total pension liability	75.50%	86.88%	157.67%
<u>For the Year Ended June 30, 2020</u>			
University's proportion of the net pension liability (asset)	0.770956%	0.704723%	0.818105%
University's proportionate share of the net pension liability (asset)	\$ 170,492	\$ 139,294	\$ (1,706)
University's covered payroll	76,683	92,833	3,201
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	222.33%	150.05%	-53.30%
Plan fiduciary net position as a percentage of the total pension liability	77.40%	82.17%	145.28%
<u>For the Year Ended June 30, 2019</u>			
University's proportion of the net pension liability (asset)	0.776608%	0.611989%	0.674437%
University's proportionate share of the net pension liability (asset)	\$ 170,759	\$ 167,611	\$ (755)
University's covered payroll	76,102	91,506	3,155
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	224.38%	183.17%	-23.93%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	74.70%	126.64%
<u>For the Year Ended June 30, 2018</u>			
University's proportion of the net pension liability (asset)	0.772173%	0.663383%	0.684872%
University's proportionate share of the net pension liability (asset)	\$ 183,431	\$ 104,072	\$ (932)
University's covered payroll	74,262	89,066	2,774
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	247.01%	116.85%	-33.60%
Plan fiduciary net position as a percentage of the total pension liability	75.30%	84.66%	137.28%
<u>For the Year Ended June 30, 2017</u>			
University's proportion of the net pension liability (asset)	0.762848%	0.664940%	0.665441%
University's proportionate share of the net pension liability (asset)	\$ 255,348	\$ 150,997	\$ (370)
University's covered payroll	71,889	86,004	2,679
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	355.20%	175.57%	-13.81%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	77.25%	116.55%
<u>For the Year Ended June 30, 2016</u>			
University's proportion of the net pension liability (asset)	0.750872%	0.651198%	0.664254%
University's proportionate share of the net pension liability (asset)	\$ 207,519	\$ 112,796	\$ (323)
University's covered payroll	67,969	83,037	2,475
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	305.31%	135.84%	-13.05%
Plan fiduciary net position as a percentage of the total pension liability	72.10%	81.08%	116.90%
<u>For the Year Ended June 30, 2015</u>			
University's proportion of the net pension liability (asset)	0.718940%	0.662272%	0.650661%
University's proportionate share of the net pension liability (asset)	\$ 174,871	\$ 79,877	\$ (251)
University's covered payroll	67,064	80,131	2,327
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	260.75%	99.68%	-10.79%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	86.45%	114.83%

Note: The University has presented as many years as information is available.

(Continued)

Miami University

Retirement Plan Data (Continued)
Last Ten Fiscal Years Ended June 30, 2022
(In Thousands)

STRS Ohio					
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 8,095	\$ 8,095	\$ -	\$ 62,272	13.0%
2014	8,218	8,218	-	63,215	13.0%
2015	8,718	8,718	-	67,064	13.0%
2016	9,516	9,516	-	67,969	14.0%
2017	10,064	10,064	-	71,889	14.0%
2018	10,397	10,397	-	74,262	14.0%
2019	10,654	10,654	-	76,102	14.0%
2020	10,736	10,736	-	76,683	14.0%
2021	9,553	9,553	-	68,234	14.0%
2022	10,097	10,097	-	72,120	14.0%

OPERS Traditional, Combined and Member-Directed					
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 9,853	\$ 9,853	\$ -	\$ 85,101	11.6%
2014	11,458	11,458	-	87,598	13.1%
2015	10,925	10,925	-	86,845	12.6%
2016	10,877	10,877	-	90,034	12.1%
2017	11,778	11,778	-	93,543	12.6%
2018	13,180	13,180	-	96,874	13.6%
2019	14,046	14,046	-	99,651	14.1%
2020	14,261	14,261	-	101,097	14.1%
2021	13,032	13,032	-	92,496	14.1%
2022	13,316	13,316	-	94,477	14.1%

Miami University

OPEB Plan Data
Years Ended June 30, 2022, 2021, 2020, 2019 and 2018
(In Thousands)

	STRS Ohio	OPERS
<u>For the year ended June 30, 2022</u>		
University's proportion of the net OPEB (asset) liability	0.671086%	0.598901%
University's proportionate share of the net OPEB (asset) liability	\$ (14,149)	\$ (18,759)
University's covered payroll	72,120	94,477
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-19.62%	-19.86%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	174.73%	128.23%
<u>For the year ended June 30, 2021</u>		
University's proportion of the net OPEB (asset) liability	0.758928%	0.633933%
University's proportionate share of the net OPEB (asset) liability	\$ (13,338)	\$ (11,294)
University's covered payroll	68,234	92,496
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-19.55%	-12.21%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	182.13%	115.57%
<u>For the year ended June 30, 2020</u>		
University's proportion of the net OPEB (asset) liability	0.770956%	0.719379%
University's proportionate share of the net OPEB (asset) liability	\$ (12,762)	\$ 99,365
University's covered payroll	76,883	101,097
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-16.64%	98.29%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	174.74%	47.80%
<u>For the year ended June 30, 2019</u>		
University's proportion of the net OPEB (asset) liability	0.776608%	0.622400%
University's proportionate share of the net OPEB (asset) liability	\$ (12,479)	\$ 81,146
University's covered payroll	76,102	99,651
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-16.40%	81.43%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	176.00%	46.33%
<u>For the year ended June 30, 2018</u>		
University's proportion of the net OPEB liability	0.772173%	0.672220%
University's proportionate share of the net OPEB liability	\$ 30,127	\$ 72,999
University's covered payroll	74,262	96,874
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	40.57%	75.35%
Plan fiduciary net position as a percentage of the total OPEB liability	47.10%	54.14%

Note: The University has presented as many years as information is available.

STRS Ohio					
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 623	\$ 623	\$ -	\$ 62,272	1.0%
2014	632	632	-	63,215	1.0%
2015	671	671	-	67,064	1.0%
2016	-	-	-	67,969	0.0%
2017	-	-	-	71,889	0.0%
2018	-	-	-	74,262	0.0%
2019	-	-	-	76,102	0.0%
2020	-	-	-	76,883	0.0%
2021	-	-	-	68,234	0.0%
2022	-	-	-	72,120	0.0%

OPERS Traditional, Combined and Member-Directed					
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 2,129	\$ 2,129	\$ -	\$ 85,101	2.5%
2014	876	876	-	87,598	1.0%
2015	1,302	1,302	-	86,845	1.5%
2016	1,801	1,801	-	90,034	2.0%
2017	1,403	1,403	-	93,543	1.5%
2018	474	474	-	96,874	0.5%
2019	-	-	-	99,651	0.0%
2020	-	-	-	99,365	0.0%
2021	-	-	-	92,496	0.0%
2022	-	-	-	94,477	0.0%

Miami University

**Notes to Required Supplementary Information
Year Ended June 30, 2022**

For the year ended June 30, 2022

Changes in assumptions (Pension): The Retirement Boards of OPERS and STRS approved changes to the actuarial assumptions in 2021. The discount rate and investment rate of return for OPERS and STRS was decreased from 7.20 percent to 6.90 percent and from 7.45 percent to 7.00 percent, respectively. The wage inflation rate decreased from 3.25 percent to 2.75 percent for OPERS.

Changes in assumptions (OPEB): The Retirement Board of OPERS approved two changes to the actuarial assumptions in 2021: The inflation rate was decreased from 3.25 percent to 2.75 percent and the municipal bond rate was decreased from 2.00 percent to 1.84 percent. The Retirement Board of STRS approved one change to the actuarial assumptions in 2021: The discount rate for STRS was decreased from 7.45 percent to 7.00 percent.

Changes to benefit terms (Pension): The Retirement Board of OPERS and the Retirement Board of STRS Ohio made no changes to retirement benefits compared to the prior year.

Changes to benefit terms (OPEB): For STRS Ohio, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.100 percent. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

Miami University Board of Trustees

Re-elected to expiration of term.

Mary Schell, Chair

February 28, 2028

Sandra D. Collins, Secretary

February 28, 2025

Rod Robinson, Treasurer

February 28, 2026

Debbie Feldman

February 28, 2029

Zachary T. Haines

February 28, 2027

John C. Pascoe

February 28, 2024

Ryan D. Burgess

February 28, 2030

National Trustees (non-voting)

Bill Bowman

April 30, 2023

Jed Regues

January 31, 2023

Mark Sullivan

September 18, 2022

Dinesh Paliwal

June 30, 2024

Student Trustees (non-voting)

Dawson Cosgrove

February 28, 2023

John Fazio

February 28, 2024

Administrative Officers

Gregory Crawford

President

Jason Osborne

Provost and Executive Vice President

for Academic Affairs

David K. Creamer

Senior Vice President for Finance and Business

Services/Treasurer

Amy Shoemaker

General Counsel

Ted Pickerill

Secretary, Board of Trustees and

Executive Assistant to the President

Financial Services Staff

The 2022 financial report and investments report were prepared by Miami University.

Jennifer B. Morrison

Chief Accounting Officer

Bruce A. Gulot

Associate Treasurer

Statement of Nondiscrimination

Miami University is committed to providing equal opportunity and an educational and work environment free from discrimination on the basis of sex, race, color, religion, national origin, disability, age, sexual orientation, gender identity, military status, or veteran status. Miami shall adhere to all applicable state and federal equal opportunity/affirmative action statutes and regulations.

The university is dedicated to ensuring access and equal opportunity in its educational programs, related activities, and employment. Retaliation against an individual who has raised claims of illegal discrimination or cooperated with an investigation of such claims is prohibited.

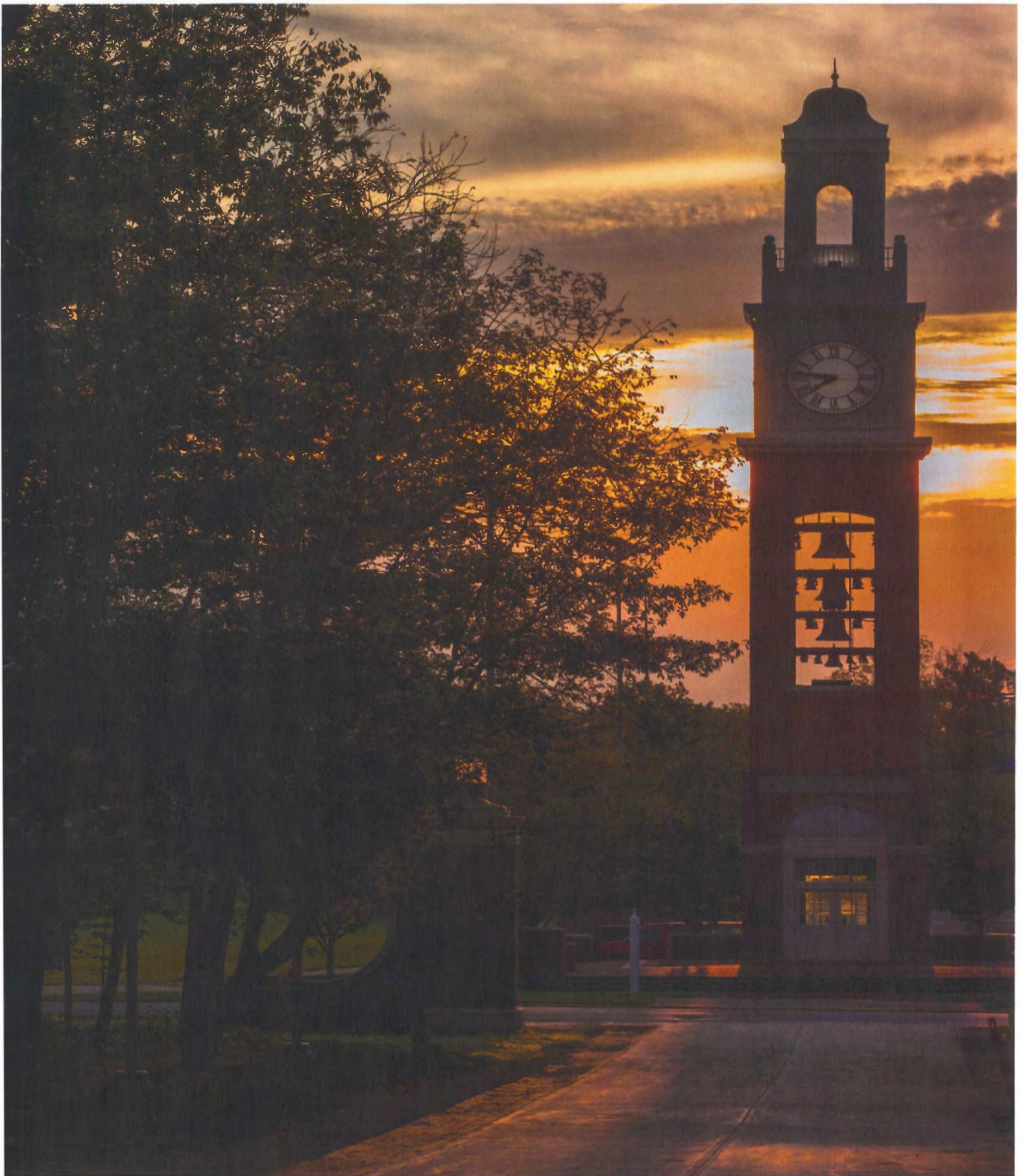
Students and employees should bring questions or concerns to the attention of the Office of Equity and Equal Opportunity, Hanna House, 529-7137 (VTTY) and 529-7195 (fax). Students and employees with disabilities may contact the Office of Disability Resources, 19 Noble Craig Walker Hall, 529-8541 (VTTY) and 529-8535 (fax).

EthicsPoint

EthicsPoint is an anonymous method for reporting illegal, unethical, or other conduct that violates Miami's policies. Miami (along with many other universities) has contracted with EthicsPoint to provide this service. Reports may be filed at www.EthicsPoint.com.



Miami University: Equal opportunity in education and employment.
Produced by University Communications and Marketing 2022.



Miami University Foundation

Financial Report

June 30, 2022

Investment Report

Miami University and Miami University Foundation

JUNE 30, 2022



INVESTMENT POOLS

Total investment assets for Miami University and Miami University Foundation at fiscal year-end declined slightly from an all-time high, though still exceeded \$1.5 billion. Total investment assets decreased by about \$34 million from the previous year after encountering difficult capital markets reacting to surging inflation and rising interest rates. The University's non-endowment pool, its working capital and reserves, rose slightly to \$850 million from \$842 million. The Pooled Investment Fund (PIF), the combined University and Foundation endowment, declined to \$686 million from \$725 million. The fiscal year-end asset values among the pools are as follows:

Pool	Type of Funds	Invested as of June 30, 2022
University Non-Endowment	Working capital and cash reserves to support operating activities	\$850,105,000
Pooled Investment Fund (University & Foundation Endowments)	Funds donated to the University and the Foundation to establish endowments in perpetuity	\$686,467,000
Trusts, Annuities, and Separately Invested Assets	Gifts managed independently of the pooled funds	\$ 20,686,000
Total Investments		\$1,557,258,000

The Investment Committee of the Miami University Foundation's Board of Directors provides governance oversight to the PIF, while the Miami University Board of Trustees maintains oversight of the non-endowment pool. In 2018, the Boards outsourced investment management discretion of both the PIF and non-endowment to an external firm, Strategic Investment Group (SIG).

The University's non-endowment pool holds the working capital and cash reserves that fund the University's operating activities. Its balance fluctuates significantly during the course of a year based on the University's cash flow cycle of receipts and expenditures. June 30 typically marks the low point of this annual cycle.

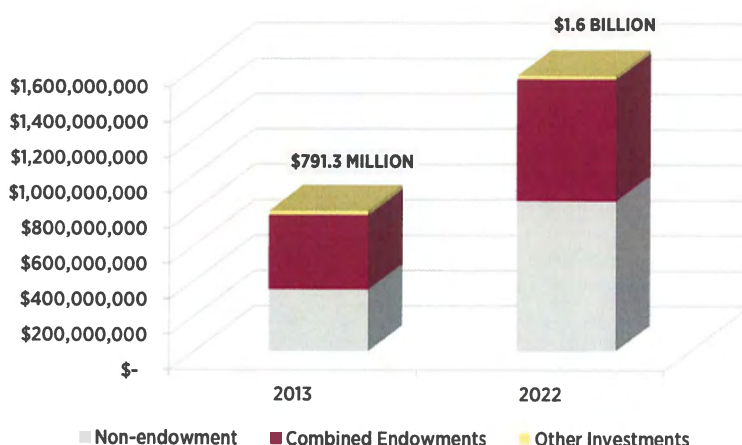
The PIF invests endowed gifts from donors and quasi-endowments established by the Boards. This pool operates under the philosophy that the funds are invested in perpetuity to provide benefits to today's students as well as to the many generations of Miami students yet to come. Miami invests these funds with the understanding that economic cycles will rise and fall, but that a well-diversified portfolio will provide the long-term growth necessary to fund current distributions and preserve the purchasing power of the endowment across generations. The investment policy governing the endowment pool recognizes

that the portfolio can tolerate year-to-year fluctuations in returns because of its infinite time horizon, and looks beyond short-term fluctuations toward an investment process that provides the best risk-adjusted total return over very long time periods.

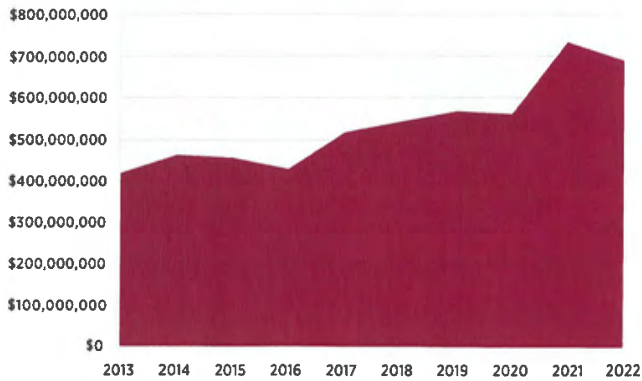
The University and Foundation also hold assets given by donors in the form of trusts, annuities, insurance policies, real estate, and other assets. These funds are, by necessity, managed separately from the PIF.

Over the last ten years, Miami's total investment assets have roughly doubled, driven by generous donor support, prudent financial discipline, and healthy investment earnings.

**GROWTH IN TOTAL INVESTMENT ASSETS
AS OF JUNE 30**



MIAMI UNIVERSITY COMBINED ENDOWMENTS GROWTH

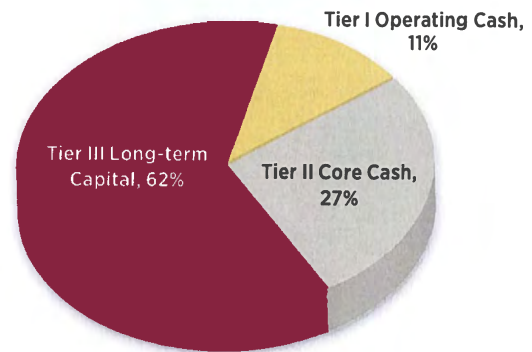


ASSET ALLOCATION

The non-endowment pool has three components. Tier I operating cash represents the University's working capital and is invested in short-term cash equivalents, with a target balance of two to six months of average cash needs. Tier II core cash represents short-term reserves along with funds set aside by the Board of Trustees for special initiatives. Tier II is invested in U.S. Treasury securities with maturities generally under two years. Tier III long-term capital consists of longer-term reserves. As the size of this pool has grown, this portion of the pool has adopted an investment profile similar to the PIF endowment, but excludes less liquid asset classes. At fiscal year-end, it was invested primarily in a mix of global public equity, various types of fixed income securities, assorted real asset exposures, and low correlation absolute return hedged strategies.

Cash flow generation was positive for the year as campus operations returned to near pre-pandemic levels. Tier I operating cash ended the year with \$96.6 million, higher than the target due to expected high capital project outlays in the coming year and planning contingencies prompted by rising interest rates. Tier II consisted of \$186.1 million in the baseline allocation and \$40 million in the special initiatives fund being

MIAMI UNIVERSITY NON-ENDOWMENT ASSET ALLOCATION JUNE 30, 2022

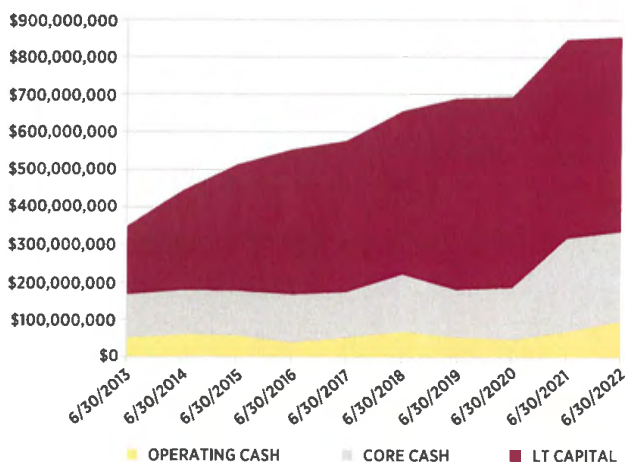


used as seed capital for new academic programs. Tier III finished the year at \$527.3 million. Rebalancing actions taken during the year included \$40 million transferred from operating cash to long-term capital and \$4.4 million drawn from Tier II special initiatives to operating cash.

The Foundation Investment Committee reviews the PIF investment policy regularly, and the Board of Directors adopted an updated PIF investment policy in May 2022. The PIF's strategic allocation considers not just asset exposure, but also the sources of risk and the interaction among the various assets and strategies. This pool's primary strategic allocation categories are public equity, consisting of exposures to U.S., non-U.S., and global equity strategies; alternatives, consisting of private equity and absolute return hedged strategies; real assets, comprised of timber, commodities, and real estate; fixed income, consisting of U.S. Treasury securities and public active credit strategies; and opportunistic, consisting primarily of private credit strategies. Each category has a long-term strategic target weight and SIG has discretion to make tactical shifts within approved ranges. While SIG manages a portion of the fixed income allocation in-house, it also deploys capital with approximately 130 sub-managers.

Changes in the PIF asset allocation reflected adjustments to the long-term target asset allocation policy adopted by the Foundation Board near the end of the previous fiscal year. Notably, perceived inflation and interest rate risk prompted a sharp reduction in fixed income exposure and increases to public equity, alternatives, and real assets. Within the

MIAMI UNIVERSITY NON-ENDOWMENT ASSET ALLOCATION HISTORY



POOLED INVESTMENT FUND CHANGE IN ASSET ALLOCATION

	2021	2022
Public Equity	48.9%	51.5%
Alternatives	24.6%	28.4%
Real Assets	6.9%	7.8%
Fixed Income	11.9%	4.8%
Opportunistic	4.1%	4.8%
Cash, Accruals, & Pending Trades	3.6%	2.7%
Total	100%	100%

POOLED INVESTMENT FUND
INVESTMENT POLICY TARGET ALLOCATION, RANGES, & BENCHMARKS

Asset Category	Long-Term Policy Allocation	Long-Term Policy Ranges		Benchmark Indices
		-	+	
Public Equities	43%	-10%	+10%	
U.S. Equities	19%	-10%	+10%	Russell 3000 Index
Developed Non-U.S. Equities	12%	-10%	+10%	MSCI World ex-U.S. Investible Market Index
Emerging Markets Equities	12%	-10%	+10%	MSCI Emerging Markets Index
Alternatives (Net)	37%	-12%	+10%	
Private Equities	25%	-10%	+5%	Custom Private Equity Index
Hedge Funds (Net)	12%	-12%	+10%	HFRX Equal Weighted Strategies Index
<i>Hedge Funds (Gross)</i>	<i>19%</i>	<i>-19%</i>	<i>+5%</i>	
<i>Portable Alpha Overlay</i>	<i>-7%</i>	<i>-7%</i>	<i>+10%</i>	
Real Assets	8%	-8%	+10%	
Real Estate	3%	-3%	+5%	NCREIF Fund Index Open End Diversified Core Equity Index
Timber	0%	-0%	+6%	Thomson Reuters Cambridge Timber Index
Commodities	2%	-2%	+6%	S&P GSCI Total Return Index
TIPS	3%	-3%	+6%	Bloomberg Barclays I-10 Year U.S. TIPS Index
Fixed Income	12%	-10%	+10%	
U.S. Investment Grade Bonds	12%	-10%	+10%	Bloomberg Barclays U.S. Aggregate Index
U.S. High Yield Bonds	0%	-0%	+10%	BofA Merrill Lynch High Yield Cash Pay Index
Non-U.S. Fixed Income	0%	-0%	+10%	
Opportunistic	0%	-0%	+10%	
Cash	0%	-0%	+20%	
TOTAL	100%			

alternative category, exposures were increased to both hedge fund strategies and private equity. Public equity exposure remains high relative to the target while the target level for private equity is being implemented over a multiple year period.

Liquidity measures how quickly the exposure to a particular asset manager can be redeemed and turned into cash. Approximately 55 percent of the portfolio could be converted to cash within a month, while over three quarters of the portfolio could be redeemed within a quarter.

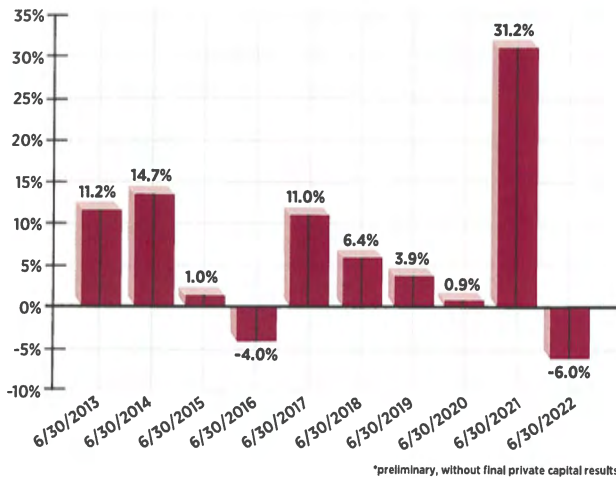
INVESTMENT RETURNS

Global capital markets reversed the robust gains generated in the previous fiscal year. Significant governmental monetary and fiscal stimulus, supply chain bottlenecks, and labor shortages sparked by the pandemic eventually translated into levels of inflation not experienced in the United States in four decades. In addition, the Russian invasion of Ukraine triggered sharp increases in energy prices, which tend to permeate in many ways throughout the global economy. Central banks have begun to take measures to check inflation, but the accompanying slow down in economic activity and reduction in discretionary income caused financial asset prices to decline significantly. Global equity prices as measured by the MSCI All Country World Index (ACWI) declined 15.7 percent

after rising 39.2 percent the previous year. U.S. small cap stocks and emerging market equities were each down in excess of 25 percent. Bonds provided no safe haven, as rising interest rates led to negative double digit returns for many debt instruments. Traditional inflation hedges such as commodities and real estate did provide strong positive returns during the year. Uncertainty over the ability of central banks to reign in inflation, the level of interest rates needed to accomplish that task, and the resulting cost to economic growth and corporate earnings, are likely to weigh on capital markets for the foreseeable future.

The combined Tier II and Tier III portions of the University's non-endowment pool posted a loss of 6.3 percent for the fiscal year ended June 30, 2022, down considerably from a gain of 18.8 percent earned in the previous year. Tier II baseline lost 0.7 percent due to rising interest rates, while Tier III was down 8.2 percent. Within the long-term capital portion, real assets (real estate, commodities, and Treasury Inflation Protection Securities) generated a strong 16.0 percent return, but its impact was overcome by the much larger weighting to global public equities, which had a 15.6 percent loss. Annualized performance for the trailing ten years was 4.9 percent, providing annualized added return over the 90-day Treasury bill during that period of over four and one-quarter percentage points.

COMBINED RATES OF RETURN FY2013 - FY2022

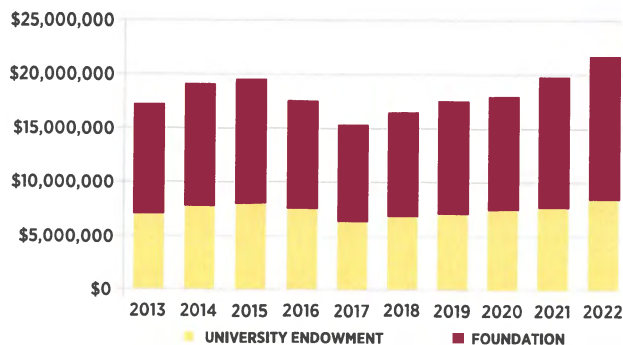


The PIF had an estimated loss of 6.0 percent (please note the FY2022 return is incomplete, since we do not yet have results for all private capital investments which have a significant reporting delay). This outcome was a significant reversal from the historic 31.2 percent gain posted in the previous year. PIF did significantly outperform its portfolio custom benchmark for the year by about 2.1 percentage points. PIF's estimated annualized performance for the trailing ten years was 8.4 percent, which is over 1.2 percentage points above its long-term primary objective of inflation plus 5 percent.

PROGRAM SUPPORT

Endowments provide a lasting legacy for Miami because their principal is invested in perpetuity and an annual distribution from earnings is made to support a variety of activities of the University. The spending policies of the University and Foundation are intended to achieve a balance between the need to preserve the purchasing power of the endowment principal in perpetuity and the need to support current obligations. Fulfilling these dual objectives is often referred to as achieving "intergenerational equity," in which no generation of students and faculty is advantaged in relation to other generations.

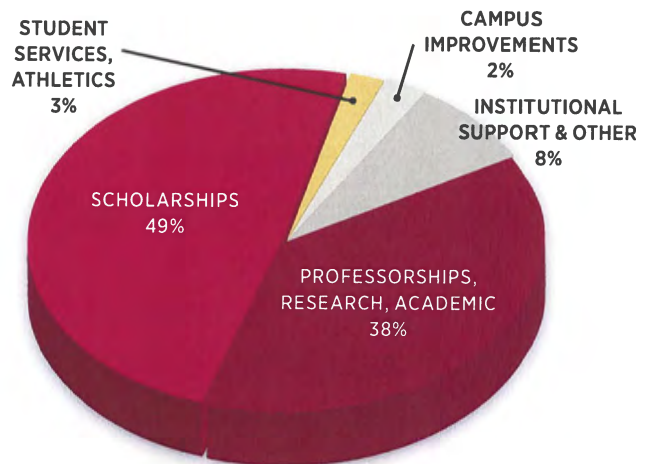
ANNUAL UNIVERSITY & FOUNDATION ENDOWMENT ACTUAL EARNINGS DISTRIBUTIONS



The endowment spending policies for both the University and Foundation, adopted by the Boards in fiscal year 2017, distribute four percent of the average of the previous twelve quarterly market values as of March 31st of each fiscal year. The policies are intended to provide consistent, predictable, and sustainable annual distributions, while maintaining intergenerational equity and preserving the purchasing power of the endowed principal.

The combined endowment distribution for fiscal year 2022 was over \$21.7 million, the most ever distributed in one year and about \$2 million more than the previous year. Over the last ten years, the cumulative distributions have totaled over \$184 million and have provided an important source of funding to help make a Miami education more affordable for our students and to help offset changes in state support. The following chart shows the proportion of programs supported by the 2022 distributions.

MIAMI UNIVERSITY AND FOUNDATION ENDOWMENTS PROGRAMS SUPPORTED BY ENDOWMENT FISCAL YEAR 2022



The operating challenges higher education has been encountering in Ohio and across the nation continue to persist. While pandemic related burdens have subsided, issues such as unfavorable demographic trends, stagnant state support, staffing difficulties, and increasing sensitivity to cost of attendance continue to impact operations and decision making. Fiscal year 2022 added two additional difficulties in the form of escalating inflationary pressures and net investment losses. However, the financial support generated from Miami's investment resources provide some measure of relief. Miami's students, faculty, and staff appreciate the generous patronage from our alumni and friends that has helped to strengthen the institution's position as we confront these obstacles. This backing, combined with the continued innovative and forward-thinking leadership of our boards and administration, set Miami apart and enable us to continue to provide exceptional educational experiences.

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Independent Auditor's Report

Board of Directors,
Miami University Foundation and
Mr. Keith Faber
Auditor of the State of Ohio

Opinion

We have audited the accompanying financial statements of Miami University Foundation (the Foundation), which comprise the statement of financial position as of June 30, 2022, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Miami University Foundation's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 5, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters*Other information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RSM US LLP

Cleveland, Ohio
October 5, 2022

Miami University Foundation

Statement of Financial Position

June 30, 2022

(With Comparative Totals for June 30, 2021)

	2022	2021
Assets		
Cash and cash equivalents	\$ 32,067,510	\$ 55,223,052
Pledges receivable, net	18,475,171	18,854,458
Other receivables, primarily investment related	10,427,855	10,320,304
Investments	661,767,450	682,108,589
Cash value of life insurance	1,835,940	1,879,981
Total assets	\$ 724,573,926	\$ 768,386,384
Liabilities		
Accounts payable and other liabilities	\$ 19,999,547	\$ 18,554,028
Assets held for other entities	261,261,753	282,419,394
Deferred revenue	1,362,295	1,106,188
Obligations under split-interest agreements	3,412,767	4,608,948
Total liabilities	286,036,362	306,688,558
Net Assets		
Without donor restrictions	4,304,502	4,925,473
With donor restrictions	434,233,062	456,772,353
Total net assets	438,537,564	461,697,826
Total liabilities and net assets	\$ 724,573,926	\$ 768,386,384

See notes to financial statements.

Miami University Foundation

Statement of Activities

Year Ended June 30, 2022

(With Comparative Totals for the Year Ended June 30, 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Revenues and other additions:				
Contributions	\$ 1,074,476	\$ 19,048,367	\$ 20,122,843	\$ 26,135,967
Investment income:				
Dividend and interest income, net	14,045	1,300,824	1,314,869	1,313,456
Net realized and unrealized (losses) gains	(223,757)	(20,969,529)	(21,193,286)	95,476,816
Net investment (loss) income	(209,712)	(19,668,705)	(19,878,417)	96,790,272
Change in value of split-interest agreements	-	(1,356,627)	(1,356,627)	2,476,444
Net assets released from restrictions due to satisfaction of donor restrictions	20,562,326	(20,562,326)	-	-
Total revenues and other additions	21,427,090	(22,539,291)	(1,112,201)	125,402,683
Expenses and other deductions:				
Distributions to Miami University (Note 6)	17,894,968	-	17,894,968	15,883,574
Other expenses	294,358	-	294,358	433,242
Administrative expenses (Note 6)	3,858,735	-	3,858,735	2,899,772
Total expenses and other deductions	22,048,061	-	22,048,061	19,216,588
Change in net assets	(620,971)	(22,539,291)	(23,160,262)	106,186,095
Net assets - beginning of year	4,925,473	456,772,353	461,697,826	355,511,731
Net assets - end of year	\$ 4,304,502	\$ 434,233,062	\$ 438,537,564	\$ 461,697,826

See notes to financial statements.

Miami University Foundation

Statement of Cash Flows

Year Ended June 30, 2022

(With Comparative Totals for the Year Ended June 30, 2021)

	2022	2021
Cash flows from operating activities:		
Payments to Miami University, net	<u>\$ (19,778,794)</u>	<u>\$ (17,593,489)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	121,639,937	133,071,075
Purchase of investments	(139,724,683)	(140,195,729)
Assets held for other entities	(6,979,919)	(7,469,849)
Proceeds from real estate sale	-	305,315
Net cash used in investing activities	<u>(25,064,665)</u>	<u>(14,289,188)</u>
Cash flows from financing activities:		
Contributions restricted for long-term investment	20,625,664	33,927,694
Dividend and interest income, restricted	1,175,210	1,339,915
Interest utilized for payment of split-interest obligations	607,318	375,713
Payments on split-interest obligations	(720,275)	(908,051)
Net cash provided by financing activities	<u>21,687,917</u>	<u>34,735,271</u>
Net change in cash and cash equivalents	(23,155,542)	2,852,594
Cash and cash equivalents:		
Beginning	<u>55,223,052</u>	<u>52,370,458</u>
Ending	<u><u>\$ 32,067,510</u></u>	<u><u>\$ 55,223,052</u></u>
Reconciliation of change in net assets to net cash used in operating activities:		
Change in net assets	\$ (23,160,262)	\$ 106,186,095
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Increase in accounts payable and other liabilities	2,269,267	1,623,099
Contributions restricted for long-term investment	(20,122,843)	(26,135,967)
Net change in value of split-interest agreements	1,356,627	(2,476,444)
Dividends and interest income, net	(1,314,869)	(1,313,456)
Net realized and unrealized losses (gains) on investments	21,193,286	(95,476,816)
Net cash used in operating activities	<u><u>\$ (19,778,794)</u></u>	<u><u>\$ (17,593,489)</u></u>

See notes to financial statements.

Miami University Foundation

Notes to the Financial Statements

Note 1. Organization

Miami University Foundation (the Foundation) was organized on June 4, 1948 for the principal purpose of fostering the educational and research activities of Miami University. The Foundation is governed by a Board of Directors (the Board). In furtherance of its principal purpose, the Foundation is to be known as the primary fundraiser, manager and steward of donated funds to Miami University. The Foundation aspires to be a model of performance, accountability, stewardship and commitment to excellence. The income earned on the Foundation's investments is periodically transferred to Miami University to further its educational and research activities.

The Foundation Board is comprised of at least fifteen directors that are elected by the Board and eight directors that are appointed by Miami University. At least two-thirds of the elected directors are required to be alumni or former students of Miami University.

Note 2. Summary of Significant Accounting Policies

Financial statement presentation: The financial statements of the Foundation are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as more explicitly described in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

Net asset classification: Net assets comprise resources over which the Foundation has discretionary control for use in carrying out the financial and operational objectives of the Foundation and for purposes specified by donors. Activities of the Foundation are accounted for in the following net asset types:

Net assets without donor restrictions: Net assets whose use has not been limited by donors for any period of time or specified purpose.

Net assets with donor restrictions: Net assets with donor restrictions include gifts and grants for which donor-imposed restrictions have not been met (primarily future capital projects or gifts for educational purposes), earnings from long-term investments which are donor restricted, and time restricted trust activity. Net assets with donor restrictions also include gifts which generally require, by donor restriction, that the corpus be invested in perpetuity. The donors generally permit the use of a portion of the income earned to be utilized for specific purposes based on their restrictions.

Accounting estimates: In preparing the financial statements in conformity with U.S. GAAP, management has made, where necessary, estimates and judgments based on currently available information that affect certain amounts reflected in the financial statements. Actual results could differ from those estimates.

Cash and cash equivalents: Cash and cash equivalents consists primarily of cash in banks, money market accounts, and the State Treasury Asset Reserve of Ohio (STAR Ohio and STAR Plus) that include short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less. The carrying amounts of these items are a reasonable estimate of their fair value.

Approximately \$251,000 of cash and cash equivalents was covered by federal depository insurance; \$21.7 million was covered by collateral held by third-party trustees pursuant to paragraph 135.181 of the Ohio Revised Code in collateral pools securing all public funds on deposit with specific depository institutions; and the remainder was invested in money market funds that invest substantially all of its assets in U.S. Treasury securities and repurchase agreements. The Foundation maintains active relationships with multiple cash equivalent accounts to reduce its exposure to custodial credit risk at any single institution.

Miami University Foundation

Notes to the Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Investments: The Foundation records its investments at fair value using the following methods and assumptions:

Investments that are market traded are recorded at fair value based primarily on quoted market prices, as established by the major securities markets.

The value of holdings of non-publicly traded funds that do not have a readily determined market value are based on the funds' estimated net asset value as supplied by the investment manager. The values are reviewed and evaluated by Foundation management. Market prices are not available for certain investments. These investments are carried at estimated fair value provided by the funds' management. Some valuations are determined as of June 30, while the remaining valuations are determined based on March 31 or December 31 information when June 30 information is not yet available and adjusted by cash receipts, cash disbursements, and securities distributions through June 30. The Foundation believes that the carrying amounts are reasonable estimates of fair value as of year-end. Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed. Such differences could be material. The amount of gain or loss associated with these investments is reflected in the accompanying financial statements using the equity method of accounting.

The issuing insurance companies determine the cash surrender value of the life insurance policies annually.

All donor-restricted endowment investments and board-designated endowments are managed in a unitized investment pool (Pooled Funds), unless donor-restricted endowment gift agreements require that they be held separately. For the Pooled Funds, the fair value of the investments is determined at the end of each month and the incremental fair value increase or decrease is allocated to the individual fund accounts based on the number of shares the fund owns at the beginning of the month.

Investment income is recorded on the accrual basis and purchases and sales of investments are recorded on a trade-date basis. Investment transactions occurring on or before June 30, which settle after such date, are recorded as receivables or payables. Net dividend and interest income as well as gains/losses are allocated based on the number of shares owned.

Split-interest agreements: The Foundation's split-interest agreements with donors consist primarily of charitable gift annuities, pooled income funds and irrevocable charitable remainder trusts for which the Foundation serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements. Assets held for these agreements are included in investments.

Contribution revenue for charitable gift annuities and charitable remainder trusts is recognized at the dates the agreements and trusts are established, net of the liabilities for the present value of estimated future payments to be made to the donors and/or other beneficiaries. For pooled income funds, contribution revenue is recognized upon establishment of the agreement at the fair value of the estimated future receipts, discounted for the estimated time period until culmination of the agreement. Annually the Foundation records the change in value of split-interest agreements according to the fair value of the assets that are associated with each trust and recalculates the liability for the present value of the estimated future payments to be made to the donors and/or other beneficiaries.

Miami University Foundation

Notes to the Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Contributions and allowance for uncollectible pledges: The Foundation recognizes contributions as revenue with a corresponding pledge receivable in the period in which the pledge (promise to give) is received. Management estimates an allowance for uncollectible pledges of approximately \$1,040,000 as of June 30, 2022. The estimate is based on management's review of delinquent accounts and an assessment of the Foundation's historical evidence of collections.

Income taxes: The Foundation is a not-for-profit organization as defined under Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from federal income taxes pursuant to Section 501(a) of the Code, except on unrelated business income. The Foundation has evaluated its tax positions at June 30 with respect to accounting for uncertainties in income taxes and has determined that there was no material impact to the Foundation's financial statements. The ASC provides related guidance on measurement, classification, interest and penalties and disclosure as well as prescribing a threshold of more likely than not for recognition of tax positions taken or expected to be taken in a tax return. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. As of June 30, 2022, the Foundation has no uncertain tax positions.

Subsequent events: The Foundation has evaluated subsequent events for potential recognition and/or disclosure through October 5, 2022, the date of the financial statements were available to be issued.

Recent accounting pronouncement adopted: In September 2020, the FASB issued Accounting Standards Updated (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statements of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. The Foundation adopted this ASU in the accompanying financial statements. The adoption of this ASU did not have a material impact on the Foundation's financial statements.

Note 3. Pledges Receivable, Net

At June 30, 2022, contributors to the Foundation have made unconditional pledges totaling \$20,477,163 with one pledge accounting for over 39% of that total. Net pledges receivable have been discounted using interest rates to a net present value of \$19,515,183 at June 30, 2022. Discount rates ranged from 0.6% to 3.40%. The methodology for calculating an allowance for uncollectible pledges is based upon management's analysis of the aging of payment schedules for all outstanding pledges. At June 30, 2022, net pledges are due as follows:

Unconditional pledges expected to be collected:

Within one year	\$ 5,415,055
Between two and five years	13,310,929
In more than five years	1,751,179
Pledges receivable	20,477,163
Less discount on pledges	(961,980)
Less allowance for uncollectible pledges	(1,040,012)
Pledges receivable, net	\$ 18,475,171

The Foundation had also been notified of revocable pledges, bequests, and other indications of intentions to give. These potential contributions are not permitted to be recorded as they are deemed intentions to give and not promises to give.

Miami University Foundation

Notes to the Financial Statements

Note 4. Investments

Investments held by the Foundation as of June 30, 2022 were:

<u>Investment Description</u>	<u>Fair Value</u>
Pooled Investment Fund (PIF):	
Strategic Investment Management, LLC funds	\$ 442,202,747
Various private capital investments	151,578,480
Government bonds	43,978,796
Global debt	11,119,431
Other - separately managed	879,372
Split-interest funds:	
Charitable remainder trusts	10,614,284
Charitable gift annuities	920,796
Pooled income funds	473,544
Total	\$ 661,767,450

The PIF portfolio's fair value, excluding cash, was \$648,879,454 at June 30, 2022. The Foundation maintains a diversified investment portfolio for the PIF intended to reduce market risk, credit risk, and interest rate risk with a strategy designed to take advantage of market inefficiencies. During 2019, management of the PIF was delegated by the Board to an external investment firm, Strategic Investment Management, LLC. Fees for Strategic Investment Management, LLC are paid by Miami University and funded by the administrative fee that the Foundation pays the University. The external investment firm has discretion to manage the PIF within the framework of the investment policy statement. Additionally, the external investment firm has implemented a combination of internally and externally managed investment vehicles, including separate accounts, limited partnerships, and commingled funds. The Foundation's investment portfolio includes publicly traded securities and the underlying holdings for certain non-publicly traded funds also include publicly traded securities. As a result, a significant downturn in the securities markets could adversely affect the market value of Foundation assets. As of June 30, 2022, the Foundation has made commitments to limited partnerships of approximately \$127 million that have not yet been funded, some of which management expects may not be called by the partnerships due to the life-cycle of the respective partnerships.

Included in the Foundation's PIF are assets held for the Miami University Endowment, Miami University Paper Science & Engineering Foundation and a donor gift held for the benefit of three other Ohio universities. The assets held for other entities are maintained as separate funds in the financial system of the Foundation and receive a proportional share of the PIF's activity. The Foundation owns the assets in the PIF; the other entities have a financial interest in the PIF but do not own any of the underlying assets. The Foundation has recorded a liability equal to the fair value for the assets held for other entities.

Miami University Foundation

Notes to the Financial Statements

Note 4. Investments (Continued)

Assets held for other entities as of June 30, 2022 were:

	Miami University Endowment	Miami University Paper Science & Engineering Foundation	Other	Total
Assets held for other entities at June 30, 2021	\$ 281,499,714	\$ 732,960	\$ 186,720	\$ 282,419,394
New investments	2,518,342	-	-	2,518,342
Earnings distribution	(8,130,366)	-	-	(8,130,366)
Donor stipulated distributions	-	(65,408)	-	(65,408)
Dividend and interest income, net of administrative fees	(1,896,675)	(5,104)	(1,276)	(1,903,055)
Net unrealized and realized losses	(13,529,108)	(32,796)	(8,816)	(13,570,720)
Value as of June 30, 2022	260,461,907	629,652	176,628	261,268,187
Distribution payable (included in accounts payable and other liabilities)	-	-	(6,434)	(6,434)
Assets held for other entities at June 30, 2022	\$ 260,461,907	\$ 629,652	\$ 170,194	\$ 261,261,753

Note 5. Fair Value Measurements and Disclosures

The Foundation uses fair value measurements to record the fair value of certain assets and liabilities and to determine fair value disclosures. For additional information on how the Foundation values all other assets and liabilities refer to Note 2 – Summary of Significant Accounting Policies. Financial assets and liabilities recorded on the Statement of Financial Position are categorized based on the inputs and valuation techniques as follows:

Level 1 – Quoted prices that are available in active markets as of the report date. The quoted market prices are from those securities traded on an active exchange such as the New York Stock Exchange, NASDAQ or an active over-the-counter market.

Level 2 – Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the report date.

Level 3 – Inputs that are unobservable including the Foundation's own assumptions in determining the fair value of investments or liabilities.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Liabilities associated with the split-interest funds represent the present value of the expected payments to the beneficiaries over the terms of the agreements.

The Foundation assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with the Foundation's accounting policy regarding the recognition of transfers between levels of the fair value hierarchy.

Miami University Foundation

Notes to the Financial Statements

Note 5. Fair Value Measurements and Disclosures (Continued)

The following table presents the fair value hierarchy for the balances of the assets and liabilities of the Foundation measured at fair value on a recurring basis as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Investment assets:				
Government bonds	\$ -	\$ 43,978,796	\$ -	\$ 43,978,796
Other	684,982	19,641	174,749	879,372
Split-interest funds:				
Charitable remainder trusts	10,614,284	-	-	10,614,284
Charitable gift annuities	920,796	-	-	920,796
Pooled income funds	473,544	-	-	473,544
	<u>\$ 12,693,606</u>	<u>\$ 43,998,437</u>	<u>\$ 174,749</u>	<u>\$ 56,866,792</u>

Funds reported at fair value based on net asset value: ^(a)

Non-publicly traded funds:	
Strategic U.S. Equity Trust	\$ 118,605,366
Strategic Global Equity Trust	48,696,222
Strategic Developed Markets ex-US Equity Trust	65,709,242
Strategic Emerging Markets Equity Trust	59,072,948
Strategic Active Credit Trust	4,795,107
Strategic SPC Alpha Segregated Portfolio	145,323,862
Global debt	11,119,431
Various private capital investments	151,578,480
Total non-publicly traded funds reported at fair value based on net asset value	<u>604,900,658</u>
Total investment assets	<u>\$ 661,767,450</u>

Investment liabilities:

Split-interest funds:				
Charitable remainder trusts	\$ -	\$ -	\$ 2,195,393	\$ 2,195,393
Charitable gift annuities	-	-	1,210,305	1,210,305
Pooled income funds	-	-	7,069	7,069
Total investment liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,412,767</u>	<u>\$ 3,412,767</u>

- (a) In accordance with ASC Subtopic 820-10, certain investments that are measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Financial Position.

Miami University Foundation

Notes to the Financial Statements

Note 5. Fair Value Measurements and Disclosures (Continued)

The following table sets forth the significant terms of the agreements with non-publicly traded funds reported at fair value based on net asset value at June 30, 2022:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Strategic Investment Management, LLC funds				
Strategic U.S. Equity Trust ^(a)	\$ 118,605,366	\$ -	monthly	30 days
Strategic Global Equity Trust ^(b)	48,696,222	-	monthly	30 days
Strategic Developed Markets ex-US Equity Trust ^(c)	65,709,242	-	monthly	30 days
Strategic Emerging Markets Equity Trust ^(d)	59,072,948	-	monthly	30 days
Strategic Active Credit Trust ^(e)	4,795,107	-	monthly	30 days
Strategic SPC Alpha Segregated Portfolio ^(f)	145,323,862	-	monthly	30 days
Global debt ^(g)	11,119,431	-	quarterly	60 days
Various private capital investments ^(h)				
Private equity	79,360,832	102,270,000	illiquid	not applicable
Private debt	22,194,965	15,815,000	illiquid	not applicable
Private natural resources	22,545,810	2,433,000	illiquid	not applicable
Private real estate	27,476,873	6,498,000	illiquid	not applicable
Total	\$ 604,900,658	\$ 127,016,000		

- (a) This fund generally invests in long positions in domestic publicly traded equity securities as well as futures and options in such securities and certain stock indices.
- (b) This fund generally invests in long positions in global publicly traded equity securities as well as futures and options on such securities and certain stock indices.
- (c) This fund generally invests in long positions in publicly traded equity securities focusing in developed economies outside of the United States including Western Europe and Asia, as well as futures and options in such securities and certain stock indices.
- (d) This fund generally invests in long positions in a diversified equity portfolio of publicly traded securities focusing in markets outside of the United States and Western Europe, including Asia and Latin America as well as Eastern Europe, Africa and the less developed Mediterranean economies.
- (e) This fund invests primarily in long-only investments in publicly traded bonds and other debt securities generally with below investment grade credit ratings as well as futures and options on such securities and certain bond indices.
- (f) This fund generally invests in hedge funds that invest in both long and short positions in publicly traded equity and debt securities on a global basis. Most debt securities are sub-investment grade and may be hard to price due to thin trading volumes. The various strategies collectively target a market neutral position.
- (g) This class includes primarily investments in debt securities such as bank loans and high yield bonds with below investment grade credit ratings.
- (h) This class includes primarily investments in limited partnerships. These funds are illiquid that, in general, do not offer access to redemptions during the life of the partnership. Capital is periodically called, invested, and then returned over time. Typically, these partnerships have a life exceeding ten years and may take up to twenty years before they have fully returned called capital.

Miami University Foundation

Notes to the Financial Statements

Note 6. Endowment

The Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the State of Ohio, provides statutory guidelines for prudent management, investment, and expenditure of donor-restricted endowment funds held by charitable organizations. The Foundation's interpretation of its fiduciary responsibilities for donor-restricted endowments under UPMIFA requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity to the extent possible and to produce maximum total return without assuming inappropriate risks. The investment policies governing these funds look beyond short-term fluctuations in economic cycles toward an investment philosophy that provides the best total return over very long time periods.

UPMIFA specifies that unless stated otherwise in the gift agreement, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure by the institution. Barring the existence of specific donor instruction, the Foundation's policy is to classify as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) changes to the endowment made in accordance with the direction of the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA, and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

The Foundation's endowment consists of 2,110 separate accounts established since its inception. The following presents a summary of changes in endowment net assets for the year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, July 1, 2021	\$ 4,925,473	\$ 422,016,828	\$ 426,942,301
Contributions	1,074,476	16,996,081	18,070,557
Dividend and interest income, net of investment expense	14,045	1,298,102	1,312,147
Realized and unrealized losses	(223,757)	(21,069,431)	(21,293,188)
Net assets released from restrictions and other changes	17,448,539	(17,698,333)	(249,794)
Distributions to Miami University	(15,075,539)	-	(15,075,539)
Administrative expenses	(3,858,735)	-	(3,858,735)
Endowment net assets, June 30, 2022	\$ 4,304,502	\$ 401,543,247	\$ 405,847,749

Miami University Foundation

Notes to the Financial Statements

Note 6. Endowment (Continued)

Endowment net asset composition by type of fund as of June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment:			
Historical gift value	\$ -	\$ 292,024,405	\$ 292,024,405
Cumulative appreciation	-	109,518,842	109,518,842
Board-designated endowment	4,304,502	-	4,304,502
Total	\$ 4,304,502	\$ 401,543,247	\$ 405,847,749

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration; deficiencies of this nature are reported in net assets with donor restrictions. As of June 30, 2022, funds with original gifts values of \$22,434,191, fair values of \$22,017,870, and deficiencies of \$416,321 are reported in net assets with donor restrictions.

The Foundation employs a total return policy which defines the total amount of dividends, interest and realized gains to be distributed from the endowment. The endowment spending distribution policy approved by the Board distributes four percent of the average of the previous twelve quarterly market values as of March 31st of each fiscal year. This policy is intended to provide consistency, predictability, and sustainability of the annual distributions, while maintaining intergenerational equity to preserve the purchasing power of the endowed principal.

Actual endowment return earned in excess of distributions under this policy is reinvested as part of the Foundation's endowment. For years where actual endowment return is less than distributions under the policy, the shortfall is covered by realized returns from prior years. Donor restricted accounts with insufficient accumulated earnings do not make a full current year distribution. Appropriation for expenditure of funds under the spending policy occurs on June 30 of each year.

The total calculated endowment spending amount in 2022 was \$25,028,885 which includes \$8,130,366 of earnings distributions to assets held for other entities as described in Note 4. Some individual endowments are reinvesting all endowment earnings. As a result, \$13,276,743 was distributed to Miami University from Foundation endowments. In addition to current year endowment distributions, \$4,618,225 of non-endowed funds were distributed to Miami University in satisfaction of donor restrictions. The following summarizes the programs supported by the current year's distribution:

	Spending Rate and Special Distribution	Donor Stipulated Distribution	Total Distributions to Miami University
<u>Miami University Program Supported</u>			
Scholarships and fellowships	\$ 6,927,716	\$ 62,887	\$ 6,990,603
Academic support	4,987,797	1,741,061	6,728,858
Student services/athletics	457,491	-	457,491
Campus improvements	102,628	1,731,104	1,833,732
Other institutional support	801,111	1,083,173	1,884,284
Total distributions to Miami University	\$ 13,276,743	\$ 4,618,225	\$ 17,894,968

Miami University Foundation

Notes to the Financial Statements

Note 6. Endowment (Continued)

Miami University incurs certain expenses related to development and investment related expenses relative to endowment management as well as fundraising efforts for the benefit of the Foundation. Miami University is reimbursed for its expenses in the form of a maximum administrative fee of 1.0% calculated against the previous fiscal year's March 31st value of the Foundation investment pool. The administrative fee is funded from current and accumulated earnings from all funds holding shares in the Foundation investment pool, including the assets held for other entities; funds with insufficient accumulated earnings are not charged thereby reducing the maximum administrative fee payable. A total of \$3,858,735 was reimbursed to Miami University in 2022 for the Foundation endowment's share of the calculated fee.

Note 7. Classification of Net Assets

Resources of the Foundation are classified for reporting purposes into net asset classes based on the existence or absence of donor-imposed restrictions and state law. The following summarizes the Miami University programs to be supported by the net assets of the Foundation at June 30, 2022:

<u>Miami University Program Supported</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Scholarships and fellowships	\$ 1,196,005	\$ 199,646,451	\$ 200,842,456
Academic support	-	154,115,049	154,115,049
Student services/athletics	-	14,651,487	14,651,487
Campus improvements	-	6,415,575	6,415,575
Institutional support and other	3,108,497	59,404,500	62,512,997
Total net assets	\$ 4,304,502	\$ 434,233,062	\$ 438,537,564

Note 8. Functional Expenses

Expenses classified by natural and functional classification for the year ended June 30, 2022, are summarized as follows:

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Distributions to Miami University	\$ 17,894,968	\$ -	\$ -	\$ 17,894,968
Other expenses	-	294,358	-	294,358
Administrative expenses	-	1,929,368	1,929,367	3,858,735
	\$ 17,894,968	\$ 2,223,726	\$ 1,929,367	\$ 22,048,061

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses required allocation on a reasonable basis that is consistently applied. The expenses that are allocated are administrative expenses, which are allocated on the basis of estimates of time and effort.

Miami University Foundation

Notes to the Financial Statements

Note 9. Availability and Liquidity

The calculation below represents financial assets available and without donor restrictions for general expenditures within one year of June 30, 2022:

Financial assets at year-end:

Cash and cash equivalents	\$ 32,067,510
Pledges receivable, net	18,475,171
Other receivables, primarily investment related	10,427,855
Investments	661,767,450
Cash value of life insurance	1,835,940
Total financial assets	<u>724,573,926</u>

Less amounts not available to meet cash needs for general expenditures within one year:

Contractual or donor restrictions:

Donor restricted endowment	(401,543,247)
Donor restricted by time or purpose	(32,689,815)
Assets held for other entities	(261,261,753)
Board designated endowment	<u>(4,304,502)</u>

**Total financial assets and available resources
available within one year**

\$ 24,774,609

The Foundation's investment portfolio seeks to maintain sufficient liquidity to meet the ongoing distribution requirements of the PIF, to meet capital calls, to rebalance the portfolio and capture tactical opportunities. The source of monies for such liquidity needs will be based on rebalancing and cost considerations.

The Foundation regularly monitors liquidity of financial assets required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations.

Supplementary Information

Miami University Foundation

**Schedule of Changes in Net Assets
Year Ended June 30, 2022**

	Balance July 1, 2021	Contributions	Endowment Income	Market Adjustment, Net	Transfers to Miami University	Intrafund Transfers	Other	Balance June 30, 2022
Pooled endowment funds	\$ 426,131,126	\$ 17,967,457	\$ 1,299,664	\$ (25,017,611)	\$ (15,055,528)	\$ (247,455)	\$ -	\$ 405,077,653
Non-pooled endowment funds	811,175	103,100	12,483	(134,312)	(20,011)	(2,339)	-	770,096
Total endowment funds	426,942,301	18,070,557	1,312,147	(25,151,923)	(15,075,539)	(249,794)	-	405,847,749
Expendable funds – donor restricted for capital projects	2,725,563	1,066,190	1,484	83	(1,729,758)	799,234	-	2,862,796
Expendable and board discretionary funds – non capital	1,130,444	1,290,448	495	(317)	(1,089,660)	345,270	(294,358)	1,382,322
Accumulated cash value insurance	1,879,981	255	758	100,136	(11)	(145,179)	-	1,835,940
Other investment funds	124,747	501	-	-	-	49,999	-	175,247
Net split-interest funds	9,889,162	74,179	(15)	-	-	(799,530)	(1,330,338)	7,833,458
Pledges receivable	18,854,458	(379,287)	-	-	-	-	-	18,475,171
Interest in trusts held by others	151,170	-	-	-	-	-	(26,289)	124,881
Total net assets	\$ 461,697,826	\$ 20,122,843	\$ 1,314,869	\$ (25,052,021)	\$ (17,894,968)	\$ -	\$ (1,650,985)	\$ 438,537,564

Detail of Market Adjustment, Net

Net Unrealized and Realized Losses	Administrative Expenses	Market Adjustment, Net
\$ (21,193,286)	\$ (3,858,735)	\$ (25,052,021)

Miami University Foundation

Schedule of Investments

June 30, 2022

(With Comparative Totals for June 30, 2021)

Description	2022 Fair Value	2021 Fair Value
Pooled Funds		
Strategic Investment Management, LLC Funds (a)		
Strategic Active Credit Trust	\$ 4,795,107	\$ 35,389,724
Strategic Developed Markets ex-US Equity Trust	65,709,242	71,827,758
Strategic Emerging Market Equity Trust	59,072,948	71,693,422
Strategic Global Equity Trust	48,696,222	52,438,815
Strategic SPC Alpha Segregated Portfolio	145,323,862	147,981,625
Strategic U.S. Equity Trust	118,605,366	103,985,212
Total Strategic Investment Management, LLC Funds	442,202,747	483,316,556
International Public Equities		
iShares Core MSCI EAFE ETF (b)	-	413,227
iShares Core MSCI Emerging Markets ETF (b)	-	1,340
Total International Public Equities	-	414,567
Domestic Public Debt (c)		
Strategic Investment Group (U.S. Treasuries - Government Bonds)	43,978,796	56,750,484
Total Domestic Public Debt	43,978,796	56,750,484
Global Public Debt (a)		
Asia Research & Capital Management Limited (ARCM) - Debt	4,177,822	3,234,911
Hildene Capital Management	5,477,695	5,107,822
KKR Credit Advisors LLC - Debt	1,463,914	-
Total Global Public Debt	11,119,431	8,342,733
Hedge Funds (a)		
GoldenTree Asset Management	-	2,772,261
Total Hedge Funds	-	2,772,261
Various Private Capital Investments (a)		
Bayview Fund Management, LLC (2 Funds) - Debt	6,300,897	1,387,956
Commonfund (6 Funds) - Various	5,439,327	5,020,008
Domain Timber Advisers (1 Fund) - Natural Resources	2,431,719	3,159,506
Falcon Investment Advisors - Debt	4,808,348	5,897,150
GEM Realty Securities - Real Estate	13,985,013	10,704,584
Goldman Sachs (4 funds) - Various	3,745,198	4,093,453
Hamilton Lane Advisors (2 funds) - Equities	1,891,986	2,292,186
Huron Capital Partners - Equities	4,174,363	2,157,020
Maranon Capital, LP - Debt	5,159,963	7,630,108
Metropolitan - Real Estate	372,574	410,030
Penn Square Capital Group (2 funds) - Real Estate	748,902	938,396
Pomona Capital - Equities	152,452	164,338
Rockland Capital LLC - Natural Resources	8,221,603	3,701,070
Strategic Investment Management, LLC (2 Funds) - Equities	61,082,339	34,373,909
Summit Partners - Equities	9,599,116	10,774,988
TCW Asset Management Company LLC - Debt	973,394	-
Venture Investment Associates - Natural Resources	6,398,672	4,989,292
Westport Capital Partners (2 funds) - Real Estate	12,370,384	11,897,159
Yukon Partners - Debt	3,722,230	4,766,866
Total private investments	151,578,480	114,358,019
Total pooled funds	648,879,454	665,954,620

(Continued)

Miami University Foundation

Schedule of Investments (Continued)

June 30, 2022

(With Comparative Totals for June 30, 2021)

Description	2022 Fair Value	2021 Fair Value
Separately Invested Funds		
Limited Partnerships, Non-Public Equities (a) and Separately held mutual funds (d)		
Stone Ridge (d)	\$ -	\$ 2,425
Student Managed Investment Funds (c)	684,982	734,257
Student Venture Funds	174,749	174,750
United States Treasury Inflation Protections Securities (c)	19,641	21,772
Total limited partnerships, non-public equities and separately held mutual funds	879,372	933,204
Total separately invested funds	879,372	933,204
Split-Interest Funds		
PNC Bank (d)		
Domestic public equities	5,456,156	7,223,363
International public equities	1,912,565	2,845,059
Domestic public debt	4,138,805	4,514,745
Global public debt	501,098	637,598
Total split-interest funds	12,008,624	15,220,765
Grand total	\$ 661,767,450	\$ 682,108,589

(a) Commingled and non-publicly traded funds

(b) Exchange Traded Fund

(c) Publicly traded securities managed in a separate account

(d) Mutual Funds



December 8, 2022

ERP Recommendation

Today

Maintenance of legacy systems and processes inhibits progress and is the primary contributor to stakeholder pain-points.

KEY: CONTRIBUTING FACTORS¹



TECHNOLOGY



POLICY / PROCESS/ MANAGEMENT



CULTURE & HUMAN CAPITAL



DATA AND REPORTING

IMPACT ON CURRENT STATE OPERATIONS



Limited Automation and Tracking of Information Flow



Reduced Capacity



Limited Institutional / Strategic Decision Support



Lack of System Interoperability and Homegrown Application Bloat

¹ Contributing factor definitions outlined in the Appendix

Higher Education Cloud ERP Market Overview

While Ellucian continues to have a large share of the on-premise small to mid-size higher education market share, institutions are looking to alternative vendors when considering their next generation platforms, particularly for Human Resources, Finance, and Supply Chain.

SaaS Adoption Outlook



- Huron and vendors believe we are currently in the “**early majority**” period of the modern SaaS adoption curve
- Approximately **175-200 higher education institutions are moving** to modernized SaaS
- **Oracle and Workday** are primary vendors for large, public 4-year institutions while **Ellucian** attracts under 5,000 enrollment market

Miami's Options for Modernization

Miami University has the option to maintain the current state for ERP applications until 2027, upgrade in the near term with current partner Ellucian Banner, or shift to simplified and modernized administrative systems with alternative leading SaaS vendors.

Recommended Option 1: Cloud Transformation Program	Begin planning for migration to a <i>"leading" SaaS cloud platform</i> and related operational transformation	<ul style="list-style-type: none"> Higher Total Cost of Ownership (TCO) Best in class functionality for HR / FIN / SCM Maturing development for SIS Continuous, frequent functionality upgrades Establishes platform soonest for future integrated growth and innovation 	<ul style="list-style-type: none"> High campus disruption and change Standard ADA and accessibility features and demonstrated commitments to continued improvement Modern and evolving remote work functionality Native mobile platforms Ability to collaborate and knowledge-share with peer institutions
Option 2: Current Path	<i>Defer cloud modernization decisions until the current Banner Ellucian platform reaches potential end-of-life in 2027</i>	<ul style="list-style-type: none"> Delays transition costs until late in the decade Does not address near-term pain-points Provides time for cloud vendors to progress Delays deployment of more efficient processes and improved system functionality Places Miami behind the curve of peers 	<ul style="list-style-type: none"> Avoid capital expenditure for several years Steady-state for workforce and students Functionality updates and upgrades continue to be unmet Continued workarounds required to address needs Potential increases in subscription and implementation costs for Ellucian and new solution due to future demand
Option 3: Ellucian / Banner Modernization	Begin planning for migration to <i>Banner Cloud platform</i>	<ul style="list-style-type: none"> Lower Total Cost of Ownership (TCO) Mature functionality for SIS Immature cloud functionality for HR / FIN / SCM, requiring multiple point solutions Requires continued third-party integrations and costly removal of existing customizations 	<ul style="list-style-type: none"> Moderate campus disruption and change Limited mobile functionality Immature ADA and accessibility features Continued limited interoperability Uncertainty regarding vendor commitment and product roadmap

A New Platform for Miami's Future

Miami faces a generational opportunity, born of rapid industry disruption and core technology nearing its end of life. Acting now will modernize operations, further strategic decision making, address pain-points felt by students, faculty, and staff, and provide the new foundation to continue the university's legacy of efficient operations.



Enabling the Strategic Plan

- Enables Miami strategic plan priorities
- Advanced data-driven decision making
- Provides operational flexibility for the future



Automating Efficient Operations

- Creates capacity gains for staff across the university
- Provides opportunities for increased revenue
- Supports continued growth with existing resources



Improving the Miami Experience

- Improves the employee experience and simplifies administration
- Supports stronger Student and Alumni connection to the institution
- Enables a productive and impactful workforce



Consolidating on Modern Platforms

- Simplifies application portfolio
- Enables future innovation and reduces operational risk
- Provides significant new capabilities and drives continuous improvement

New Capabilities for the Next Generation of Miami

The transformation program leadership recommends will provide significant new technical capabilities and drastically improved processes, which will have direct and positive impact student, faculty, alumni, and staff and will provide the next generation application platform to remain competitive with other higher education institutions.



Elevating Operational Efficiency

- Reduced manual effort
- Simplified transactions & standardized processes
- Increased Capacity



Improving the Student and Alumni Experience

- Modern interface and user experience
- Richer engagement with Alumni and Students
- Personalized Communications



Providing Employees Modern Tools

- DE&I and accessibility support
- Improved service
- Actionable data reports

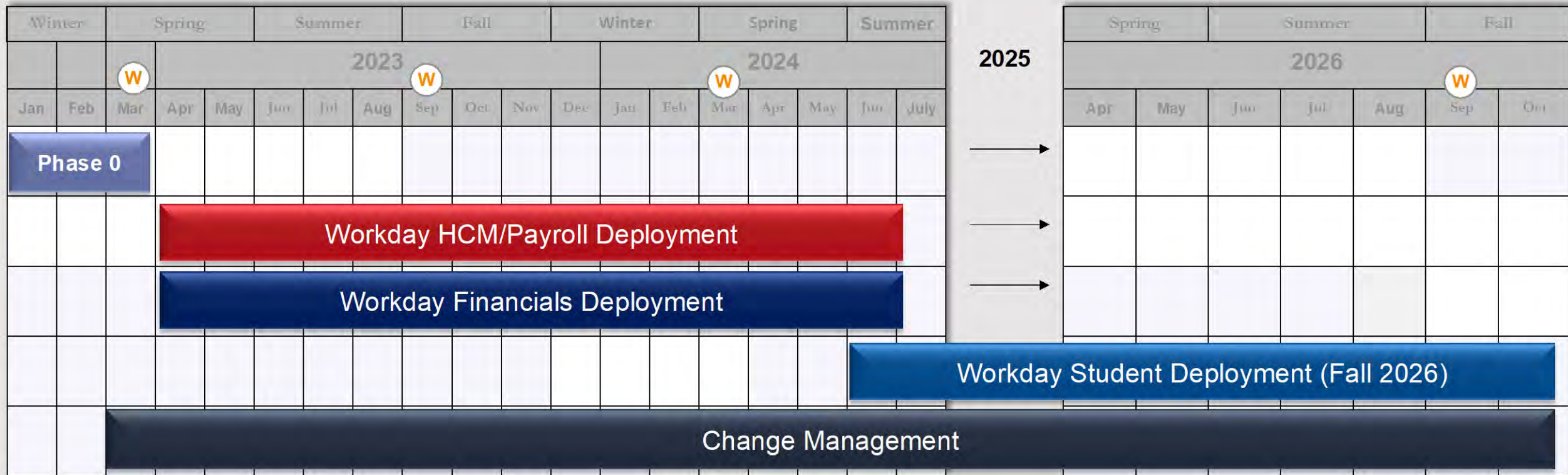


Modernizing University Systems

- Proactive continuous improvement efforts
- Rationalized IT application inventory
- Improved mobile access and capabilities

Project Timeline

Transformational Journey



Workday Implementation Budget

Workday Software Cashflow Breakdown					
Area	FY23	FY24	FY25	FY26	FY27
Workday Software	\$1,003,741	\$1,959,427	\$2,396,760	\$2,444,695	\$2,493,590
Training Credits	\$138,382	\$39,382	\$39,382	\$39,382	\$39,382
Delivery Assurance Platform	\$200,000				
Delivery Assurance Student		\$275,000			
Total	\$1,342,123	\$2,273,809	\$2,436,142	\$2,484,077	\$2,532,972
Implementation Cashflow Breakdown					
Area	FY23	FY24	FY25	FY26	FY27
Platform	\$ 2,822,278	\$ 5,644,555			
Student		\$ 1,051,449	\$ 3,154,346	\$ 3,154,346	\$ 3,154,346
OCM (Change management)	\$ 667,039	\$ 667,039	\$ 667,039	\$ 667,039	\$ 667,039
Testing		\$ 600,000		\$ 700,000	
Contingency (14%)	\$ 488,504	\$ 1,114,826	\$ 534,994	\$ 632,994	\$ 534,994
Total	\$ 3,977,821	\$ 9,077,869	\$ 4,356,379	\$ 5,154,379	\$ 4,356,379
Total Cost	\$5,319,944	\$11,351,678	\$6,792,521	\$7,638,456	\$6,889,351

\$11,069,123

\$26,922,826

\$37,991,949

Required Return on Investment (Cost Reductions) \$2,500,000 or 6.6%





Questions?

5 Year Workday Implementation Budget

5-Year Total Cost	\$37,991,949				
	FY23	FY24	FY25	FY26	FY27
Total Cost	\$ 5,319,944	\$11,351,678	\$ 6,792,521	\$ 7,638,456	\$ 6,889,351
	\$37,991,949				

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Total	\$ 3,977,821	\$ 9,077,869	\$ 4,356,379	\$ 5,154,379	\$ 4,356,379
	\$26,922,826				

Allocation of the Cost of a New ERP

Unit	FY22 Revenue	% Share	ERP Cost	Allocation
Oxford Education & General	\$266,355,215	73.1%	\$38,000,000	\$27,778,000
Regional Campuses	57,087,667	6.7%	38,000,000	2,546,000
Auxiliary Enterprises	149,401,310	17.5%	38,000,000	6,650,000
Miami University Foundation*	<u>23,129,405</u>	<u>2.7%</u>	<u>38,000,000</u>	<u>1,026,000</u>
	\$855,973,597	100%	N/A	\$38,000,000

*This is the average noninvestment revenue from
FY 2021 and FY 2022 for the Foundation.

Approved by the Board of Trustees December 9, 2022



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

December 9, 2022
Finance and Audit

RESOLUTION R2023 - 19

AUTHORIZATION FOR NEW ENTERPRISE RESOURCE PLANNING SYSTEM

WHEREAS, the efficient and effective operation of a university in the 21st century requires a robust “enterprise resource planning” (ERP) system that supports a wide-range of financial functions including accounting, budget, procurement and accounts payable; human resource functions such as hiring, performance management, employee benefit administration, and employee payroll and tax activities; critical student functions including enrollment, registration, student aid, and student billing; and the data and reporting activities that impact almost every aspect of Miami University ; and

WHEREAS, Miami University last replaced its ERP in 1999 with the Ellucian-Banner ERP that was initially developed in 1992 and was a market leader at the time but relies largely today on its historic customer base that is gradually being eroded by new software products developed for today’s cloud based technology environment; and

WHEREAS, Miami University’s Board of Trustees in May 2019 in recognition of the critical nature of these systems in the operation of a university asked the administration to begin planning for the eventual replacement of the thirty-year-old Ellucian-Banner system by assessing the state of ERP products available to colleges and universities today and to identify one-time funds that can be used to fund this essential project without negatively impacting the academic mission and the operating budget of the University; and

WHEREAS, Miami’s administration presented its ERP assessment at the February 2022 meeting of the Finance and Audit Committee following a delay caused by the world-wide pandemic; and

WHEREAS, the assessment was completed with support from the Huron Consulting Group with the resulting recommendation that Miami move to “software as a service” (SAS) for its ERP platform before the conclusion of its Ellucian-Banner contract in July of 2027; and

WHEREAS, Miami’s administration reviewed the state of SAS software options available to higher education and concluded as Ohio State University and the University of Akron that the Workday solution is the most developed and broadly implemented ERP available to colleges and universities and recommends that a contract be awarded to Workday based on the statewide Inter-University Council contract between Workday and the University of Akron; and

WHEREAS, Miami’s administration also conducted a review of potential implementation partners following a request for proposals and is prepared to award an implementation contract for services that will commence the Workday implementation in early calendar year 2023 allowing for a full Workday implementation before July 2027; and

WHEREAS, Miami’s administration has developed a proposed budget of \$38 million from accumulated balances that is sufficient for funding the almost five-year implementation period without the need to draw on the resources provided by the annual operating budget of the University; and

WHEREAS, in addition to the implementation budget, it is expected that several administrative functions will need staff augmentation services during the implementation period, requiring these administrative units to draw on their “carry forward” funds to cover the cost of these services in addition to the proposed budget; and

WHEREAS, Miami’s administration is also evaluating the implementation of a CRM system that is needed to better support advancement and similar relationship activities that will need to be integrated with the new ERP but is not included in the proposed budget for the ERP and will also be funded through the departmental carry forward funds of these administrative units; and

WHEREAS, as directed by the Board of Trustees, the post implementation of the new ERP must result in a more efficient administrative structure that delivers both enhanced services and increased administrative efficiency providing an appropriate return on investment from the project;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees authorize Miami’s administration to award a ten-year contract to Workday for an ERP system and to proceed to contract for the services necessary to implement the new system for a budget as described above; and

BE IT FURTHER RESOLVED, that in implementing the new SAS based ERP that Miami’s administration shall be guided by best practices during the implementation and achieve a post implementation transformation of administrative functions that is more efficient than existing operations while delivering improved services and reporting capabilities for students, the public and internal users.



December 8, 2022

Status of Capital Projects Updates

Clinical Health Sciences and Wellness Facility

Project Cost: \$96,000,000

Completion Date/% Comp: August 2023/89%

Contingency/Balance: \$3,282,750/94%

Cost of Work: \$79,360,260

Project Delivery Method: Design-Build



Clinical Health Sciences and Wellness Facility



Clinical Health Sciences and Wellness Facility



College@Elm

Project Cost: \$15,000,000

Completion Date/% Comp: February 2023/91%

Contingency/Balance: \$1,029,364/51%

Cost of Work: \$12,674,328

Project Delivery Method: Design-Build





Central Campus Hot Water Conversion

Project Cost: \$20,500,000

Completion Date/% Comp: October 2023/53%

Contingency/Balance: \$650,000/100%

Cost of Work: \$18,500,000

Project Delivery Method: Construction Manager at Risk



Ogden Hall Renovation

Project Cost: \$37,561,718

Completion Date/% Comp: November 2023/23%

Contingency/Balance: \$3,339,594/18%

Cost of Work: \$28,475,746

Project Delivery Method: Design-Build



Ogden Hall Renovation



Richard M. McVey Data Science Building

Project Cost: \$58,000,000

Completion Date/% Comp: January 2024/40%

Contingency/Balance: \$3,607,459/100%

Cost of Work: \$46,806,125

Project Delivery Method: Design-Build



Richard M. McVey Data Science Building





Questions?



Cole Service Building
Oxford, Ohio 45056-3609
(513) 529-7000
(513) 529-1732 Fax
www.pfd.muohio.edu

Status of Capital Projects Executive Summary December 9, 2022

1. Projects completed:

No major projects were completed since the last report. Eight projects under \$500,000 were completed since the last report.

2. Projects added:

No major projects and nine projects under \$500,000 were added since the last report.

3. Projects in progress:

The Central Campus Hot Water Conversion project continued work during the Fall semester. New heating hot water piping was installed from the northwest corner of Harrison Hall to the east entry of King Library and down toward McGuffey Drive. The work will now be paused until spring for the final phase to complete next summer. The Clinical Health Sciences and Wellness Facility remains on schedule. The exterior façade is complete and landscaping is occurring around the facility. Inside the building, the south wing of the building is addressing punch list items. Work is wrapping up in the other areas of the building with installation of fixtures and finishes. The College@Elm project is making good progress despite a number of material delivery delays. Outside of the building, roofing work is being completed and the City of Oxford is paving the new parking lot and road extension. Inside the building, the elevator, glass storefront systems, and final finishes are being installed. The team still expects substantial completion in early January, but may face some setbacks with unexpected material delivery issues. The Richard M. McVey Data Science Building has made quite a bit of progress as we begin to see the brick façade being laid. Interior wall framing is complete and mechanical, electrical, and plumbing rough-in is now well underway. Finally, work is progressing in Ogden Hall and Bell Tower Place. The restoration of the concrete structure has been completed. Work has now begun to replace the roof, install new windows, and complete the interior framing.

Respectfully submitted,

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

Miami University
Physical Facilities Department
Status of Capital Projects Report

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Miami University
Physical Facilities Department
Status of Capital Projects Report

	<u>Number of Projects</u>	<u>Value</u>
Under Construction	6	\$227,961,718
In Design	4	\$2,364,500
In Planning	0	\$0
Projects Under \$500,000	0	\$9,064,987
Total		\$239,391,205

<u>New Projects Over \$500,000</u>
No New Projects This Report

<u>Projects Completed Since Last Report</u>
No Completed Projects This Report
Total

Miami University
Physical Facilities Department
Status of Capital Projects Report

UNDER CONSTRUCTION

(Under Contract)

Projects Requiring Board of Trustees Approval

1. **Central Campus Hot Water Conversion:** (BOT Dec '21)

Van Winkle

As part of the Campus Utility Master Plan, the Central Campus Hot Water Conversion Project will convert a large portion of the central quadrangle of campus from steam to hot water. This project includes the creation of a new satellite campus heating plant to be located in the basement of Upham Hall. Hot water piping will be extended from this new satellite campus heating plant to buildings in the central area of campus. The project will also create redundant connections to the existing distribution piping from the South Chiller Plant. The cross connection between the two plants will improve robustness and reliability for both the South Chiller Plant and the new Central Campus Utility Plant. The new hot water piping will be direct buried. Hot water connection and conversion of Ogden is occurring under another project, as that building is being renovated.

Hot water connection and conversion to Bonham House, Kreger, Irvin, Alumni, Bishop, McGuffey, Hall Auditorium, King Library, Harrison and Upham will occur as part of this project. Steam supply is being maintained to the new Central Campus Utility Plant, located in Upham Hall, for Hot Water production. In the future, the steam supply is planned to be replaced with Hot Water from a future hot water generation plant.

This project is a key step in the Utility Master Plan to meet strategic energy reduction and campus sustainability goals of decommissioning coal-fired steam systems. The scope of the project includes direct buried hot water and steam piping, directionally bored hot and chilled water piping and conversion of the buildings named above from steam heating to hot water heating. The change from steam to hot water will improve both the efficiency and reliability of heating the central portion of the campus.

Kreger, Upham, and Harrison Halls were converted from steam to heating hot water and Bonham House was removed from the steam system during the summer of 2022. The underground heating hot water piping is now installed from the west side of Harrison Hall toward King Library and then toward McGuffey Hall. The remaining piping will be installed and tie into the South Plant system in the summer of 2023. The remaining building conversions will take place during the summer of 2023. This project is on schedule and on budget.



Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

Central Campus Hot Water Conversion (continued):

Delivery Method: Construction Manager at Risk

Project Cost	
Design and Administration	\$1,300,000
Cost of Work	\$18,500,000
Contingency	\$650,000
Owner Costs	\$50,000
Total	\$20,500,000

Funding Source	
Local	\$20,500,000
Total	\$20,500,000

Contingency Balance: \$650,000
Construction Complete: 53%
Project Completion: October 2023

2. Clinical Health Sciences and Wellness Facility: (BOT Feb '20)

Heflin

A Programming Committee comprised of faculty, administration and Physical Facilities staff was convened in January 2019 to determine the program of the facility. The team worked with the Criteria AE firm of Moody Nolan and Perkins and Will to develop the Program of Requirements, assist in site selection analysis, and provide the Conceptual and Schematic Design.

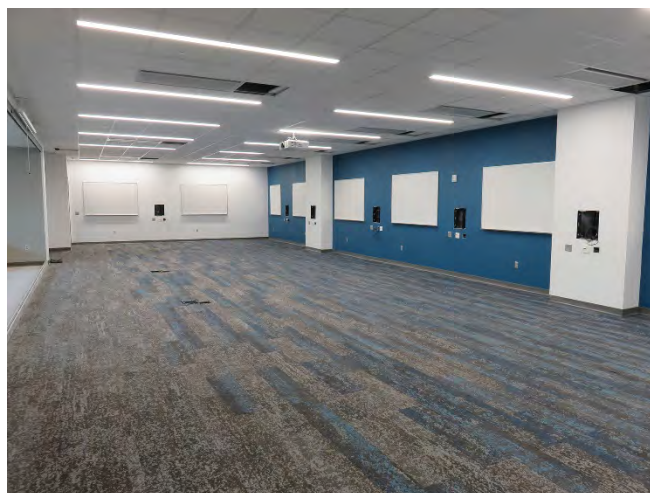
The Student and Employee Health Services and Student Counseling clinics and the Student Wellness organization are included in the health sciences facility, along with the Speech Pathology and Audiology clinic and academic program, Nursing, and the new Physician Associate program. The Clinical Health Sciences and Wellness facility site is to be built on the existing footprint of the health and counseling center and adjacent parking lot. This location required relocating the clinic operations to Harris Hall while the new facility is under construction. The project's \$96,000,000 budget includes the \$6,200,000 Harris Hall renovation budget which was previously approved by the Board of Trustees. Some of the program spaces include simulation and skills labs, a standardized patient clinic, speech and audiology research labs, gross anatomy and health innovation labs, as well as classrooms and faculty/staff offices.

The south wing of the building is substantially complete with punch list work in progress. Work continues in the upper floors, atriums, and hallways with fixture installation and finishes. Mechanical commissioning is in progress through February 2023. Site work on the west façade along Campus Avenue and the South area near the parking garage is substantially complete. Work continues on the east and north areas. Sidewalks will be complete in late January 2023. Irrigation and landscaping will continue through the spring. Equipment and furniture installation is planned for March and April 2023. Construction will continue through March 2023 with the PA program beginning classes in May 2023. All other program groups will commence operation for the 2023 Fall Semester. This project is on schedule and on budget.

Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

Clinical Health Sciences and Wellness Facility (continued):



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$6,689,810
Cost of Work	\$79,360,260
Contingency	\$3,282,750
Owner Costs	\$6,667,180
Total	\$96,000,000

Funding Source	
Local	\$74,790,000
State	\$21,210,000
Total	\$96,000,000

Contingency Balance: \$3,084,891
Construction Complete: 89%
Project Completion: Summer 2023

Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

3. College@Elm: (BOT Dec '21) (BOT Feb '22)

Heflin

Building on Miami's award-winning undergraduate programs, the College@Elm will provide space to give students real world experience, access to external partners, and alternative teaching methods around business startups and small-scale manufacturing. Its large volumes, easily accessible loading docks, industrial sized elevator and community-adjacent location make it a prime candidate for a manufacturing innovation incubator.

The College@Elm has three tenants identified and contains space for future tenants. A key anchor tenant is the Fischer Group. This is a group of interrelated companies with the capability to take a product from idea to shelf, which offers students the opportunity to see a product through every phase of development. The Fisher Group will have dedicated space for research and design, prototyping, manufacturing, and fulfillment.

A second tenant is Miami University. Miami's College of Engineering, Business School, and Institute for Entrepreneurship will lead the programming at the College@Elm to provide space for student, faculty, and staff to develop initiatives around product innovation. Miami is focusing on the theme of medical and biomedical products to bring to market through university-led research and partnerships that can take advantage of the university's resources. The third tenant is the City of Oxford. The city is committed to have at least one staff at the College@Elm to tie in local opportunities for collaboration and economic development. Remaining space is available for other local and regional businesses.

The building is a concrete frame with large volumes of various sizes throughout. The envelope has significant deferred maintenance that will need to be repaired and refurbished. The renovation will include new electrical, mechanical, plumbing, and fire protection systems. Office and instructional spaces would be fitted out in alignment with contemporary business environments. Large portions of the facility will be furnished with minimal elements and flexible features to accommodate turnover of tenants over time.

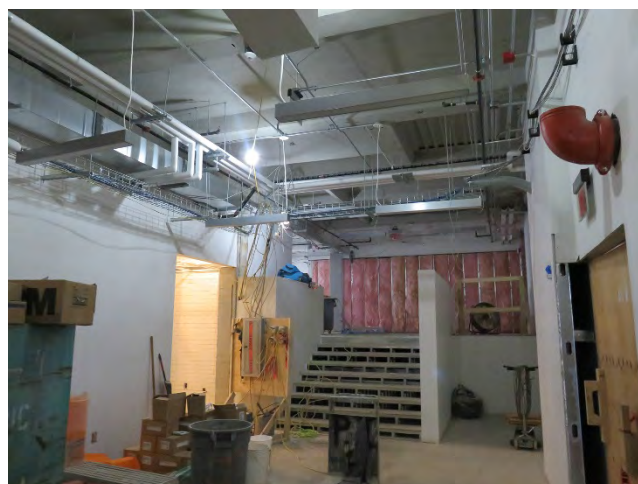
Site work is substantially complete with the City of Oxford completing the paving of Walnut Street and the new parking lot. This includes new sidewalks to the building. Installation of the elevator, storefronts and curtainwall glass, door hardware, lighting fixtures, railings, flooring, and finishes will continue through December. While experiencing material delays with electrical, glass, doors, and technology items, the project goal continues to be substantially complete January 6, 2023.



Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

College@Elm (continued):



Delivery Method: Design Build

Project Cost	
Design and Administration	\$896,053
Cost of Work	\$12,647,328
Contingency	\$1,029,364
Owner Costs	\$427,255
Total	\$15,000,000

Funding Source	
State	\$2,500,000
Local	\$11,255,000
Gifts	\$1,000,000
City of Oxford	\$245,000
Total	\$15,000,000

Contingency Balance: \$528,826
Construction Complete: 91%
Project Completion: January 2023

Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

4. Ogden Residence Hall / Bell Tower Place Dining Renovation: (BOT Feb '22)

Morris

This project will renovate Ogden Residence Hall and Bell Tower Place Dining Hall, both within the same building. This is a continuation of the 2010 Long Range Housing Master Plan. Ogden Hall will receive an upgrade in the mechanical systems, fire suppression, energy efficiency, finishes, interior renovations and accessibility. The design includes improvements in the heating, cooling, plumbing, electrical, life safety systems, as well as the building envelope. The renovation extends the life of the facility.

Bell Tower Place dining facility occupies the lower level of Ogden Hall. The dining facility will be fully renovated and will become a “ghost kitchen,” which is a virtual restaurant that serves customers by delivery and pick up based on online ordering. Menu concepts will include Mexican cuisine and burritos, burgers and chicken, and Asian cuisine. Interior seating for over 160 persons will be available, plus outside seating for another 50. The ghost kitchen concept promotes mobile ordering to enhance speed and efficiency.

The demolition work uncovered existing structural concerns (largely “honeycombed” or improperly consolidated concrete, exposed reinforcing in structural members, and inadequate thickness in most of the floor slabs) not previously visible above the original plaster and lath ceilings or wood floors. The floor slabs were shored and lightweight topping slabs were placed over original structural concrete floor slabs to strengthen and level the floor structure. An engineered remediation plan was developed and repairs were made to existing structural members and the entire structure is being coated with intumescent paint to provide the required fireproofing performance of the structure. The additional design, shoring and concrete remediation work has had an impact on the project’s contingency balance and schedule. Completion of the residence hall is now targeted for mid-November with availability for Spring 2024 occupancy. Partition framing, roofing work, window installation, and coring for piping are all in progress.

Within the dining facility, abatement is complete and demolition is in progress. Underground sanitary piping has now begun. Opening of the facility is targeted for August 2023.



Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

Ogden Residence Hall / Bell Tower Place Dining Renovation (continued):



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$3,855,228
Cost of Work	\$28,475,746
Contingency	\$3,339,594
Owner Costs	\$1,891,150
Total	\$37,561,718*

Funding Source	
Local	\$37,561,718
Total	\$37,561,718

Contingency Balance: \$600,000

Construction Complete: 23%

Project Completion: November 2023

*The project cost has been modified to now include the cost of the Bell Tower Place dining facility renovation. In total, the dining facility has added \$12,000,000 to the cost of the Ogden Hall renovation project.

Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

5. Richard M. McVey Data Science Building: (BOT Sep '21)

Porchowsky

This project is performing programming related to innovation, multidisciplinary project-based work, and instilling a sense of leadership and entrepreneurship in our students. A Programming Committee with representation from areas of STEM, data science, entrepreneurship, Interactive Media, and design thinking was convened in January 2019. The University hired a Criteria AE firm to develop the program of requirements, assist in potential site selection, and provide conceptual and schematic design services.

As a national leader in education for the digital arts, statistical analytics and technological research, and to further research and discoveries in these disciplines, the committee has envisioned a new building to house a collection of departments that will promote cross-disciplinary research while creating a venue for instruction, innovation and collaborations with industry partners.

The McVey Data Science Building is designed as an 89,000 GSF building and will include faculty and student project spaces, consulting spaces, classrooms, and computer labs. There are also certain unique spaces within the building such as the Cyber Security Lab, the Robotics/Maker Lab, the XR Stage, the UX Focus Group Room, and the VR Track Space.

The rough in of the mechanical, electrical and plumbing (MEP) systems continues on the upper levels of the building. Roof sheathing is nearing completion and the installation of the roof is ongoing. Exterior framing and sheathing is wrapping up and exterior masonry and curtain wall installation is underway. Interior framing is largely complete and drywall installation will begin next month. This project is on schedule and on budget.



Under Construction

Miami University
Physical Facilities Department
Status of Capital Projects Report

Richard M. McVey Data Science Building (continued):



Delivery Method: Design-Build

Project Cost	
Design and Administration	\$5,536,416
Cost of Work	\$46,806,125
Contingency	\$3,607,459
Owner Costs	\$2,050,000
Total	\$58,000,000

Funding Source	
2020A Bond	\$30,000,000
Gift	\$20,000,000
Local	\$8,000,000
Total	\$58,000,000

Contingency Balance: \$3,607,459
Construction Complete: 40%
Project Completion: January 2024

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. SCP Free Cooling Improvement 2021: (Previous Report – In Design)

Van Winkle

This project will add a ‘free cooling’ system to the South Chiller Plant (SCP) to provide winter time cooling capacity for the buildings that require year-round cooling from the SCP. The free cooling system will consist of a water-to-water heat exchanger between the existing chilled water plant loop and an exterior glycol loop that will be sized to accommodate the plant’s cooling load when the Outdoor Air Temperature drops below 28° F, and the chillers are no longer able to run. The project will increase the efficiency and capacity of the chilled water system when the Outdoor Air Temperature drops below freezing. This is increasingly important as the new Clinical Health Sciences building will have a cooling load all year long due to the nature of some of the spaces and equipment planned to be in the building.

The design for this project has been completed and the contract for construction has been awarded. The equipment is in the process of being ordered.

Delivery Method: Design-Build

Project Cost	
Design and Administration	\$75,000
Cost of Work	\$760,500
Contingency	\$55,000
Owner Costs	\$9,500
Total	\$900,000

Funding Source	
Local	\$900,000
Total	\$900,000

Contingency Balance: \$55,000

Construction Complete: 1%

Project Completion: July 2023

Miami University
Physical Facilities Department
Status of Capital Projects Report

IN DESIGN

(Pre-Contract)

1. Bachelor Hall Renovation: (BOT Jun '22)

Porchowsky

This project will provide for the renovation of Bachelor Hall. Built in 1979, this general academic building contains over 180 offices and 22 classrooms. The facility has not had a major renovation since its opening. Bachelor Hall currently houses the departments of Mathematics, Speech Pathology and Audiology, and English, as well as the Humanities Center and the American Cultures and English (ACE) program for international students. Speech Pathology and Audiology will be moving out of the building. This project will identify new occupants for the building through a comprehensive look at the humanities programs and alignment of departments within the College of Arts & Sciences across the campus. The project will renovate the entire 112,418 GSF facility with new mechanical systems and upgraded fire suppression, electrical and plumbing systems. The project will explore covering the existing open courtyard to increase building efficiency and create much needed collaboration and updated instructional spaces.

The project is now in the design development phase which will complete in the middle of February 2023. Construction of the enabling spaces for departments being displaced by the renovation of Bachelor are scheduled to take place during the fall of 2023 and spring of 2024. Construction activities within Bachelor Hall are scheduled to begin the summer of 2024 and complete August 2026. The first of two state capital appropriations have been approved for \$22,311,930. The second state capital appropriation request is expected to be submitted in the fall of 2023.

Proposed Budget: \$62,000,000
Desired Start: May 2024
Desired Completion: August 2026

Funding Source	
TBD	\$62,000,000
Total	\$62,000,000

2. Hamilton Campus – Mosler Hall Chemistry Lab Renovation:

Heflin

This project will renovate the Mosler 417 Chemistry Lab and reorganize the Chemistry prep room and equipment. The project will replace the antiquated lab casework, counters and fume hoods and improve the safety, efficiency and operation of the space. New flooring will be installed in the chemistry lab with a general refresh of the other finishes.

Bid results, including desired alternates, came in over budget by \$229,000. As a result, the Regional Campus' administration has decided to not move forward with the project at this time.

Proposed Budget: \$821,900
Desired Start: May 2023
Desired Completion: August 2023

Funding Source	
Local	\$821,900
Total	\$821,900

Miami University
Physical Facilities Department
Status of Capital Projects Report

3. **Laws Hall – Graduate and Undergraduate Dean Offices:**

Burwinkel

The Provost's office has added a position, the Dean of Undergraduate Students. The primary job of the department of Undergraduate Education is to ensure Miami's undergraduate students are as successful as possible. The Graduate School anticipates dynamic changes as prompted by Miami RISE, which aims to drive transformational change to guide Miami through unprecedented volatility in higher education. These offices currently have space in Roudebush Hall and will move to Laws Hall. These offices will be serving students directly. Laws Hall, an academic and administrative building in the heart of the campus, is more accessible and inviting to students. The offices will be located in the currently underutilized area of the former BEST Library circulation desk and the 3D printing services area. The office suites will have a few private offices, work spaces, and shared resources comprising approximately 3,000 net assignable square feet.

This project has been reactivated. The project will only involve relocating the Graduate School. The project is in the final construction documents phase and will be bid after the New Year. Preliminary schedule has construction starting in early spring to compensate for long material lead times.

Proposed Budget: \$780,000
Desired Start: March 2023
Desired Completion: July 2023

Funding Source	
Local	\$780,000
Total	\$780,000

4. **Middletown Campus – Gardner-Harvey Library – Roof Replacement 2023:**

Burwinkel

This project will replace the existing roof system at Gardner-Harvey Library on the Middletown Campus. It will address not only the roof, but also the slope of the roof, condition of the existing roof drains, and metal coping around the perimeter of the structure.

The project is in the design development phase. The project was advertised for bid in November 2022 to ensure that long material lead times do not delay the project once construction begins.

Proposed Budget: \$1,584,500
Desired Start: May 2023
Desired Completion: August 2023

Funding Source	
Local	\$1,584,500
Total	\$1,584,500

Miami University
Physical Facilities Department
Status of Capital Projects Report

IN PLANNING
(Pre-A&E)

No Projects in Planning This Report

Miami University
Physical Facilities Department
Status of Capital Projects Report

COMPLETED PROJECTS

No Completed Projects This Report

Miami University
Physical Facilities Department
Status of Capital Projects Report

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

Project	Budget
Airport Pavement Project 2022	\$302,000
Alumni Hall Fire Suppression Upgrades 2022	\$75,000
Art Building – Emergency Generator Replacement 2020	\$145,000
Advancement Services Building – new carpet	\$100,000
Beta Bells Tower Structure Repair 2022	\$69,600
Bonham House – Interior Refresh	\$110,075
Boyd Hall – Fire Alarm Upgrade	\$115,000
Cole Service Building – FBS Financial Services Move	\$400,000
E & G Building – LED Retrofits 2022	\$349,342
Early College Academy – Johnston 117 & Wilkes 200	\$196,000
Emerson Hall - Fire Alarm System Replacement 2022	\$275,000
Farmer School of Business – Atrium Roof Replacement 2023	\$450,000
Farmer School of Business – Envelope Remediation	\$51,750
Farmer School of Business – Memorial Parklet	\$300,000
Farmer School of Business – Room 042 & 3061 renovation	\$335,000
Goggin Ice Center - Dock Door & Façade Repair 2022	\$140,000
Goggin Ice Center – Locker Replacement	\$114,405
Hanna House - Renovation for Diversity 2022	\$200,000
Heritage Commons – LED Conversion 2020	\$85,000
Hughes Hall – Door Combination Locks	\$60,000
Hughes Hall- Exterior Door Replacement 2022	\$200,000
Hughes Hall – EMR Liebert Unit Replacement	\$150,000
Indoor Sports Center - LED Conversion 2020	\$290,000
King Library – Room 112 Renovation 2023	\$250,000
Marcum Conference Center Carpet Replacement	\$80,000
Millett Hall – Scorer’s Table 2022	\$125,000
MUH – BAS Panel Upgrades	\$55,000
MUO Campus Services Chimney Repairs - Symmes Hall	\$100,000
MUO – Masonry & Limestone Repairs 2020	\$165,525
MUO Painting - Campus Services Exterior 2022	\$343,000
MUO Painting – E & G Buildings 2022	\$262,650
MUO Rental Refresh 2022: 15 N. University	\$170,000
MUO Rental Refresh 2022: 163 Shadowy Hills	\$52,000
MUO Rental Refresh 2022: 220 E. High Street	\$154,000
MUO Residence Hall Simplex Fire Alarm Panel Upgrades	\$341,000
MUO Service Dog Park	\$59,140
North Campus Garage Improvements	\$464,500
Old Manse - Aspire, Drainage & Engineering 2022	\$400,000
Phillips Hall - 212 Lab Exhaust Upgrade 2021	\$150,000
Psychology Building - Animal Facility Floor 2021	\$150,000
Recreational Sports Center – Resurface Climbing Wall	\$85,000
Recreational Sports Center – Turnstiles 2022	\$60,000

Miami University
Physical Facilities Department
Status of Capital Projects Report

Projects Between \$50,000 and \$500,000 (continued)

Shriver Center Masonry Repairs	\$80,000
Shriver Center – Starbucks Walk-in Cooler & Freezer	\$100,000
Tappan Hall - Fire Alarm System Replacement 2022	\$275,000
Tappan Hall – Ventilation Upgrades 2022	\$400,000
Utilities – Black Start Support 2021	\$70,000
Yager – Cradle of Coaches Statue 2023	\$160,000

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

Project	Original Budget	Returned Funds
Cole Service Building – AH4 Upgrade 2020	\$70,000	\$7,050
E & G Buildings – LED Retrofits 2020	\$350,000	\$75,432
Equestrian Center Erosion Control	\$500,000	\$184,786
Hanna House - Exterior Work	\$60,000	\$15,717
Hueston Woods - Water Autosampler Improvement 2021	\$90,150	\$13,773
MUO Residence Hall Fire Alarm System Panel Upgrades	\$245,000	\$4,143
Student Athlete Development Center – Fire Damage Repairs 2021	\$180,000	\$82,025
Utilities – Pad Switch Replacement 2020	\$495,000	\$34,565

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.

December 9, 2022
Finance and Audit

RESOLUTION R2022-20

WHEREAS, the Ogden Hall and Bell Tower Place Renovation project involves the renovation of an existing residence and dining hall that are combined in one structure; and

WHEREAS, Miami University has determined that cost control, speed of implementation, and best value may be gained by utilizing the Design-Build project delivery method for this project; and

WHEREAS, Miami University had previously determined that because of construction market conditions at the time and the likelihood of dining operations at this location being reimagined in a partnership with its new dining operator, the project as approved by the Board of Trustees called for the fully renovation of the residence hall portion of the building but a very limited scope renovation of the dining hall until a more complete renovation could be designed with the new dining partner; and

WHEREAS, Miami University's administration has recently completed the design process for the Bell Tower Place dining hall that will result in the build-out of a 'ghost kitchen' concept providing menu flexibility supported by mobile ordering with a reduced seating area for prompt, flexible service; and

WHEREAS, Miami University is in receipt of and is in the process of reviewing the Guaranteed Maximum Price (GMP) of about \$12 million for the dining hall portion of the project; and

WHEREAS, Miami University's Board of Trustees has previously authorized execution of a Guaranteed Maximum Price of \$27,000,000 for the residence hall portion of the renovation project; and

WHEREAS, Miami University is in receipt of and is in the process of reviewing the Guaranteed Maximum Price (GMP) of about \$12 million for the dining hall portion of the project; and

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees authorizes the Senior Vice President for Finance and Business Services and Treasurer to proceed in executing the Guaranteed Maximum Price (GMP) for the dining portion of the Ogden Hall and Bell Tower Place renovation project not to exceed \$12,000,000.

*Approved by the Board of Trustees
December 9, 2022*



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

Executive Summary
for the
Ogden Residence Hall/Bell Tower Place Dining Renovation
December 9, 2022

This project will result in the renovation of Ogden Hall as part of the Long-Range Housing Master Plan. The work in Bell Tower Place was initially limited to preparing the space for future renovation. The overall 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.

This resolution seeks approval to amend the project to include the renovation of Bell Tower Place dining facility in conjunction with the residence hall. The design of this dining facility differs from other university venues. The completed space will offer a full-scale “ghost kitchen” providing ultimate flexibility in adapting to changing student dining demand. The concept further promotes mobile ordering, self-serve meal pick-up, and efficiency of the customer experience.

The project cost below reflects the original cost of the Ogden Hall renovation with an added \$12,000,000 for the renovation of the Bell Tower Place dining hall renovation.

<u>Project component:</u>	<u>Budget:</u>	<u>Funding Source:</u>
Est. Design and Administration:	\$3,855,228	Local Funding
Est. Cost of Work:	\$28,475,746	Local Funding
Est. Owner’s Costs:	\$3,339,594	Local Funding
Est. Contingency:	<u>\$1,891,150</u>	Local Funding
Est. Total:	\$37,561,718	

Board of Trustee – Fall Semester Dashboards

Oxford Undergraduate

Oxford Campus Undergraduate Leading Part 1

- Application Trend
- Non Resident Student Applications
- Admit Rate
- Admitted Student Trend

Oxford Campus Undergraduate Leading Part 2

- Endowment offset for Scholarships Supported by Unrestricted Revenues
- Confirmations
- Miami University – Oxford Campus 4 and 6 Year Graduation Rates
- US News Ranking

Oxford Campus Undergraduate Leading Part 3

- Undergraduate Applications by Region
- Undergraduate Prospects and Inquiries
- Undergraduate Campus Visits by Prospective Students

Oxford Campus Undergraduate Lagging Part 1

- Undergraduate Net Instructional Revenue
- Incoming Class by Year
- Net Instructional Revenue per Undergraduate First Time Student
- Trend in Cohort Aid

Oxford Campus Undergraduate Lagging Part 2

- Total Enrollment (FTE)
- Oxford Campus Undergraduate First and Second Year Retention

Student Success & Career Services

- Oxford Campus 2022 Career Services Student Engagements (July through November)
- Graduating Undergraduate Students Employed or in Graduate School
- Starting Salary of Graduating Undergraduates

Graduate & Research

Oxford Campus Graduate Leading

- Graduate Student Applications (Excludes BA_MA Students)
- Admitted Graduate Students (Excludes BA_MA Students)
- Confirmed Graduate Students (Excludes BA_MA Students)
- Admitted Graduate Students (Excludes BA_MA Students)

Oxford Campus Graduate Lagging Part 1

- Fall FTE in Market Driven and Traditionally Priced Graduate Programs
- NIR from Market Drive and Traditionally Priced Graduate Programs
- Net Tuition Revenue in BA-MA Programs
- Grant Support Stipends & Waivers

Oxford Campus Graduate Lagging Part 2

- Total Enrollment in Bachelors/Masters Programs
- Boldly Creative Program Net Instructional Revenue

Research Activity Part 1

- Number of Proposals
- Number of Awards
- R&D Awards

- Overhead Recovery
- Research Activity Part 2
- Amount of Awards
 - Grant Expenditures (Excluding COVID Grants)

Oxford Faculty

Oxford Campus Faculty Resources Part 1

- Oxford Campus Faculty Composition (FTE)
- Oxford Campus Credit Hours by Faculty Type
- Distribution of Courses Taught Fall 2022 by Full Time Faculty Type (Headcount)
- Oxford Campus Credit Hours by Faculty Type

Oxford Campus Faculty Resources Part 2

- Change in Billed UG Credit Hours and FT Faculty FY15 to FY22 Scaled by Change in UG Majors
- Change in Upper Division Credit Hours FY15 to FY22 by Change in Full Time Faculty (T/TT & TCPL)

Oxford Campus Faculty Resources Part 3

- Change in T/TT Faculty from Fall 2020 to Fall 2022 Compared to the % Teaching Less than 3 Course in Fall 2022
- Change in TCPL Faculty from Fall 2020 to Fall 2022 Compared to the % Teaching Less than 4 Course in Fall 2022
- Change in Full Time Visiting Faculty from Fall 2020 to Fall 2022 Compared to the % Teaching Less than 4 Course in Fall 2022

Oxford Campus Faculty Resources Part 4

- Lower Division Class Size by College
- Upper Division Class Size by College
- Graduate Class Size by College

Oxford Campus Faculty Resources Part 5

- Oxford Campus Instructional Cost per Credit Hour for Lower Level Courses
- Oxford Campus Instructional Cost per Credit Hour for Upper Level Courses
- Oxford Campus Instructional Cost per Credit Hour for Graduate Courses

Regional Campuses

Regional Campus Leading

- Regional Campus First Time Applications Fall 2018 – Fall 2022
- Regional Campus Transfer Applications Fall 2018 – Fall 2022
- Regional Campuses 6 Year Graduation Rates for Bachelor Degree Seeking Students
- Regional Campuses 6 Year Graduation Rates for Bachelor Degree Seeking Students from Any Institution

Regional Campus Lagging Part 1

- Regional Campuses Sophomore Retention Rate
- Starting Salary of Graduating Regional Students

Regional Campus Lagging Part 2

- Regional Campus Enrollment (FTE)
- Regional Campus Instructional Revenue

- Regional Campus Enrollment (FTE)
- Graduating Undergraduate Students Employed or Admitted to Graduate School

Regional Campus Faculty Resources Part 1

- Regional Campuses Faculty Composition (FTE)
- Regional Campuses Credit Hours by Faculty Type
- Regional Campuses Credit Hours per Faculty

Regional Campus Faculty Resources Part 2

- Change in Faculty from FY15 to FY22 Compared to the Change in Credit Hours
- Change in Full Time Faculty from FY15 to FY22 Compared to Change in Credit Hours Instructed by Full Time Faculty
- Change in VAP & Per Credit Hour Faculty from FY15 to FY22 Compared to the Credit Hours Instructed by VAP's & Per Credit Hour Faculty

Regional Campus Faculty Resources Part 3

- Regional Campuses Average Sections Instructed per Faculty Member
- Regional Campuses Lower Division Cost of Instruction by Faculty Type
- Regional Campuses Upper Division Cost of Instruction by Faculty Type

USO Comparisons

Ohio Public University Comparisons Part 1

- Ohio Public Universities Main Campus Undergraduate Applications Fall 2021
- Ohio Public Universities Main Campus Admitted Undergraduate Students Fall 2021
- Ohio Public Universities Main Campus Undergraduate Admission Rate Fall 2021
- Ohio Public Universities Main Campus Admitted Undergraduate Enrollment (FTE)

Ohio Public University Comparisons Part 2

- Ohio Public Universities Regional Campus Enrollment (FTE)
- Ohio Public Universities Graduate Full Time Enrollment (Head Count)
- Ohio Public Universities Endowment Value (FY20)
- Ohio Public Universities Scholarship Offset from Endowment

Ohio Public University Comparisons Part 3

- Ohio Public Universities Bachelor Degrees Awarded (Main & Regional Campuses)
- Ohio Public Universities Masters Degrees Awarded
- Ohio Public Universities Top 5 Masters Degrees
- Ohio Public Universities Top 5 Bachelor Degrees

Board of Trustees - Fall Semester Dashboards
Home Page (All Data as of November 2022)

Oxford Undergraduate

**Oxford Campus
Undergraduate
Leading Part 1**

**Oxford Campus
Undergraduate
Leading Part 2**

**Oxford Campus
Undergraduate
Leading Part 3**

**Oxford Campus
Undergraduate
Lagging Part 1**

**Oxford Campus
Undergraduate
Lagging Part 2**

**Student Success &
Career Services**

Graduate & Research

**Oxford Campus
Graduate Leading**

**Oxford Campus
Graduate Lagging
Part 1**

**Oxford Campus
Graduate Lagging
Part 2**

**Research Activity
Part 1**

**Research Activity
Part 2**

Oxford Faculty

**Oxford Campus
Faculty Resources
Part 1**

**Oxford Campus
Faculty Resources
Part 2**

**Oxford Campus
Faculty Resources
Part 3**

**Oxford Campus
Faculty Resources
Part 4**

**Oxford Campus
Faculty Resources
Part 5**

Regional Campuses

**Regional Campus
Leading**

**Regional Campus
Lagging
Part 1**

**Regional Campus
Lagging
Part 2**

**Regional Campus
Faculty Resources
Part 1**

**Regional Campuses
Faculty Resources
Part 2**

**Regional Campuses
Faculty Resources
Part 3**

USO Comparisons

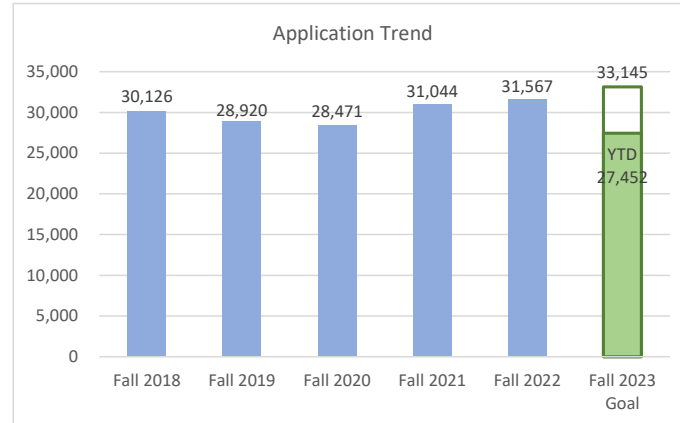
**Ohio Public University
Comparisons Part 1**

**Ohio Public University
Comparisons Part 2**

**Ohio Public University
Comparisons Part 3**

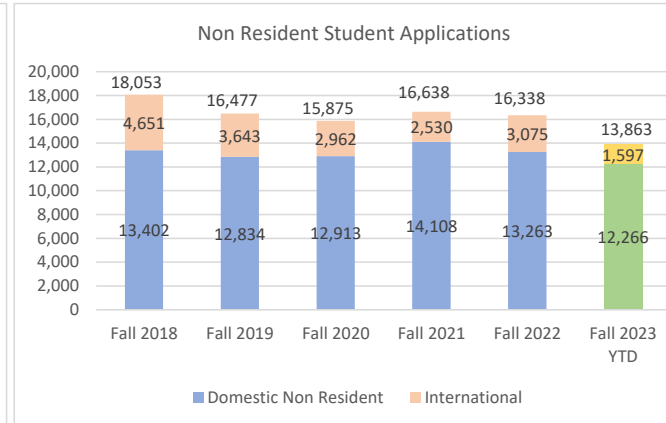
Leading Indicators Oxford Campus Fall Class Recruitment First Time Students

YoY % Change in Applications
1.7% ↑



The application trend is the earliest indicator of whether the University will meet its net instructional revenue (NIR) goal. Except for the Fall impacted by COVID, the University's application pool has been increasing.

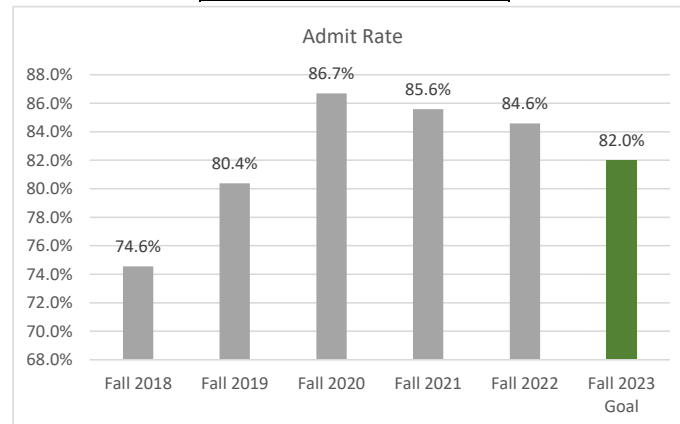
YoY % Change in Non Res Apps
-15.1% ↓



Non-Resident applications are important for meeting the University's NIR goal. International applications have been trending down, while domestic non-resident applications had been increasing but declined for fall 2022.

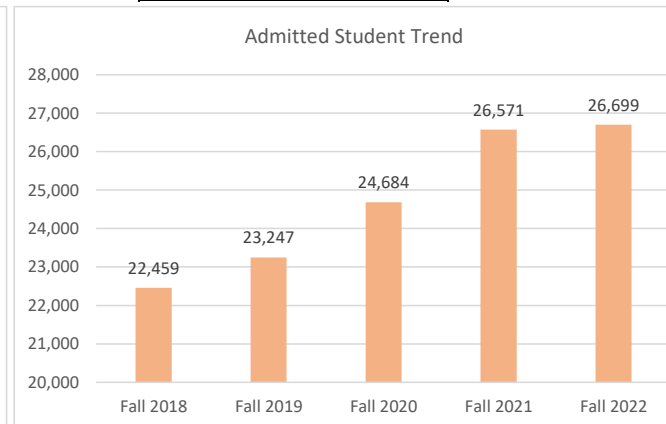
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YoY % Change in Admitted
-1.2% ↓



The admit rate is another indicator of selectivity. An increase in admit rates suggest less selectivity and can have long term negative consequences for the University's brand.

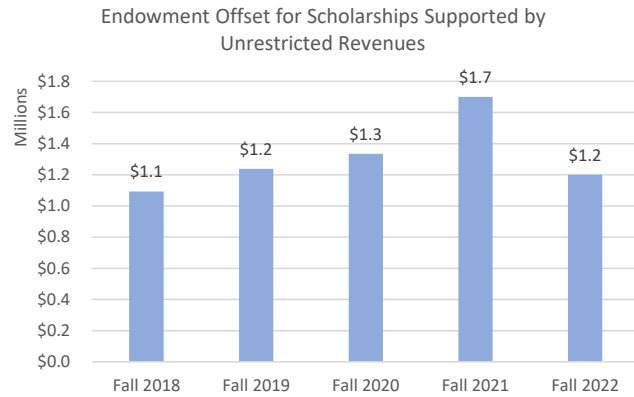
YoY Change in Admitted
0.5% ↑



Increases in the number of admitted students help the University meet its enrollment and NIR goals. However, increases in admitted students are viewed negatively in the market place as a decrease in selectivity.

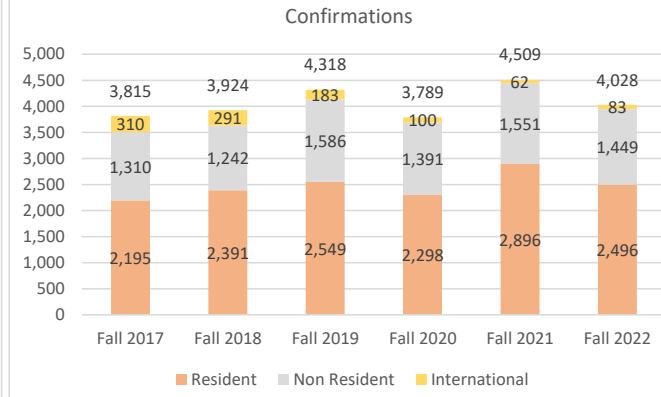
Leading Indicators Oxford Campus Fall Class Recruitment First Time Students

YoY % Change Scholarship Offset
-29% ↓



Endowment support for scholarships is vital for the University's recruitment and NIR goals. While there has been some growth in endowed scholarships, it has not kept pace with the increase in scholarships awarded to the incoming class.

YoY % Change in Confirmed
-10.7% ↓

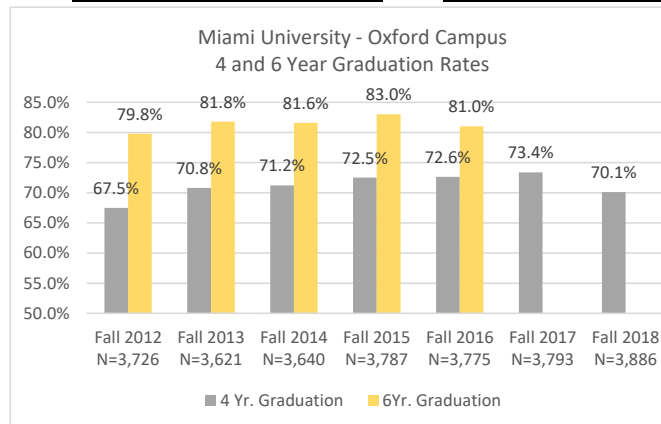


Confirmations reflect the extent to which the University's recruitment efforts have been successful. Success in non-resident recruitment is especially important for meeting the University's NIR goals.

Non-Resident Comparison
2.3% ↑

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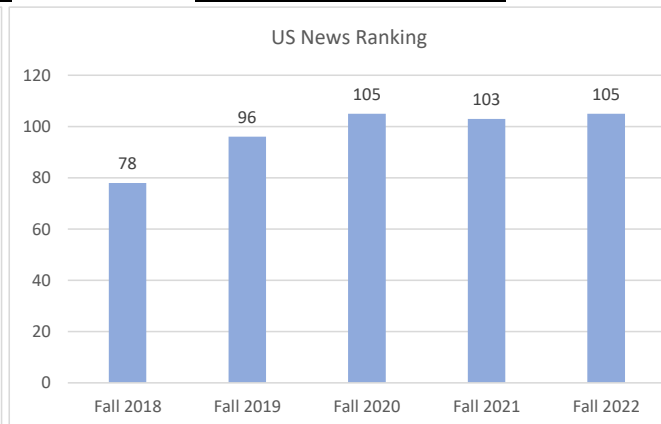
Change - 4 Yr Grad Rate
-3.3% ↓



Graduation rates are an indication of the University's quality and a key measure of student success. A rising graduation rate also tends to be accompanied by an increase in selectivity and growing NIR.

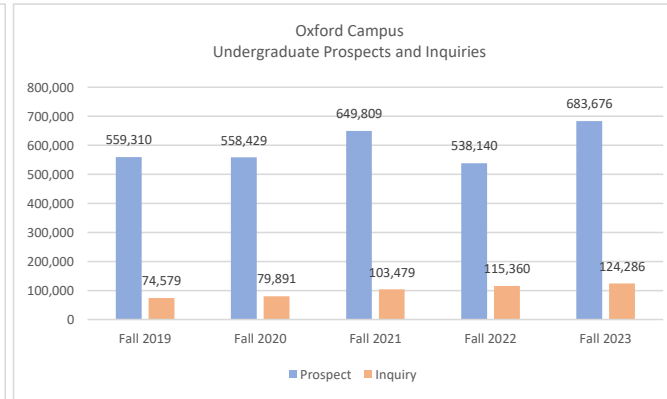
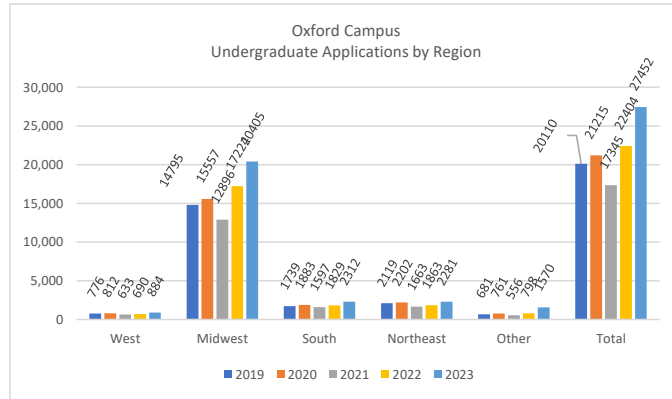
Change - 6 Yr Grad Rate
-2.0% ↓

Change in US News Rank
2 ↑

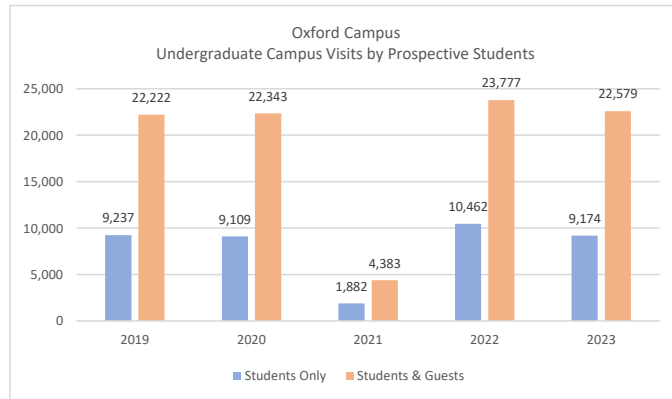


The US News and World Report's ranking of University's is an often used measure of quality by students, especially international students, and families as they consider where the student will go to college. An increasing ranking is normally a positive indicator NIR.

Leading Indicators Oxford Campus Fall Class Recruitment First Time Students

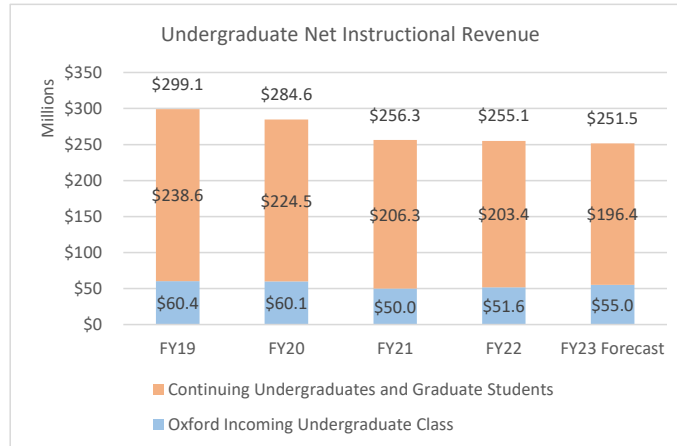


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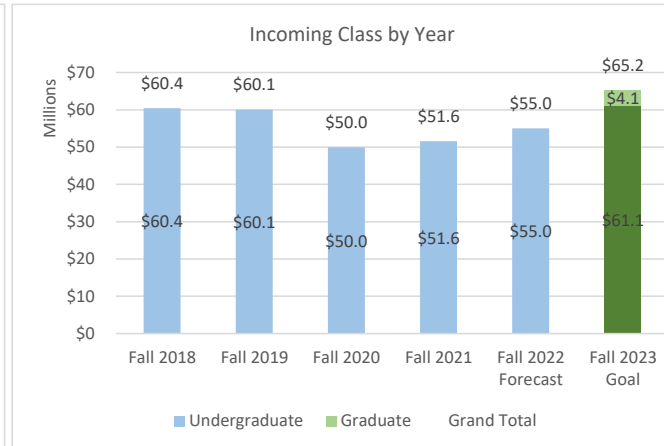
Lagging Indicators Oxford Campus Fall Class Recruitment First Time Students

YoY Change Undergraduate NIR
-1.4% ↓



Undergraduate net instructional revenue (NIR) is the largest revenue source for the University. This category of revenue has been on the decline since FY2018. This is the most important indicator of financial stability for Miami.

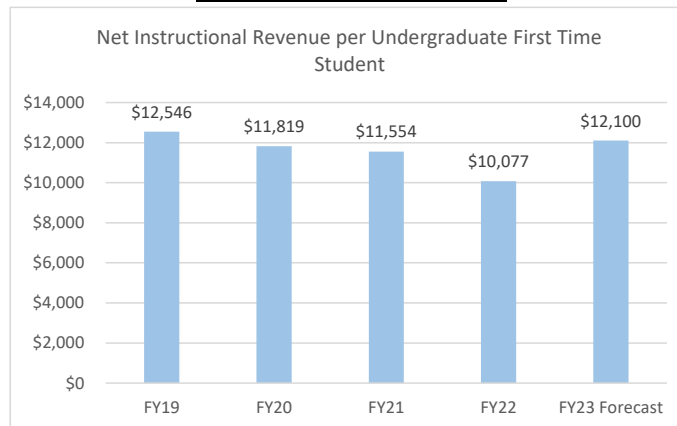
YoY Change Incoming Class NIR
6.6% ↑



Revenue growth from the incoming class is the most significant predictor of future revenue. Revenue from the incoming class from fall 2022 increased for the first time following several years of decline.

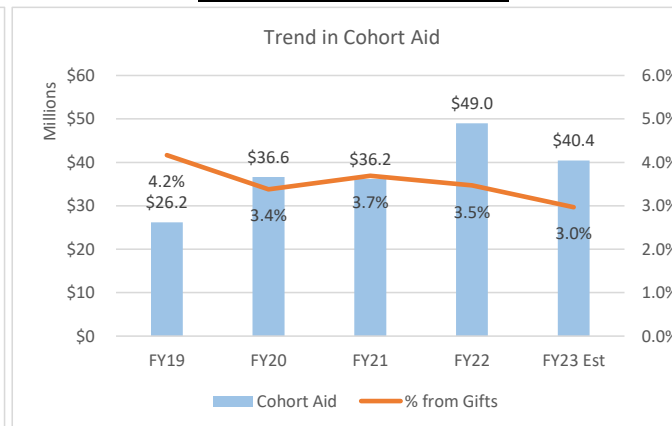
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YoY Change NIR Per Student
\$2,023 ↑



The NIR per undergraduate student reflects the combination of class size, discounting, and residency mix and the resulting resources available to the University. NIR per undergraduate student had been decreasing year over year until fall 2022.

YoY % Change in Cohort Aid
-17.5% ↓

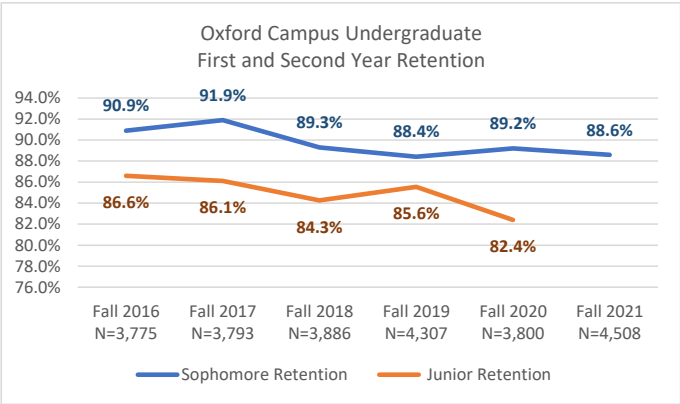
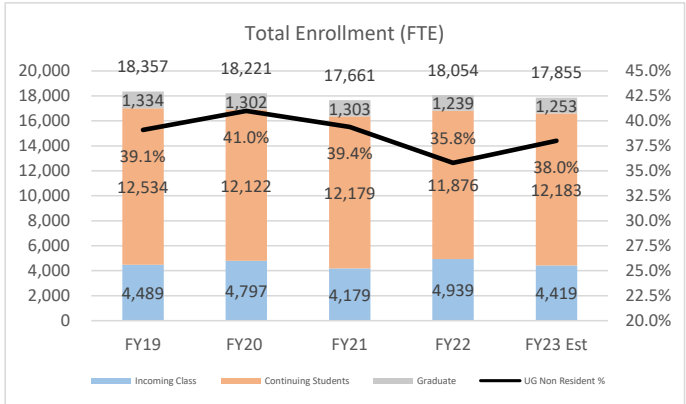


Cohort aid is the amount of scholarships awarded to the incoming class. As this aid rises it reduces the NIR available to fund compensation and university operations. The annual amount of cohort had generally been rising year over year until fall 2022 which led to declining net instructional revenue from the incoming class.

Lagging Indicators
Oxford Campus Fall Class Recruitment
First Time Students

YoY % Change in Enrollment
-1.1% ↓

YoY Change 1st Yr Retention
-0.6% ↓

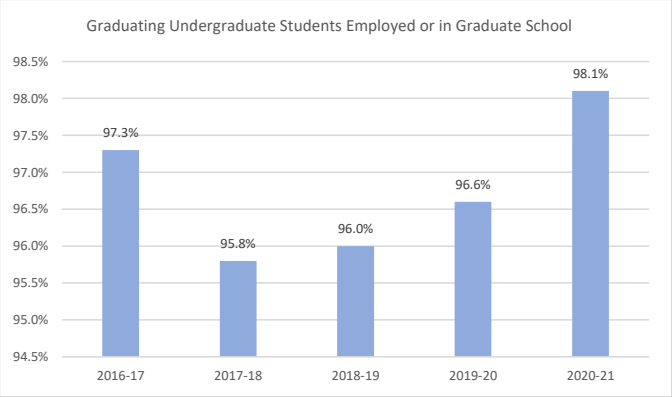
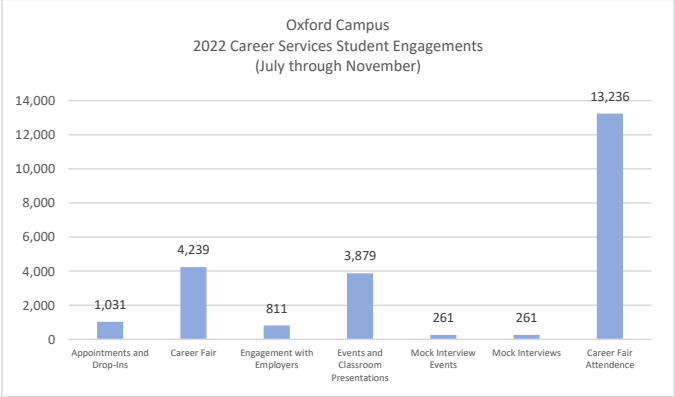


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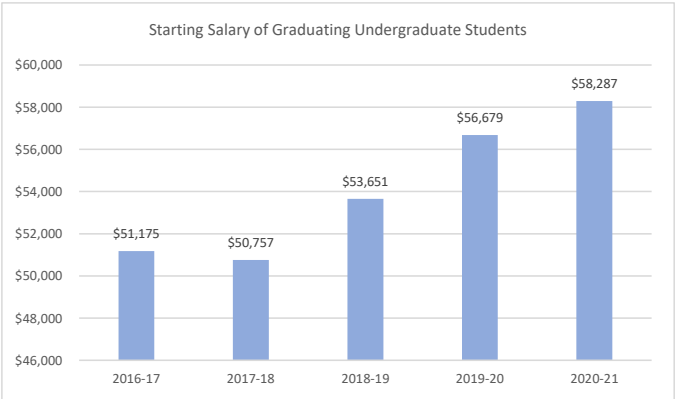
The NIR per undergraduate student reflects the combination of class size, discounting, and residency mix and the resulting resources available to the University. NIR per undergraduate student has been decreasing.

Retention measures student success and has an impact on tuition revenue. Decreases in retention will be followed by lower tuition revenue and lower graduation rates. After peaking for the Fall 2017 cohort, retention has declined but has remained around 89%.

Lagging Indicators
Oxford Campus Fall Class Recruitment
Student Success and Career Services

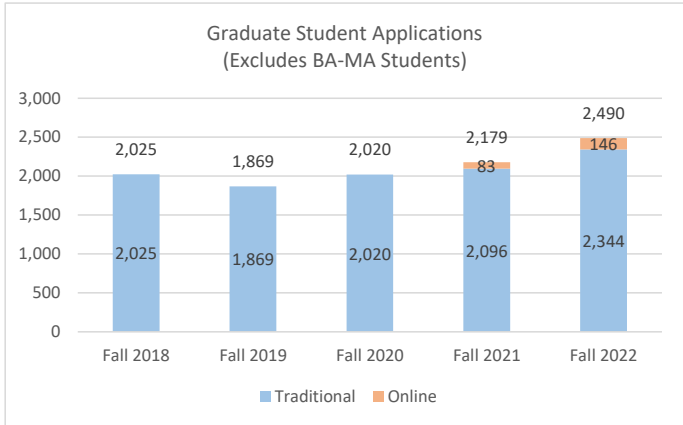


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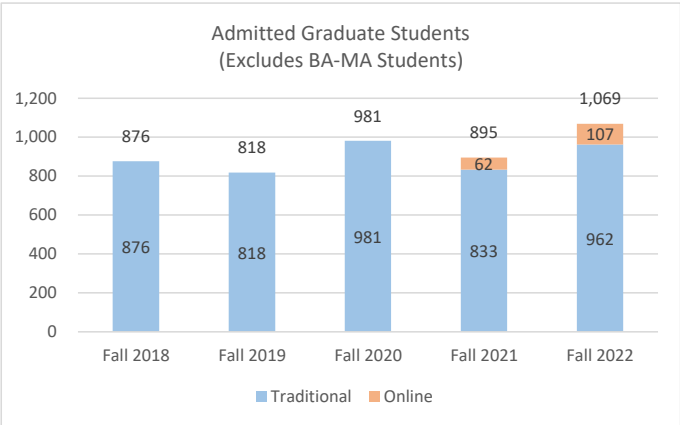
Leading Indicators
Graduate Students

YoY Change in Applications
14.3% ↑



Applications reflect student demand for the program. With program offerings increasingly delivered on line the data are segmented between “traditional” and “online.”

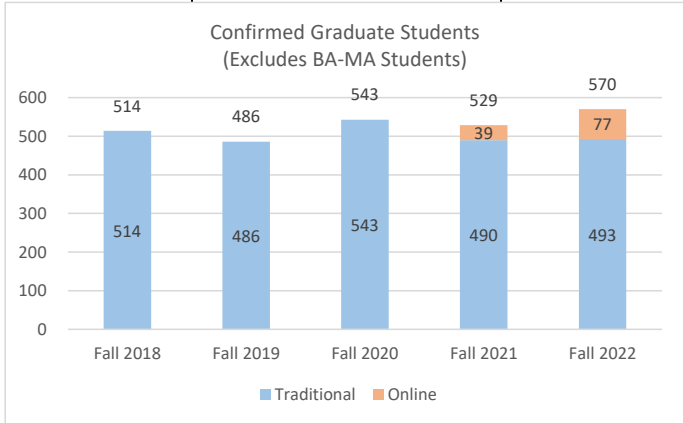
YoY Change in Admitted
19.4% ↑



Graduate admissions are influenced by student demand, academic preparedness, and program size as determined by the academic department. As a result, the number of admitted students fluctuates more than undergraduate students.

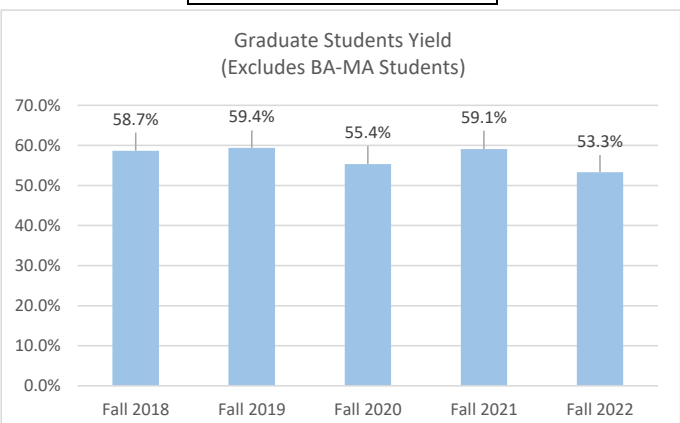
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YoY Change in Confirmed
7.8% ↑



Confirmed students are those selecting Miami University for graduate study. The addition of new Boldly Creative graduate programs should result in increased confirmations.

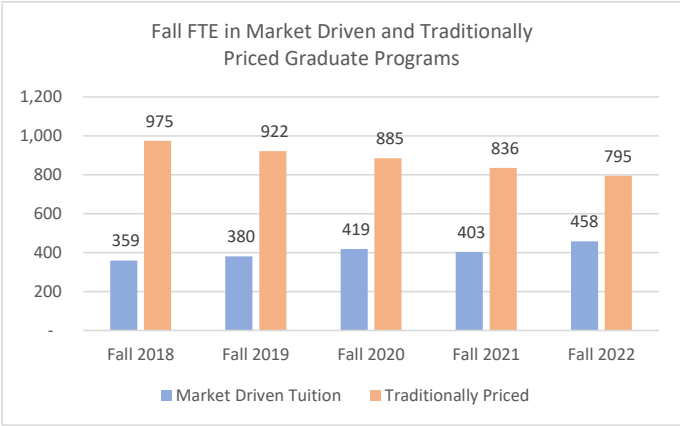
YoY Change in Yield
-5.8% ↓



Yield is the percentage of admitted students confirming attendance at Miami University. Generally, increasing yield rates reflect alignment of student demand with program offerings.

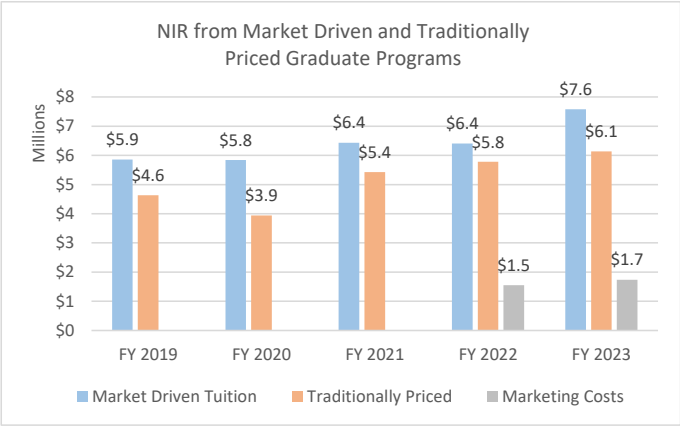
Lagging Indicators
Graduate Students

YoY Change in Enrollment
1.1% ↑



Miami University offers traditionally priced graduate programs that often have a student stipend and fee waiver. Market programs are priced based on market analysis and do not include stipends or fee waivers. The mix in these programs is changing over time as more professional (market driven) programs are offered.

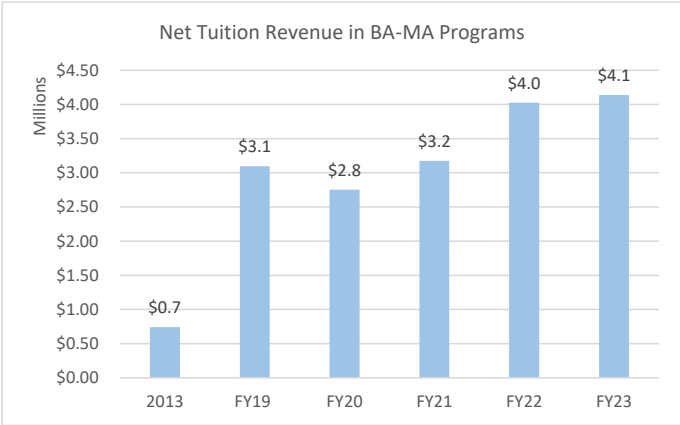
YoY Change in NIR
12.6% ↑



Miami University offers traditionally priced graduate programs that often have a student stipend and fee waiver. Market programs are priced based on market analysis and do not include stipends or fee waivers. The shift to market driven programs is a revenue diversification and growth strategy.

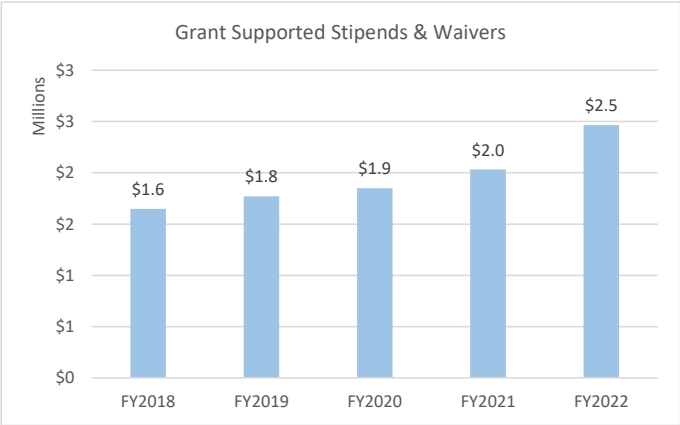
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YoY Change in BA-MA NTR
2.8% ↑



Miami University offers over 50 program pathways where undergraduate students can transition into a masters program as early as their third year. It is difficult to discern whether BAMA tuition revenue is “new” or merely retained revenue. Either outcome is preferable to foregone revenue.

YoY Grant Supported Stdts
21.3% ↑

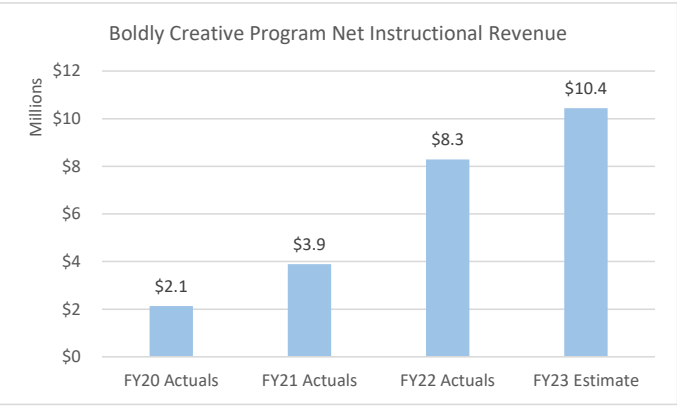
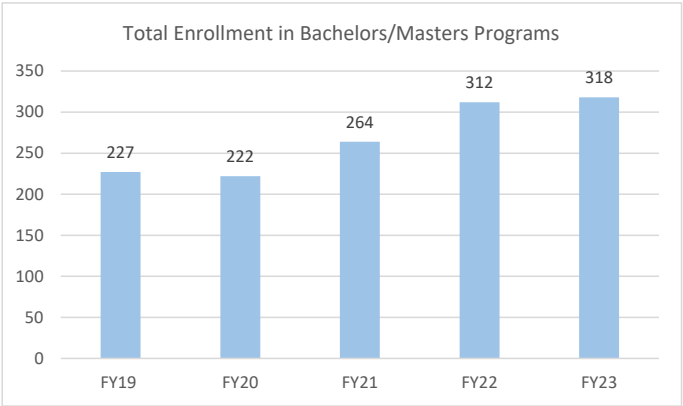


Funding graduate stipends and fee waivers for students in traditionally priced programs reduces pressure on the tuition supported budget. Faculty in graduate programs have increased the level of grant support for graduate students.

Lagging Indicators
Graduate Students

YoY Change BAMA Enrolled
1.9% ↑

YoY Boldly Creative NIR
25.9% ↑



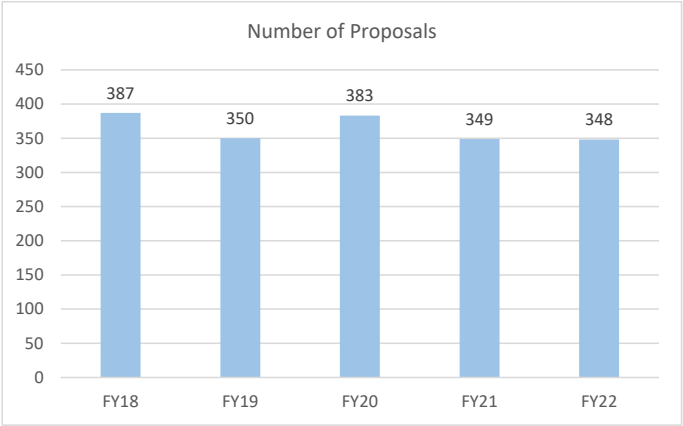
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Miami University offers over 50 program pathways where undergraduate students can transition into a masters program as early as their third year. Students find these opportunities appealing and are increasingly pursuing the option.

The Boldly Creative initiative has resulted in the creation of new, in-demand programs. As program enrollments fill in, instructional revenue should increase.

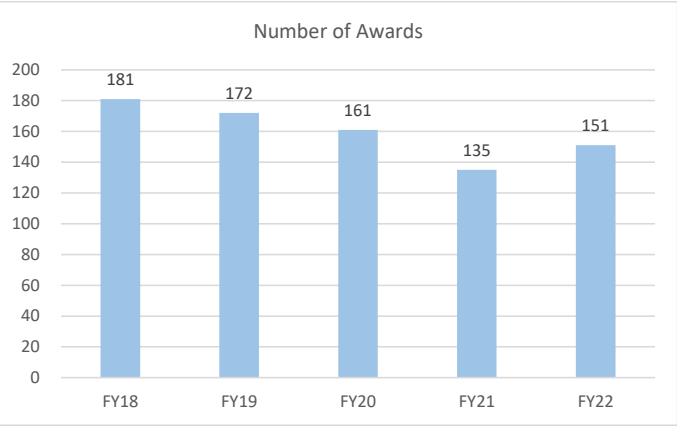
Research Activity

YoY Change in Proposals
-0.3% ↓



Increasing revenues from grants requires a consistent pipeline of grant proposal. However, the count of proposals doesn’t capture the quality of the proposal. For instance, the number of proposals in FY21 and FY22 were below FY19, but research revenue increased in FY22.

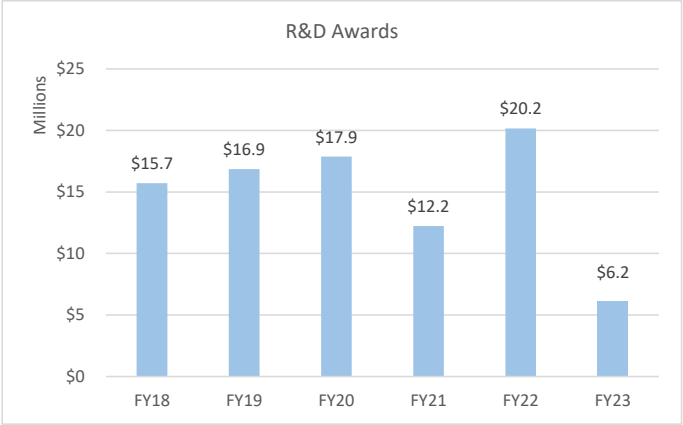
YoY Change in Awards
11.9% ↑



Increasing revenues from grants requires a consistent pipeline of grant awards. However, the count of awards doesn’t capture the quality of the proposal or the amount of. For instance, the number of awards in FY21 and FY22 were below FY19, but research revenue increased in FY22.

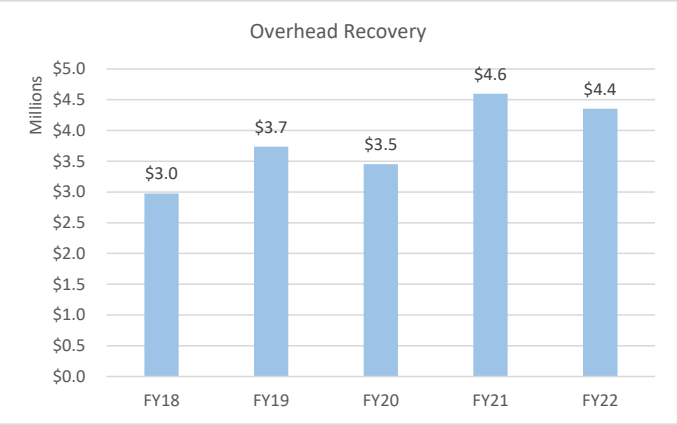
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YoY Change R&D Awards \$
64.8% ↑



R&D Awards support the University’s scholarly research activity. Increases in R&D awards help to diversify revenues and decrease pressure on the tuition supported budget. R&D awards have been increasing except for FY21 which was impacted by COVID.

YoY Change Overhead
-5.3% ↓



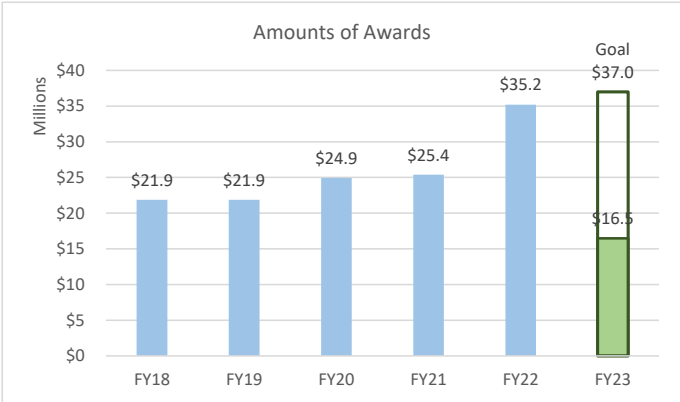
Many grants allow for an administrative recovery. Increasing overhead recoveries help to take pressure of the tuition supported portion of the university’s budget.

Research Activity

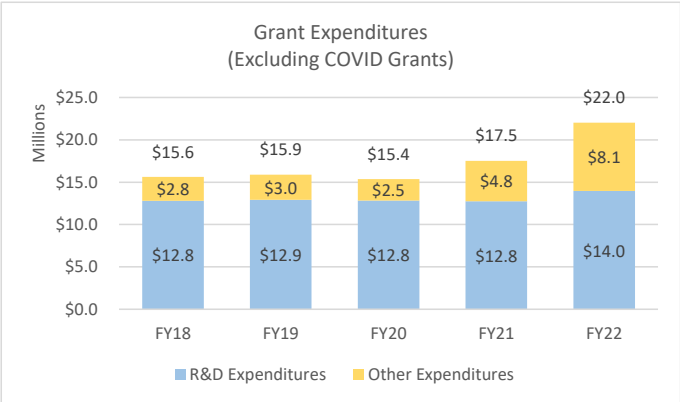
YoY Change in Awards
11.9% ↑

YoY Change Awards \$
38.7% ↑

YoY Change R&D Expenses
9.4% ↑



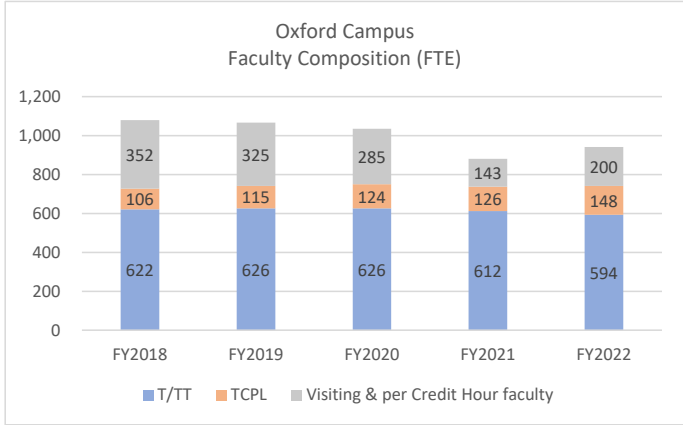
Grant revenue has been on an upward trend, with a substantial increase in FY22. The revenues increased despite a decline in proposals and awards suggesting higher quality proposals and better relationships with grant making agencies.



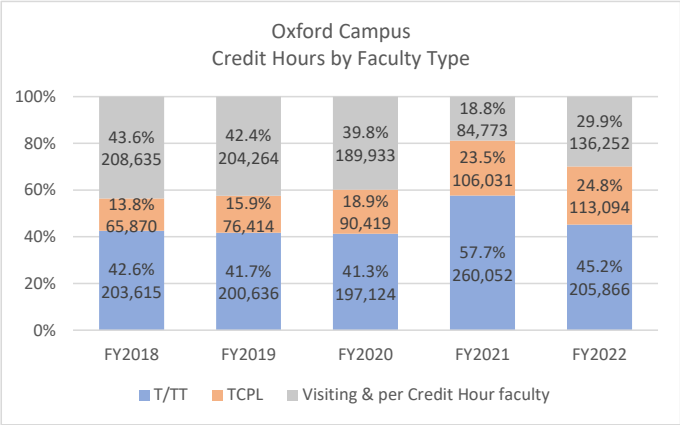
Grant expenditures reflect the amount of spending from grant revenues. The level of grant expenditures has been increasing, with a substantial increase in FY22. Federal and state grants to offset the impacts of COVID are not reflected in the chart.

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Oxford Campus Alignment of Faculty Resources with Student Demand

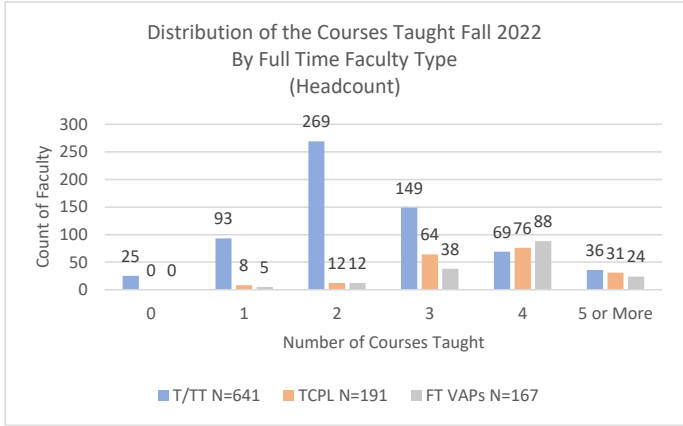


The number and mix of faculty determines the capacity of the university to deliver in academic programs, and fulfill research and service objectives.

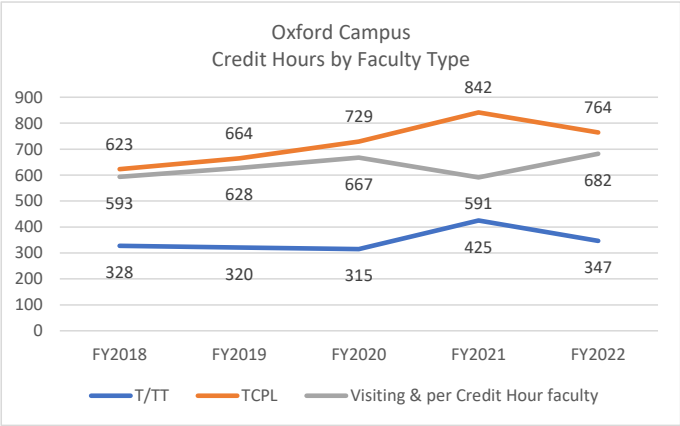


Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.

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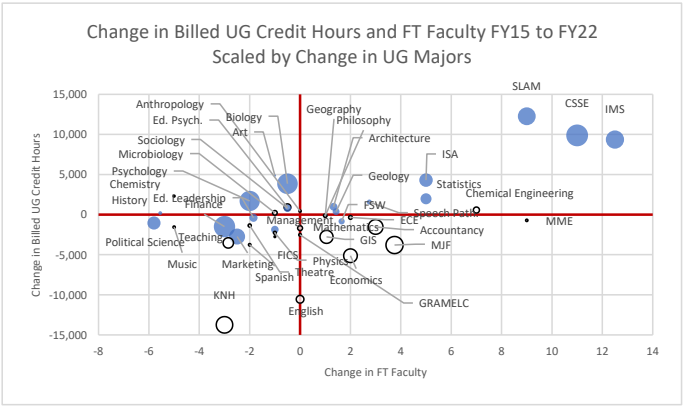


The number of course taught by faculty type generally illustrates instruction load. Instructional load for a tenure-tenure track faculty member is 3/2 or 3/3. Instructional load for a clinical faculty and full time visiting members is 4/4.

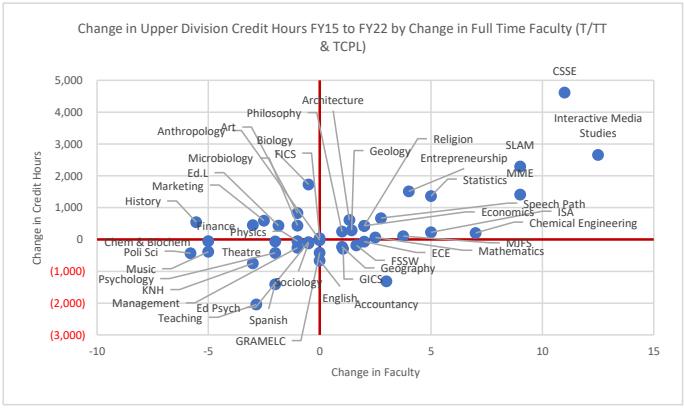


Credit hours per faculty member illustrates the type of faculty members delivering instruction.

Oxford Campus
Alignment of Faculty Resources with Student Demand



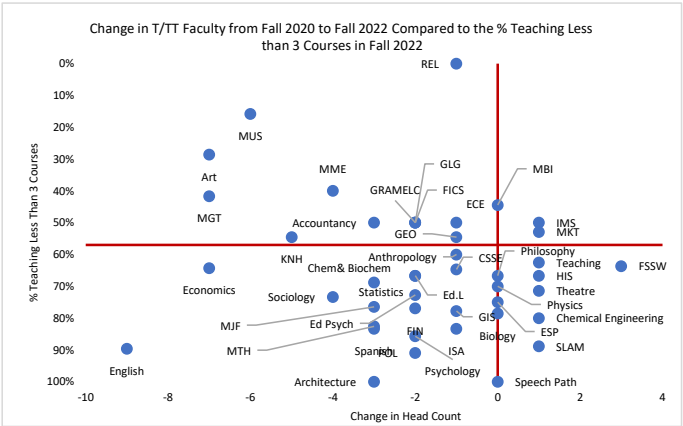
Faculty resources are aligned when the change in faculty matches the change in student demand (credit hours). Departments in the upper right quadrant increased faculty to meet increased credit hours. Departments in the lower left quadrant decreased faculty as credit hours decreased. The change in faculty did not match student demand the lower right quadrant (fewer credit hours, more faculty) and upper left quadrant (more credit hours, fewer faculty).



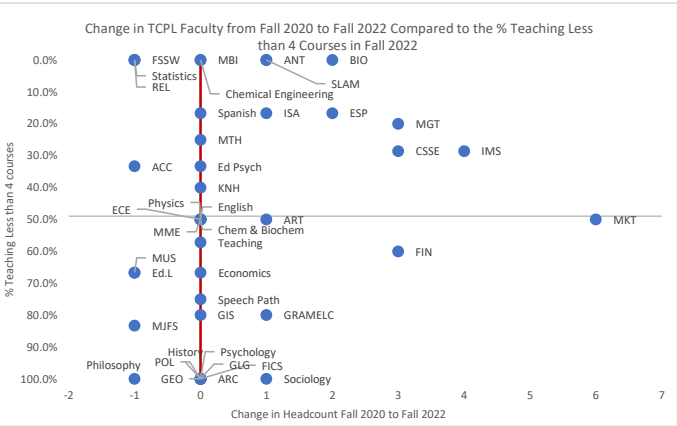
Student demand for programs is reflected by upper division credit hours taken to fulfill the requirements of majors. Departments in the upper right quadrant increased faculty to meet increased credit hours. Departments in the lower left quadrant decreased faculty as credit hours decreased. The change in faculty did not match student demand the lower right quadrant (fewer credit hours, more faculty) and upper left quadrant (more credit hours, fewer faculty)

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Oxford Campus
Alignment of Faculty Resources with Student Demand

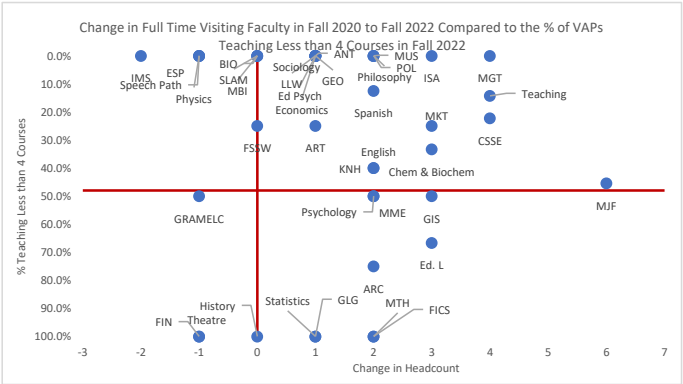


Generally, tenure-tenure track faculty teaching loads are 3/3 (3/2). Departments in the upper right quadrant had an increase in faculty and a lower than average percent of their faculty teaching less than 3 courses. Departments in the lower right quadrant had an increase in faculty and a higher than average percent of their faculty teaching less than 3 courses. Departments in the upper left quadrant had a decrease in faculty and a lower than average percent of their faculty teaching less than 3 courses. Departments in the lower left quadrant had a decrease in faculty and a higher than average percent of their faculty teaching less than 3 courses.



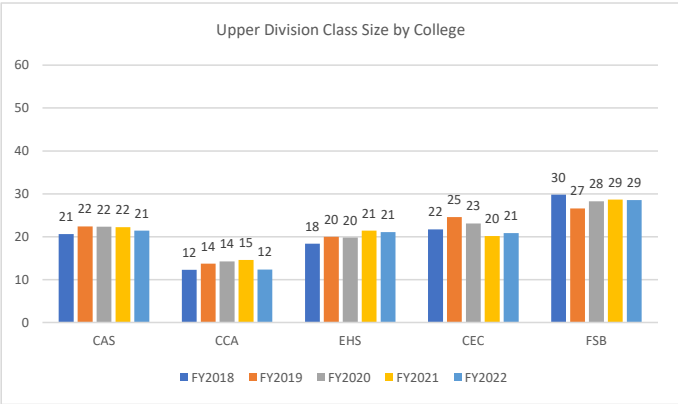
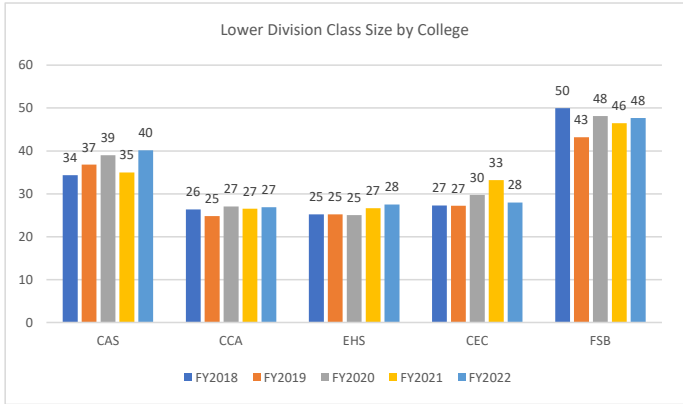
Generally, TCPL faculty teaching loads are 4/4. Departments in the upper right quadrant had an increase in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower right quadrant had an increase in faculty and a higher than average percent of their faculty teaching less than 4 courses. Departments in the upper left quadrant had a decrease in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower left quadrant had a decrease in faculty and a higher than average percent of their faculty teaching less than 4 courses.

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Generally, full-time visiting faculty teaching loads are 4/4. Departments in the upper right quadrant had an increase in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower right quadrant had an increase in faculty and a higher than average percent of their faculty teaching less than 4 courses. Departments in the upper left quadrant had a decrease in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower left quadrant had a decrease in faculty and a higher than average percent of their faculty teaching less than 4 courses.

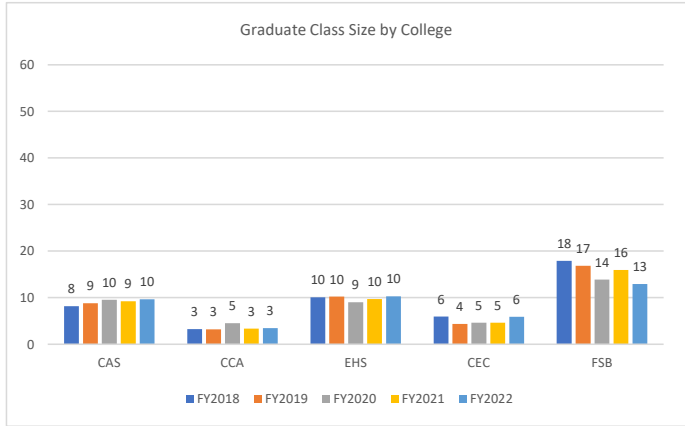
Oxford Campus
Alignment of Faculty Resources with Student Demand



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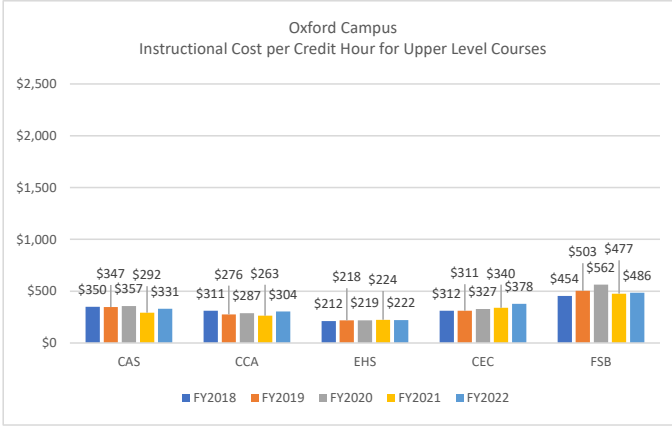
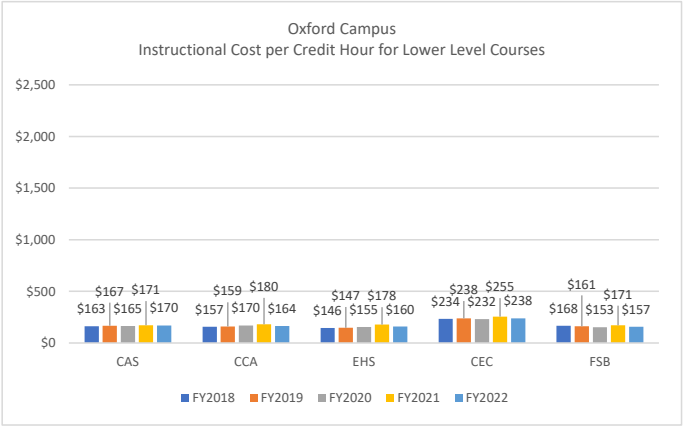
Section sizes are influenced by discipline and pedagogy. Generally, larger section sizes are associated with the efficient use of faculty and lower costs of instruction.

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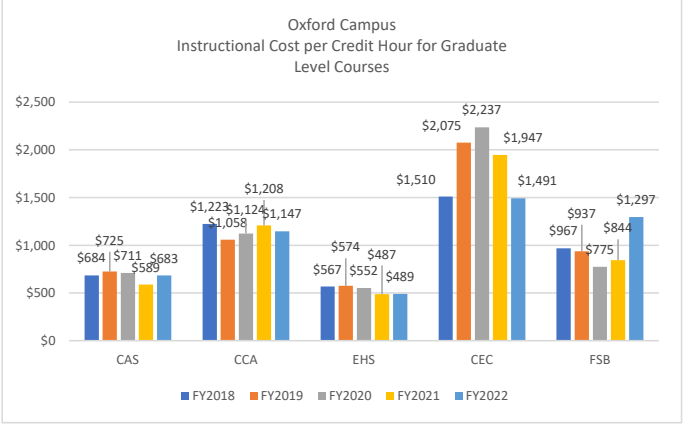


Section sizes are influenced by discipline and pedagogy. Generally, larger section sizes are associated with the efficient use of faculty and lower costs of instruction. Graduate instruction tends to be more expensive than undergraduate instruction due to section size and the use of tenure-tenure track faculty for instruction.

Oxford Campus
Alignment of Faculty Resources with Student Demand



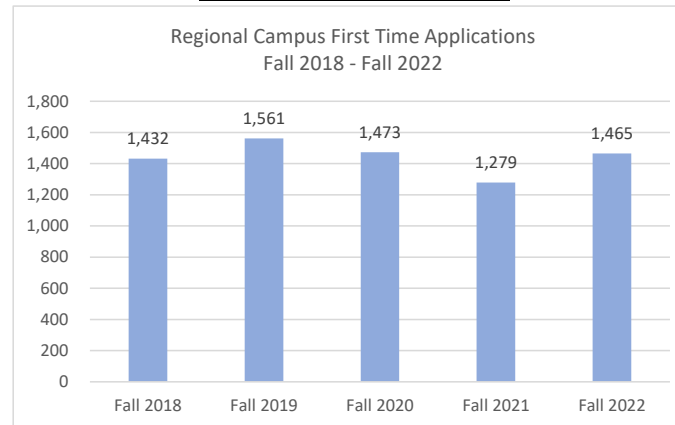
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Leading Indicators Regional Campus Students

YoY Change 1st Time Apps

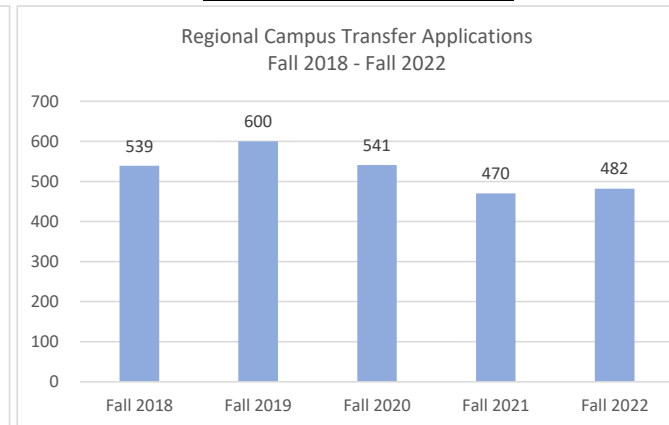
14.5% ↑



The size of the application pool is the earliest indicator of whether the regional campuses will meet its NIR goals. First time applications increased in fall 2022 following a decline in Fall 2021 likely due to the tight labor market.

YoY Change Transfer Apps

2.6% ↑

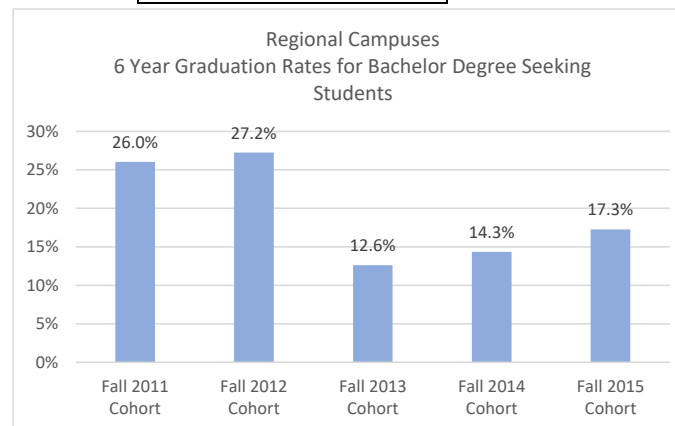


Compared to the main camp, transfer students make up a larger portion of the regional campus incoming class. Transfer application have been trending down since fall 2019.

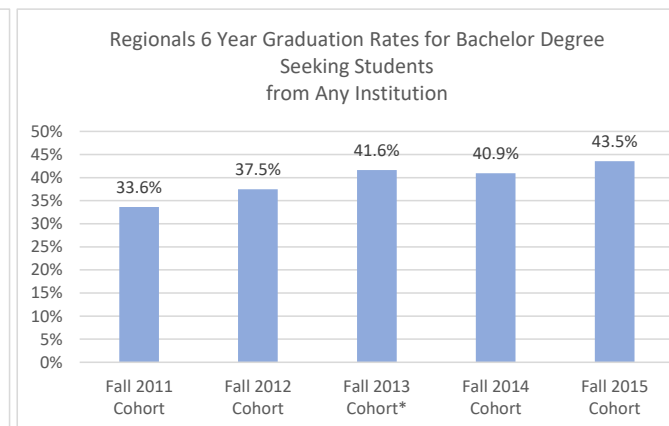
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YoY Change in Graduate Rate

2.9% ↑

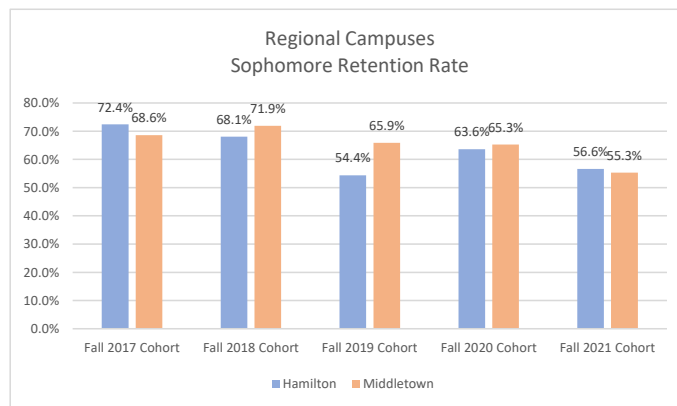


Regional campus graduate rates tend to be lower than main campus graduation rates due to the open access to admissions and the greater likelihood students will complete their degree at the main campus or another institution.

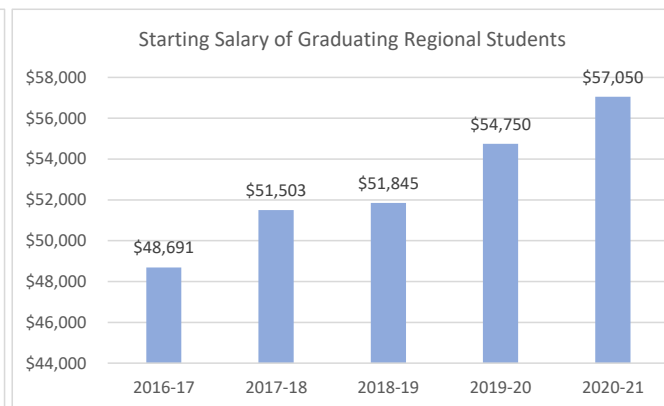


Regional campus graduate rates tend to be lower than main campus graduation rates due to the open access to admissions and the greater likelihood students will complete their degree at the main campus or another institution.

Lagging Indicators Regional Campus Students



While volatile from year to year, regional retention rates have been on a downward trend.



The starting income for students that graduate from the regional campuses has been on an upward trend.

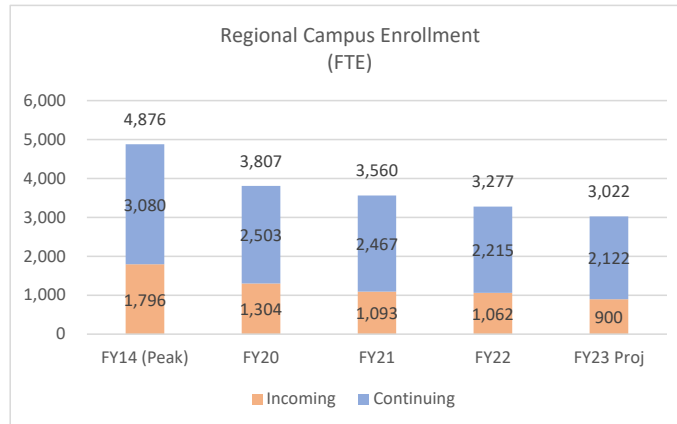
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Lagging Indicators Regional Campus Students

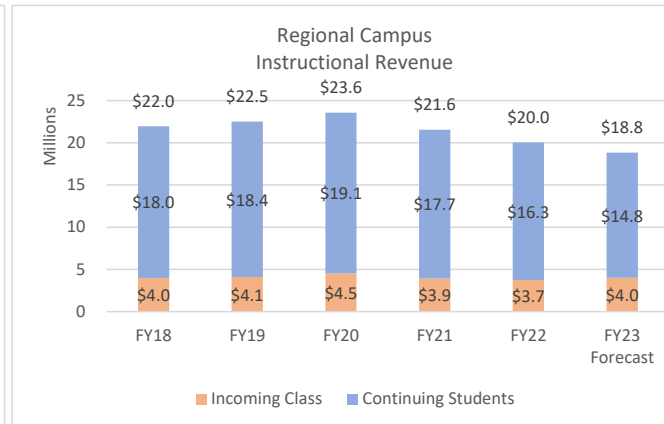
YoY Change in Incoming Students
-15.3% ↓

YoY Change in Total Students
-7.8% ↓

YoY Change in NIR
-6.0% ↓

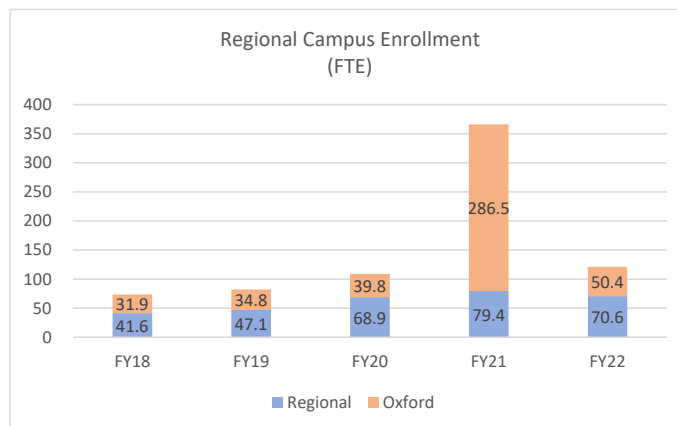


Regional campus enrollments have been on a downward trend since FY19 due to smaller incoming classes, and lower retention rates.



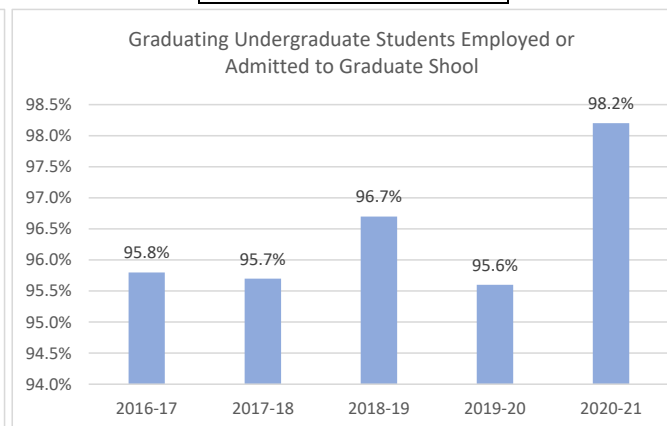
Instructional revenue has declined as enrollments decreased.

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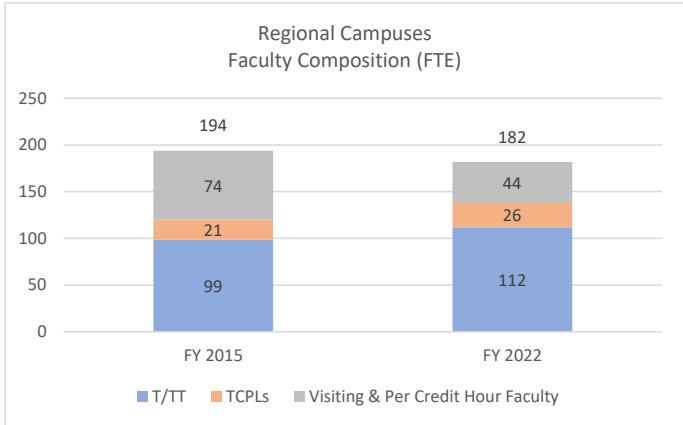
The online delivery of courses and programs has been increasing for the regionals. Online credit hours taken on the regional campuses have for students enrolled at the regional campuses and on the Oxford campus.

YoY Change in Success Rate
2.6% ↑

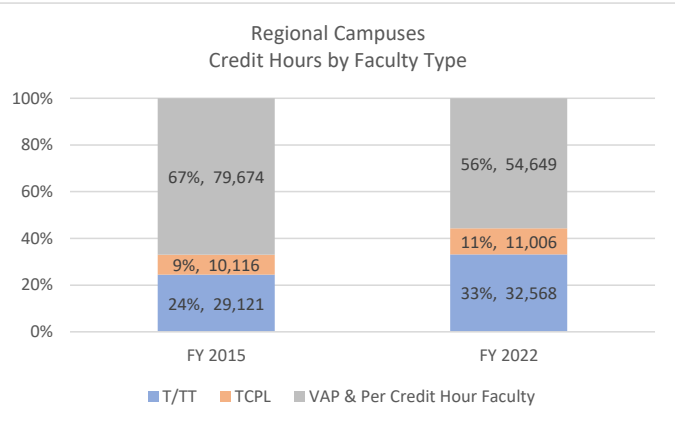


Students that graduate from the regional campuses tend to be successful finding employment.

Regional Campuses Alignment of Faculty Resources and Student Demand

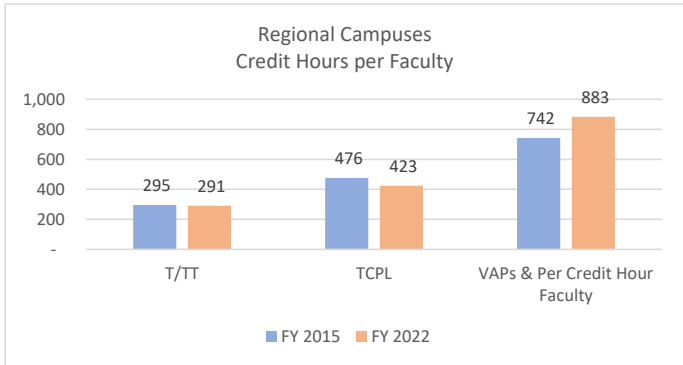


The number and mix of faculty determines the capacity of the university to deliver in academic programs, and fulfill research and service objectives.



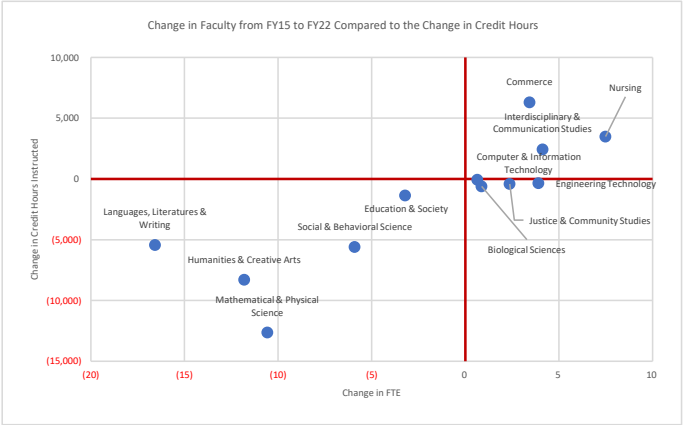
Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.

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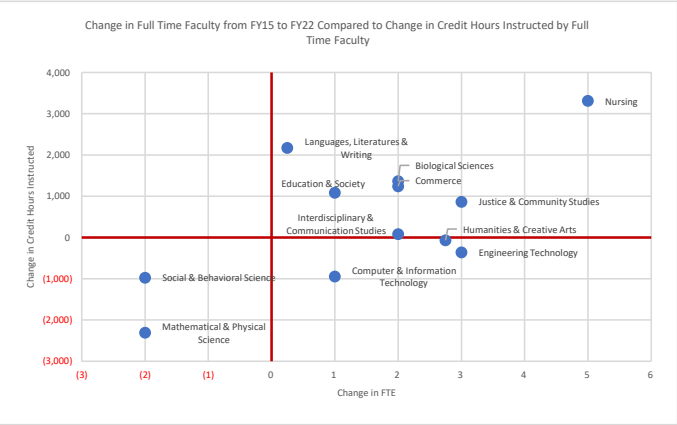


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Regional Campuses
Alignment of Faculty Resources and Student Demand

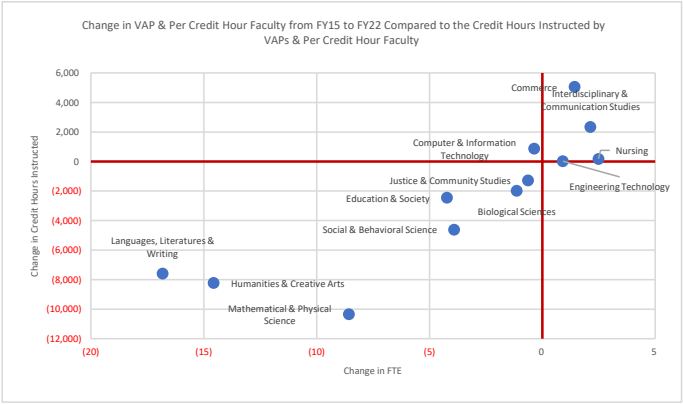


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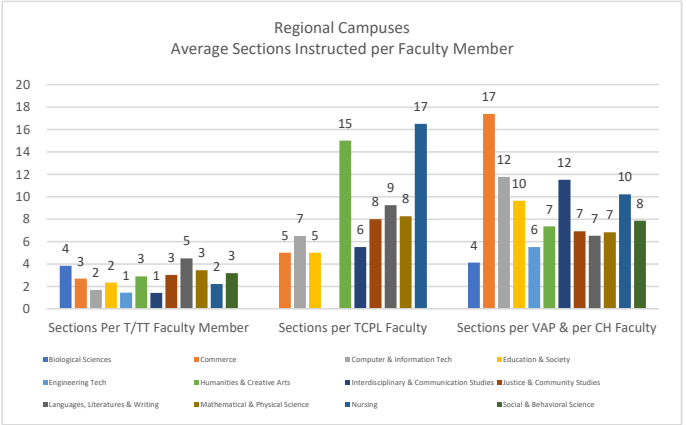
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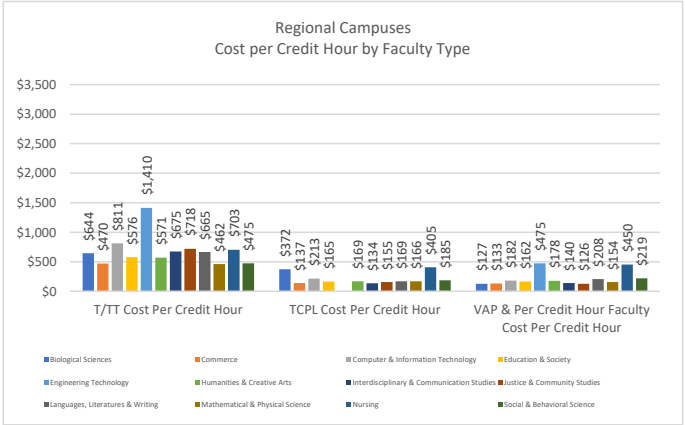


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Regional Campuses
Alignment of Faculty Resources and Student Demand

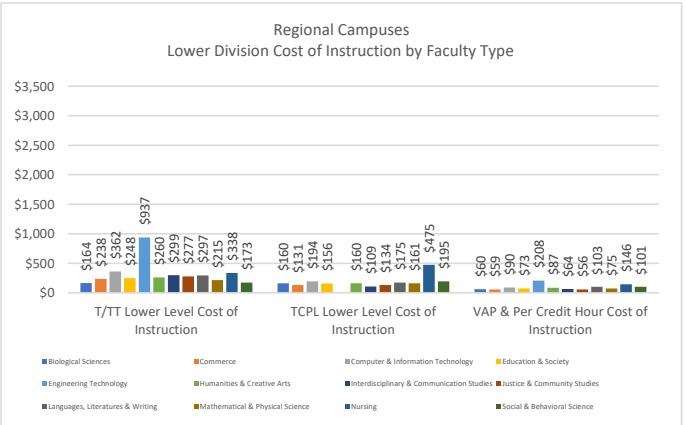


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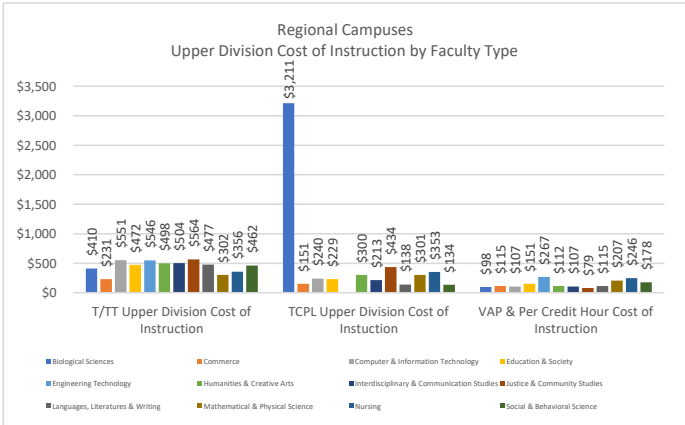


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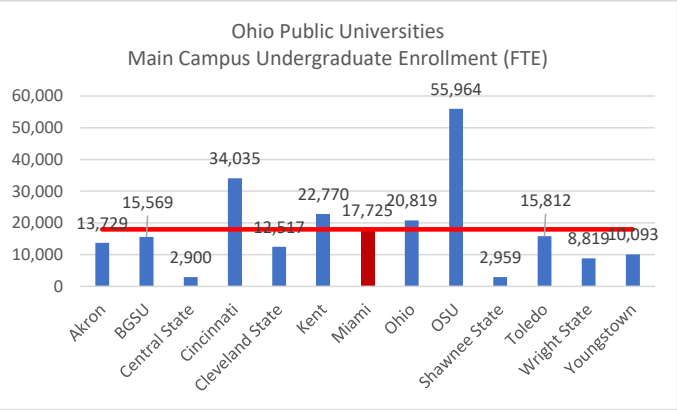
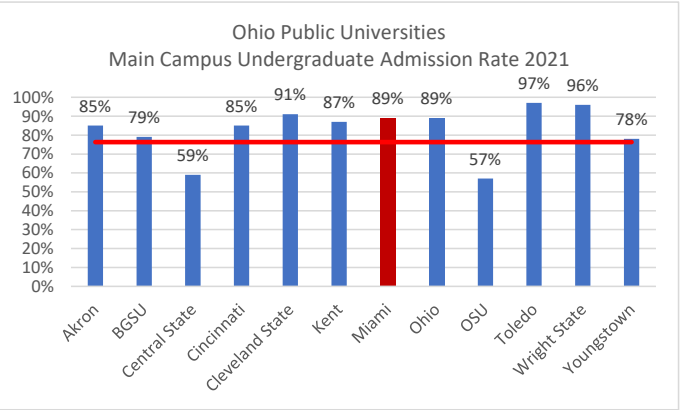
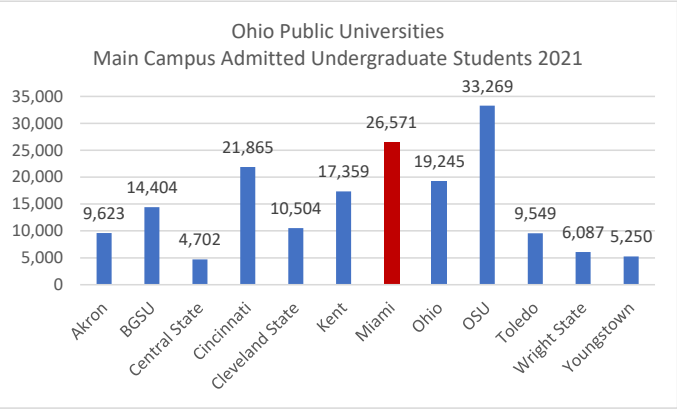
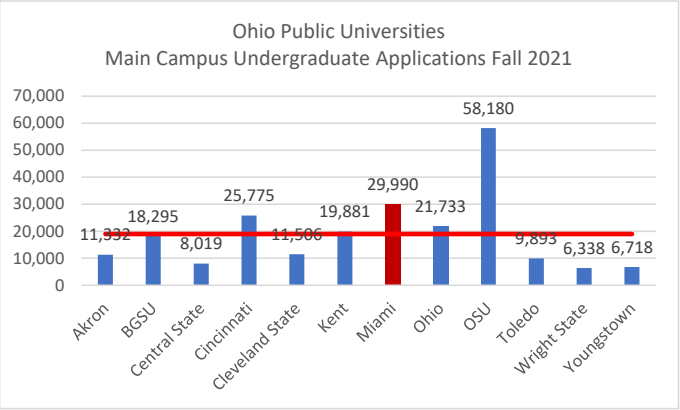


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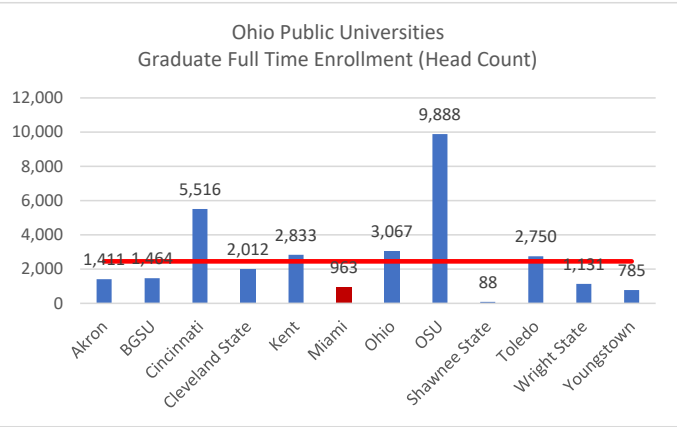
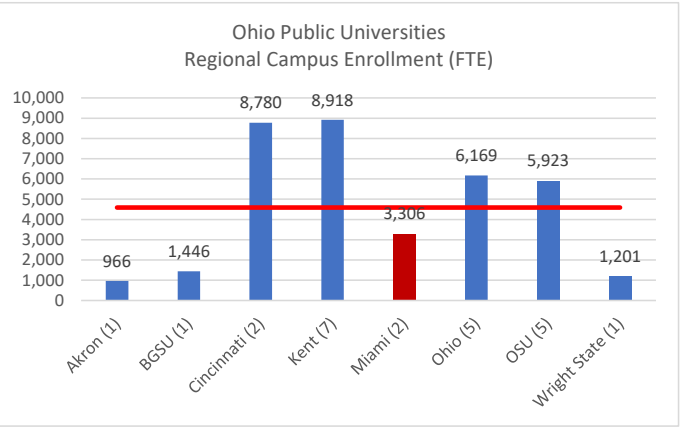


Ohio Public University Comparisons

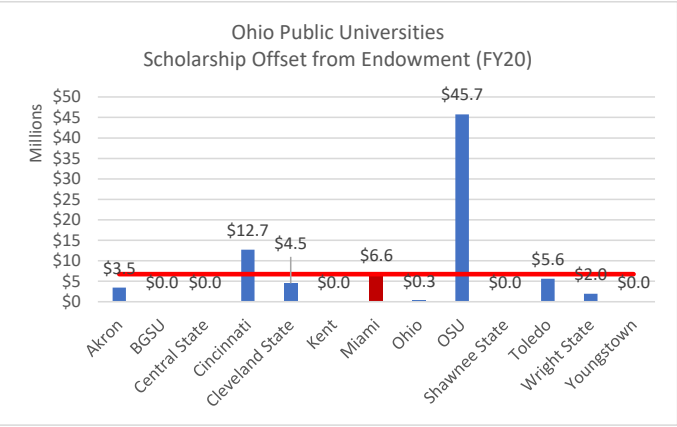
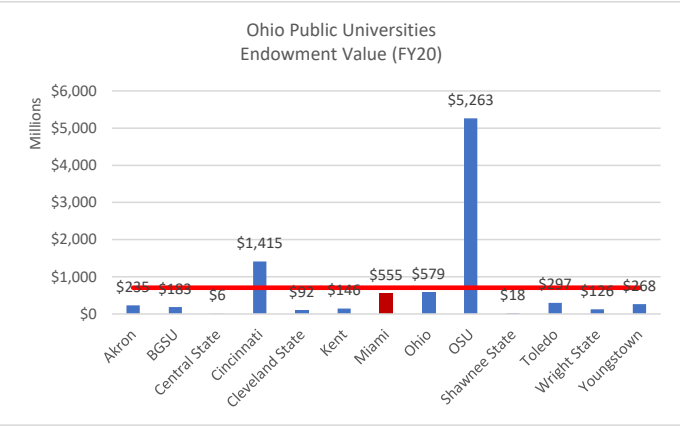
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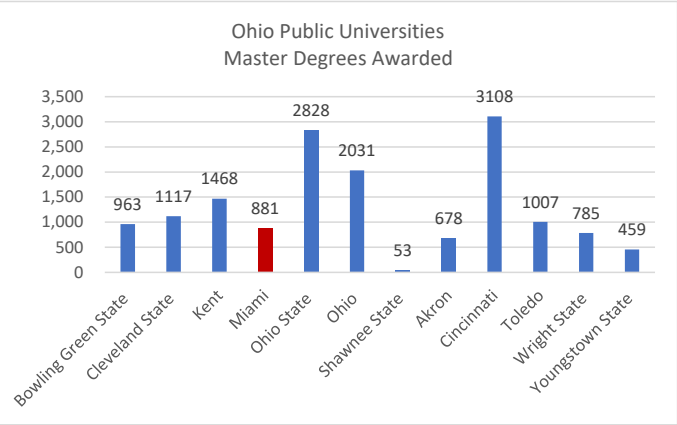
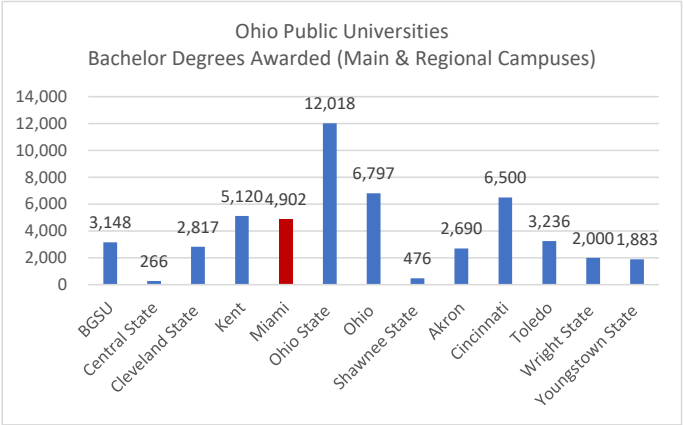
Ohio Public University Comparisons



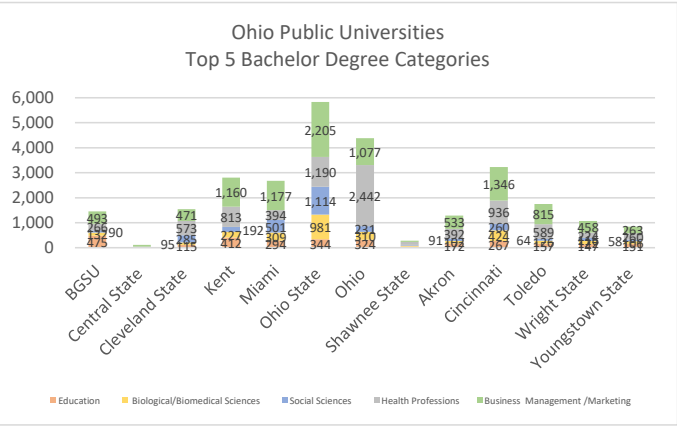
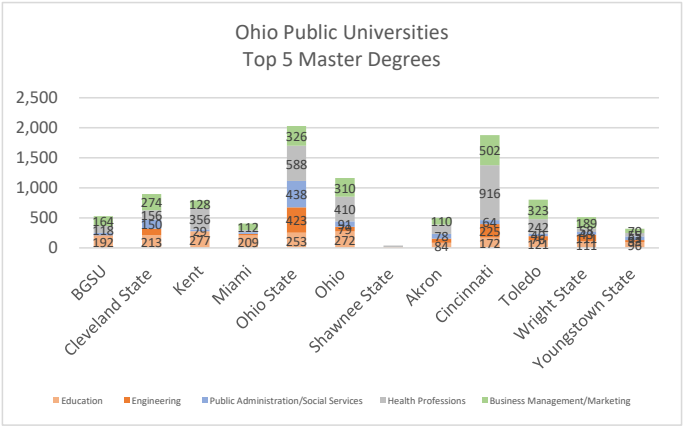
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Ohio Public University Comparisons



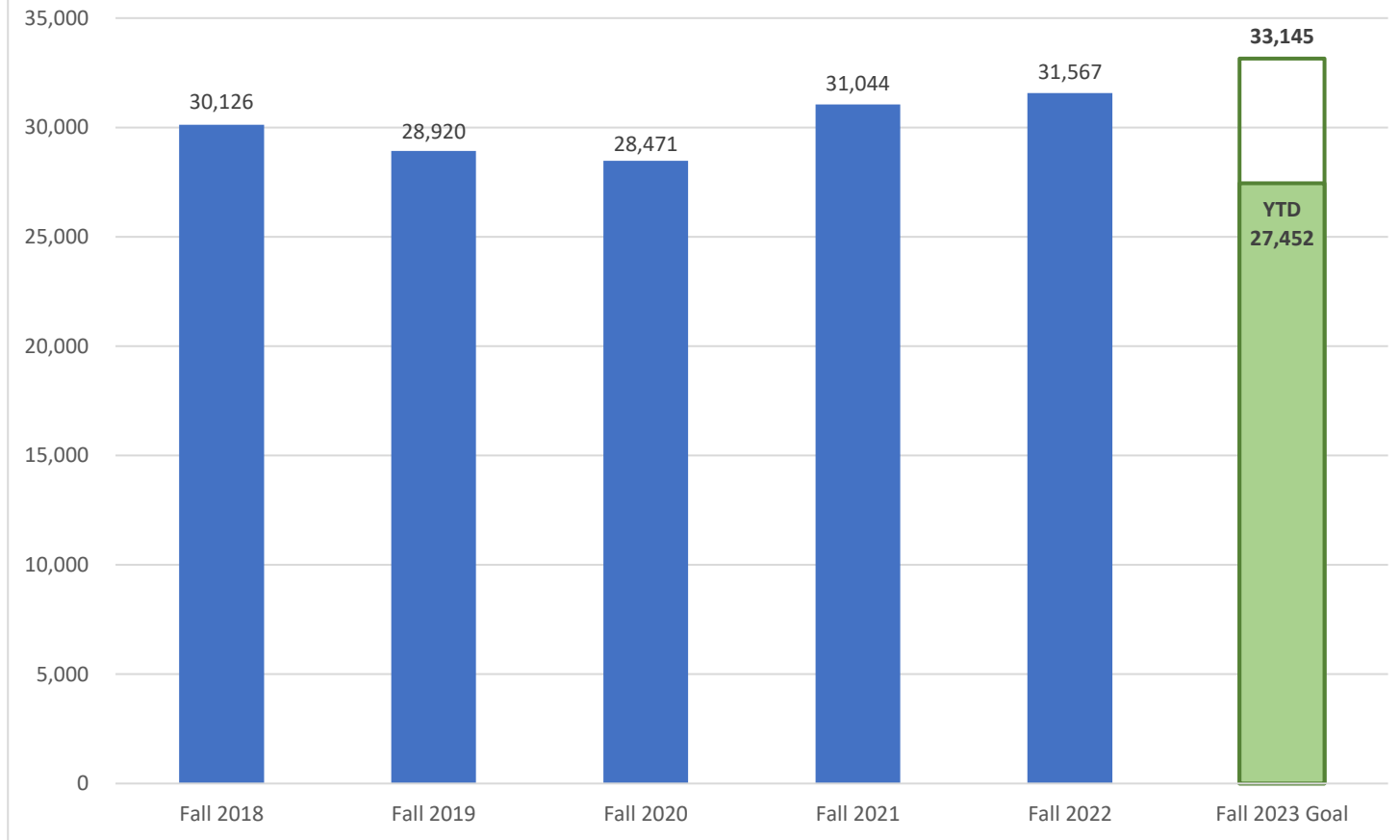
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Appendix

YoY % Change in Applications
1.7% ↑

Application Trend

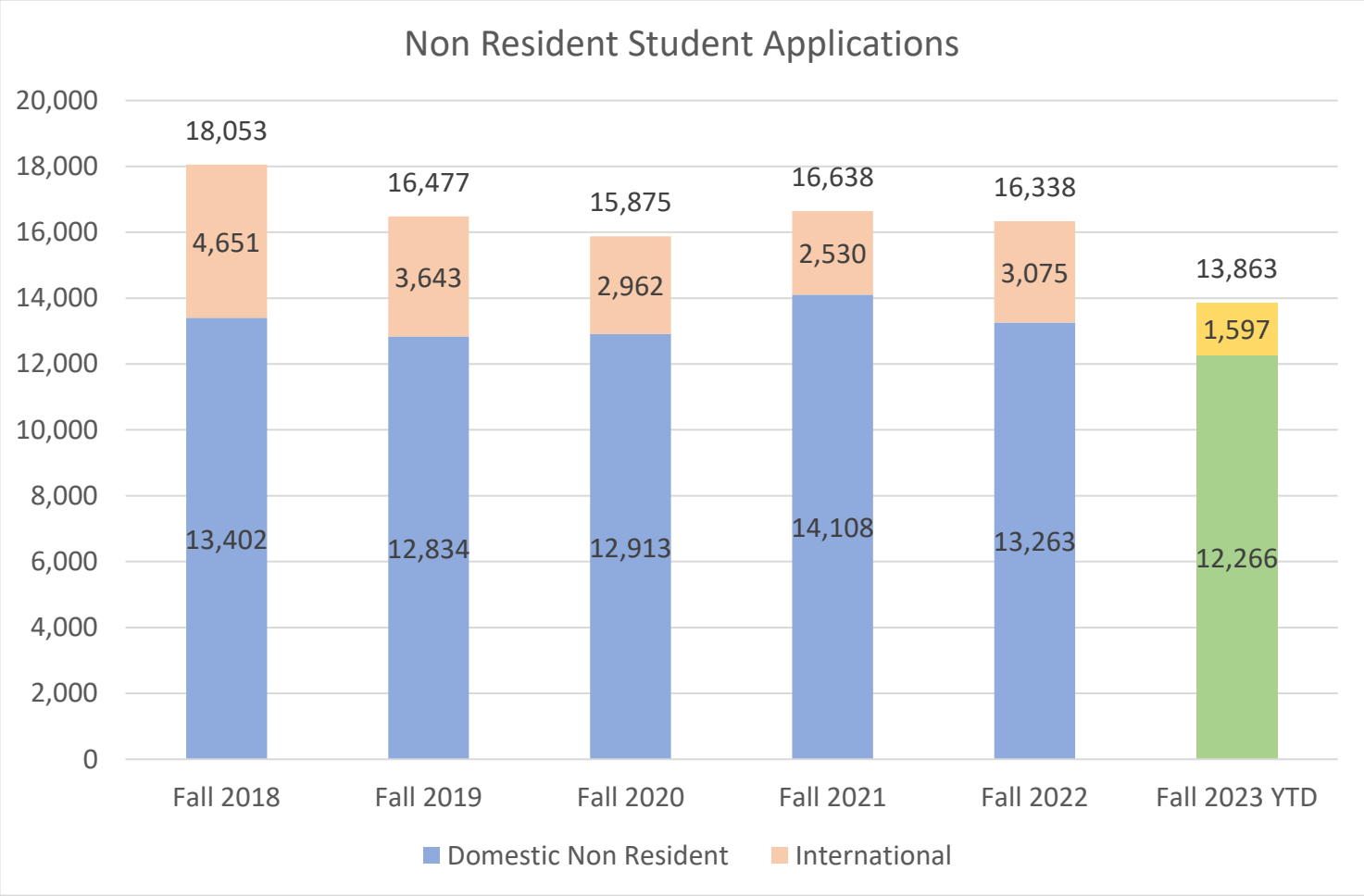


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[Oxford Campus Undergraduate Leading Part 1](#)

The application trend is the earliest indicator of whether the University will meet its net instructional revenue (NIR) goal. Except for the Fall impacted by COVID, the University's application pool has been increasing.

YoY % Change in Non Res Applications
-15.1% ↓

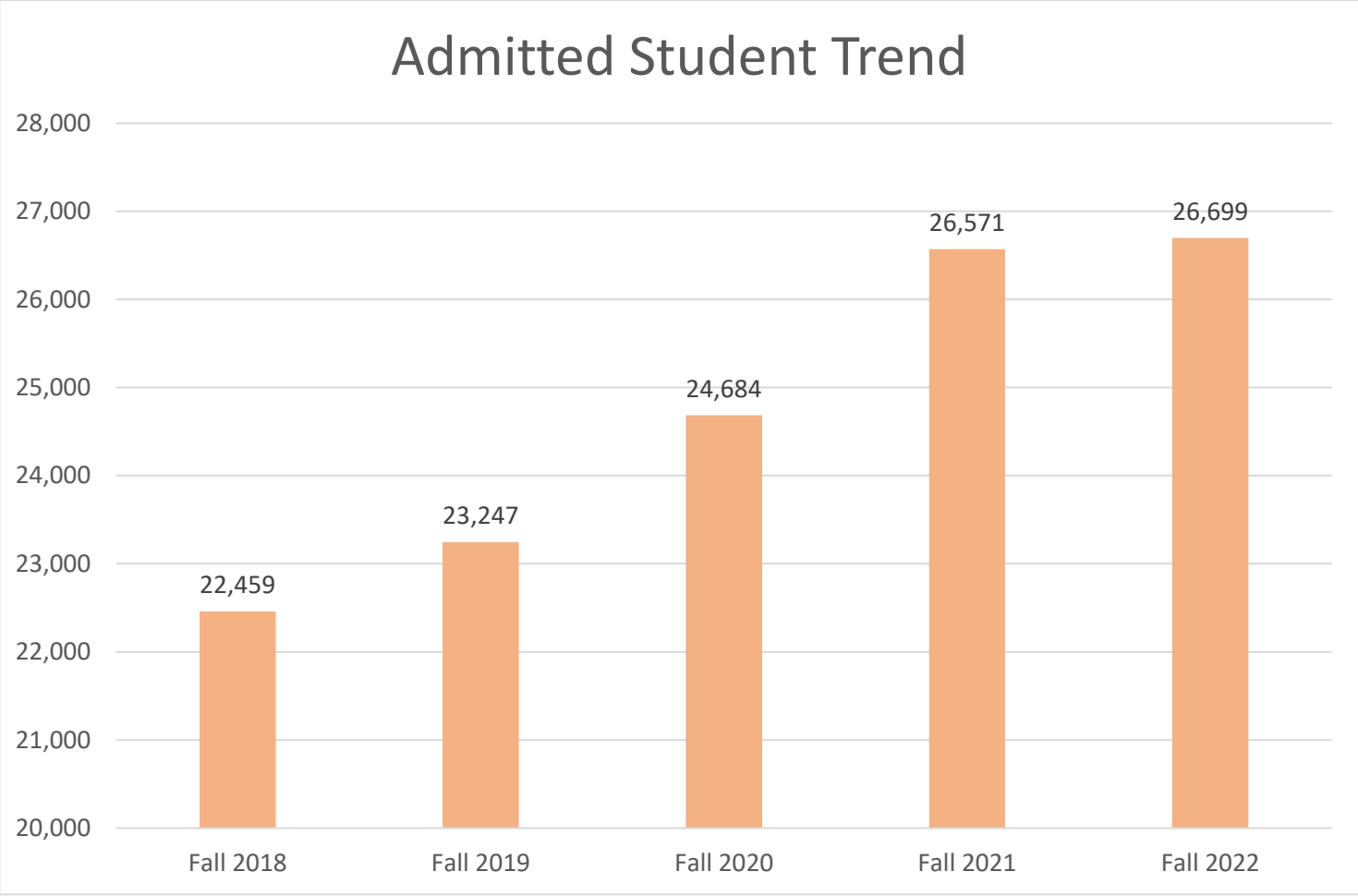


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[Oxford Campus Undergraduate Leading Part 1](#)

Non-Resident applications are important for meeting the University’s NIR goal. International applications have been trending down, while domestic non-resident applications had been increasing but declined for fall 2022.

YoY Change in Admitted
0.5% ↑

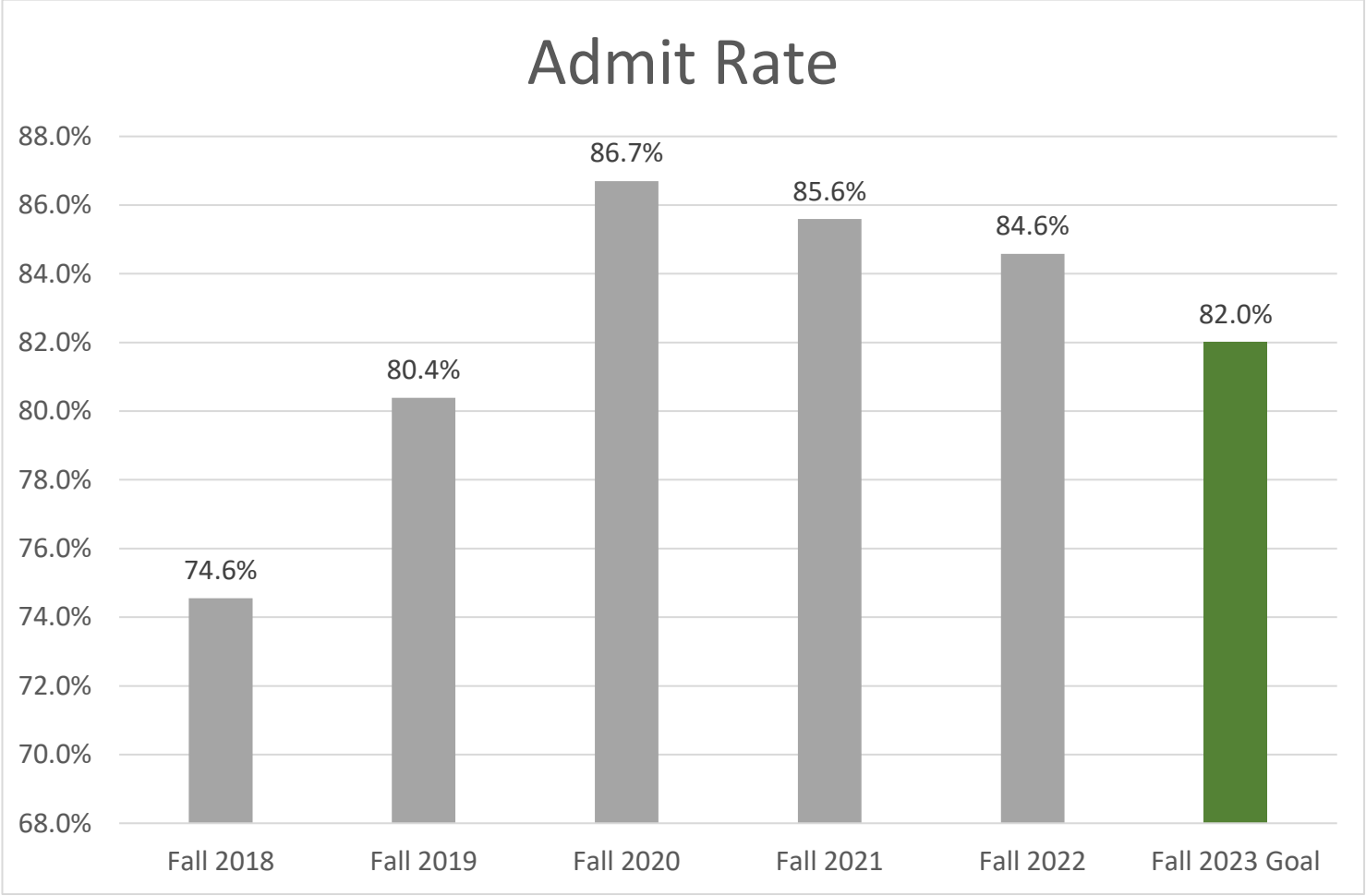


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[Oxford Campus Undergraduate Leading Part 1](#)

Increases in the number of admitted students help the University meet its enrollment and NIR goals. However, increases in admitted students are viewed negatively in the market place as a decrease in selectivity.

YoY % Change in Admitted
-1.2% ↓



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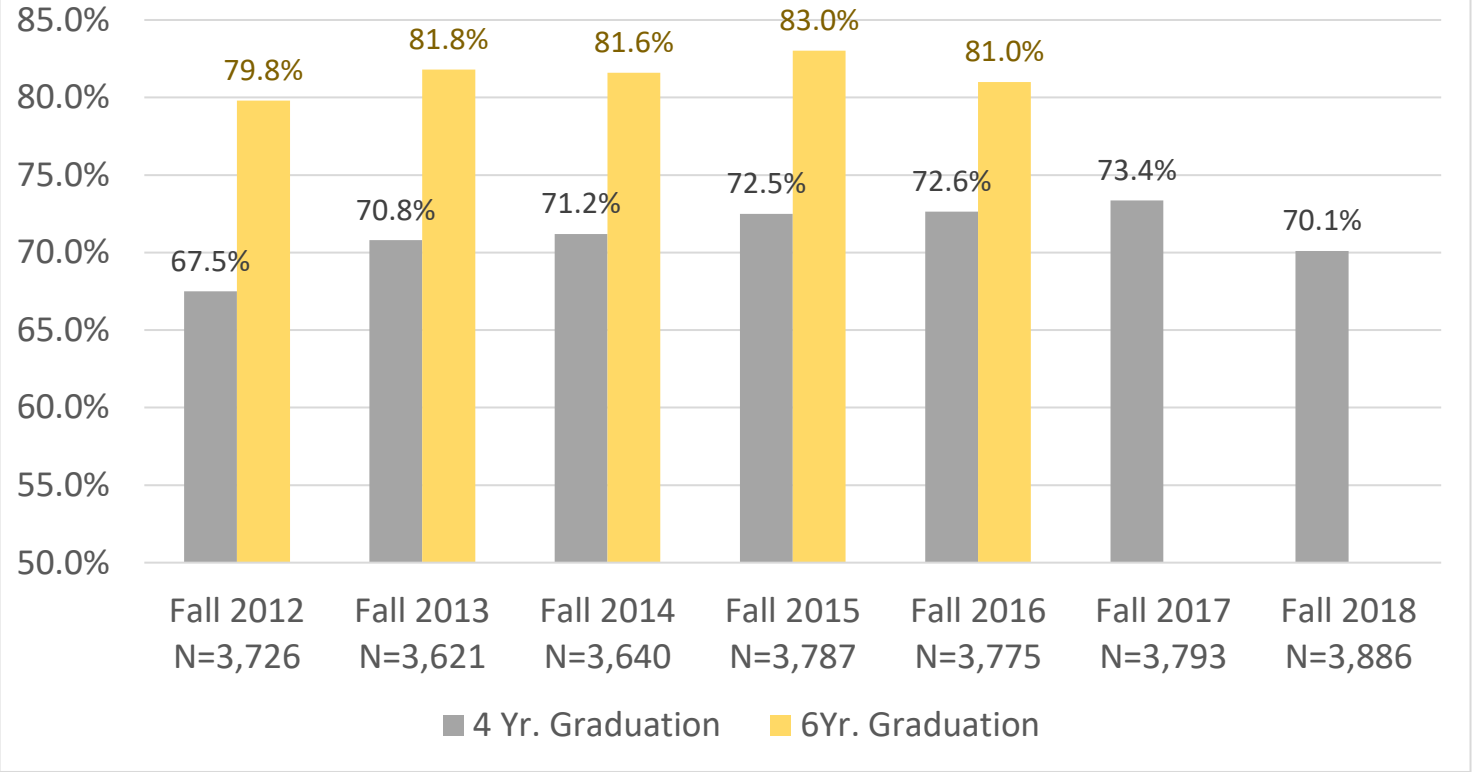
[Oxford Campus Undergraduate Leading Part 1](#)

The admit rate is another indicator of selectivity. An increase in admit rates suggest less selectivity and can have long term negative consequences for the University’s brand.

Change in 4 Yr Graduation Rate
-3.3% ↓

Change in 6 Yr Graduation Rate
-2.0% ↓

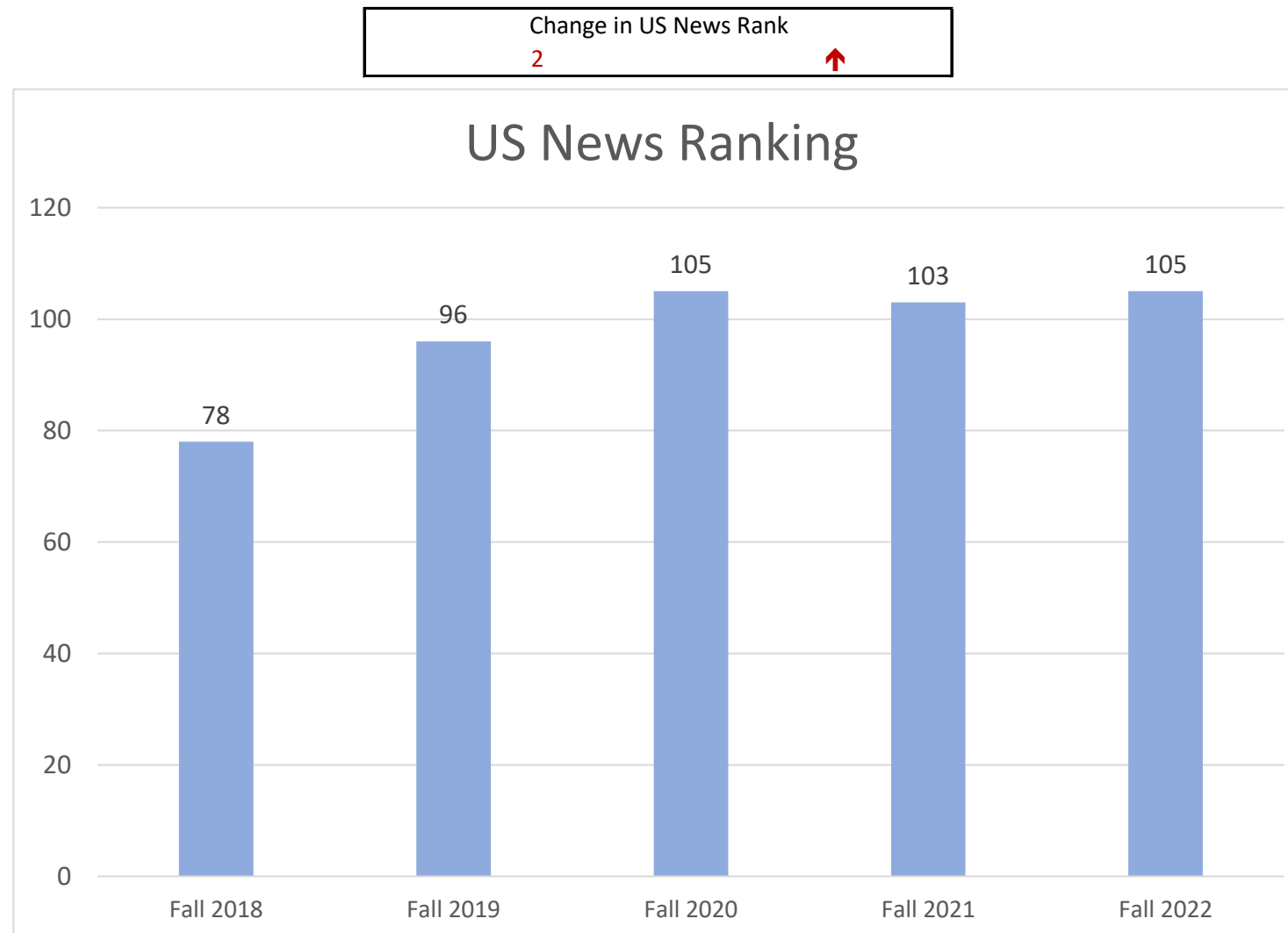
Miami University - Oxford Campus 4 and 6 Year Graduation Rates



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[Oxford Campus Undergraduate Leading Part 2](#)

Graduation rates are an indication of the University’s quality and a key measure of student success. A rising graduation rate also tends to be accompanied by an increase in selectivity and growing NIR.

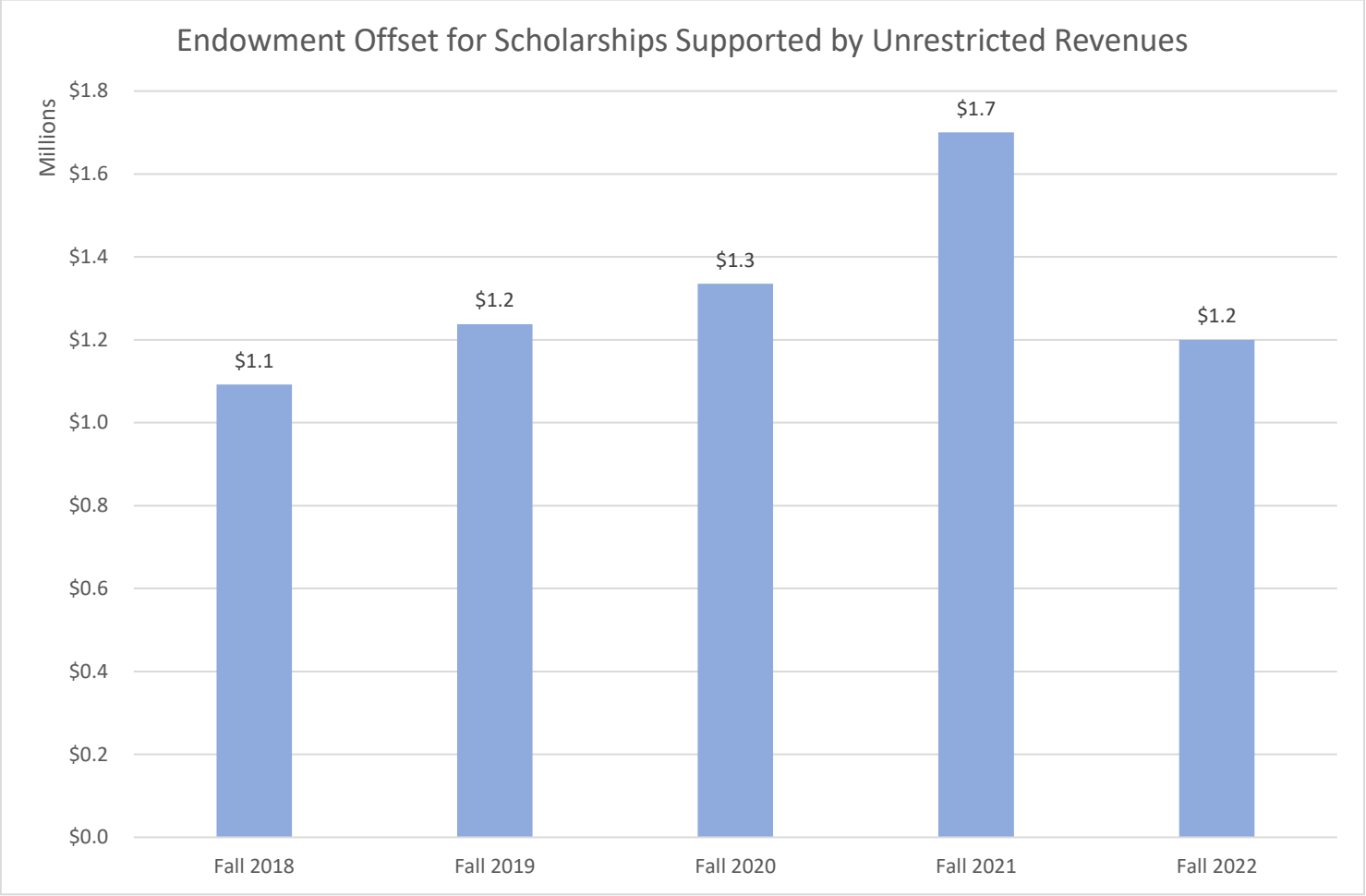


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[Oxford Campus Undergraduate Leading Part 2](#)

The US News and World Report's ranking of University's is an often used measure of quality by students, especially international students, and families as they consider where the student will go to college. An increasing ranking is normally a positive indicator NIR.

YoY % Change in Endowment for Aid
-29% ↓



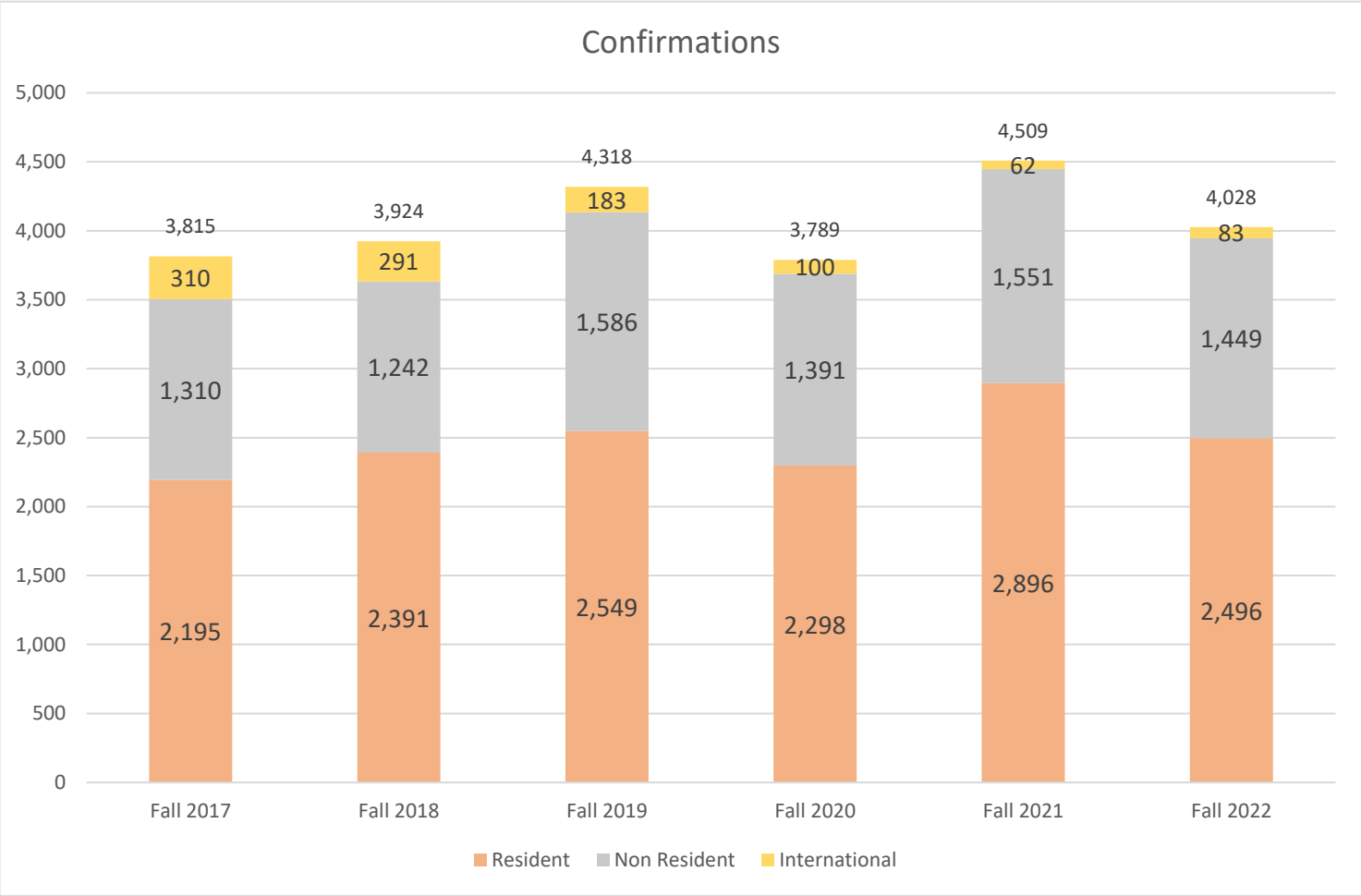
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[Oxford Campus Undergraduate Leading Part 2](#)

Endowment support for scholarships is vital for the University’s recruitment and NIR goals. While there has been some growth in endowed scholarships, it has not kept pace with the increase in scholarships awarded to the incoming class.

YoY % Change in Confirmed
-10.7% ↓

Non-Resident Comparison
2.3% ↑

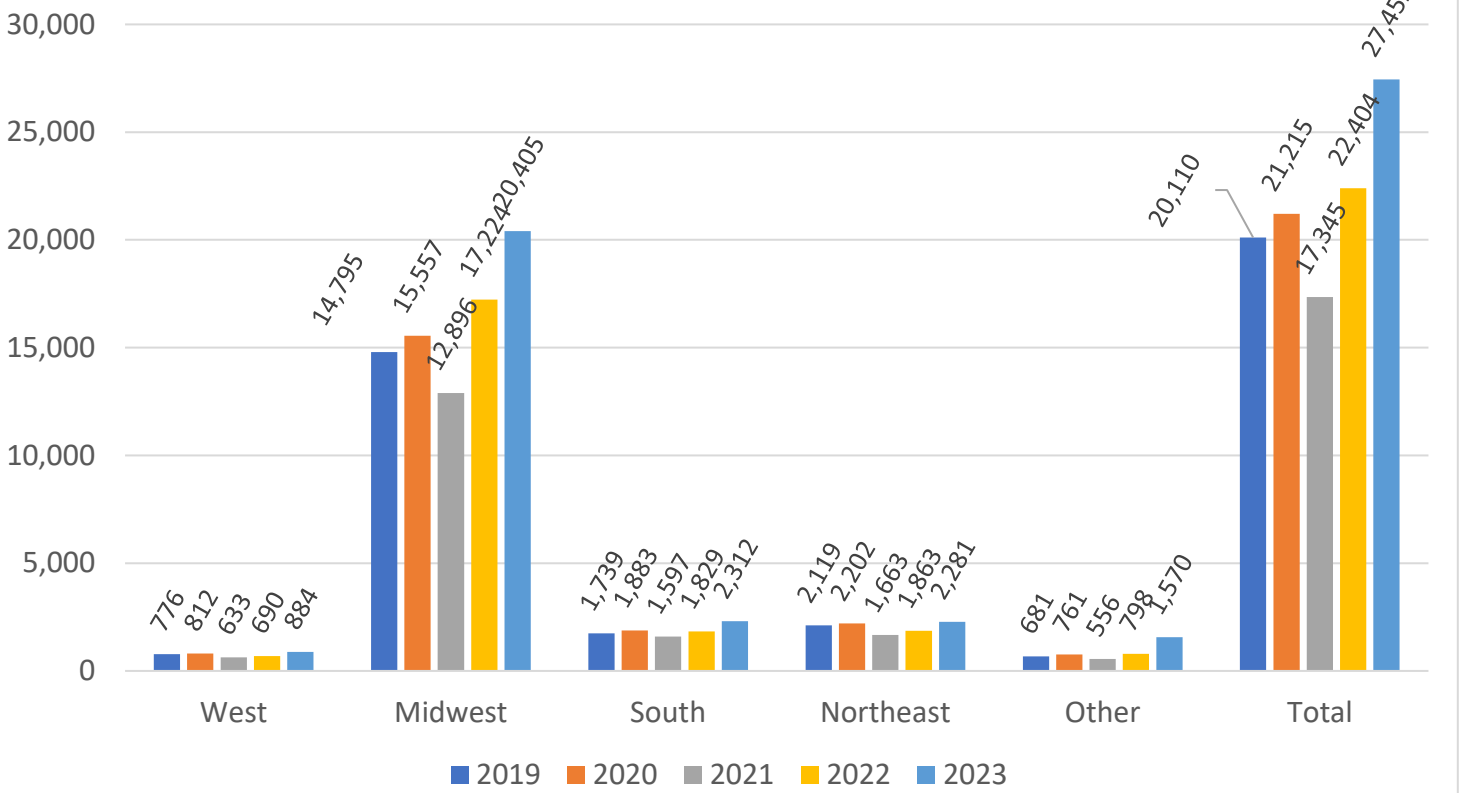


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[Oxford Campus Undergraduate Leading Part 2](#)

Confirmations reflect the extent to which the University’s recruitment efforts have been successful. Success in non-resident recruitment is especially important for meeting the University’s NIR goals.

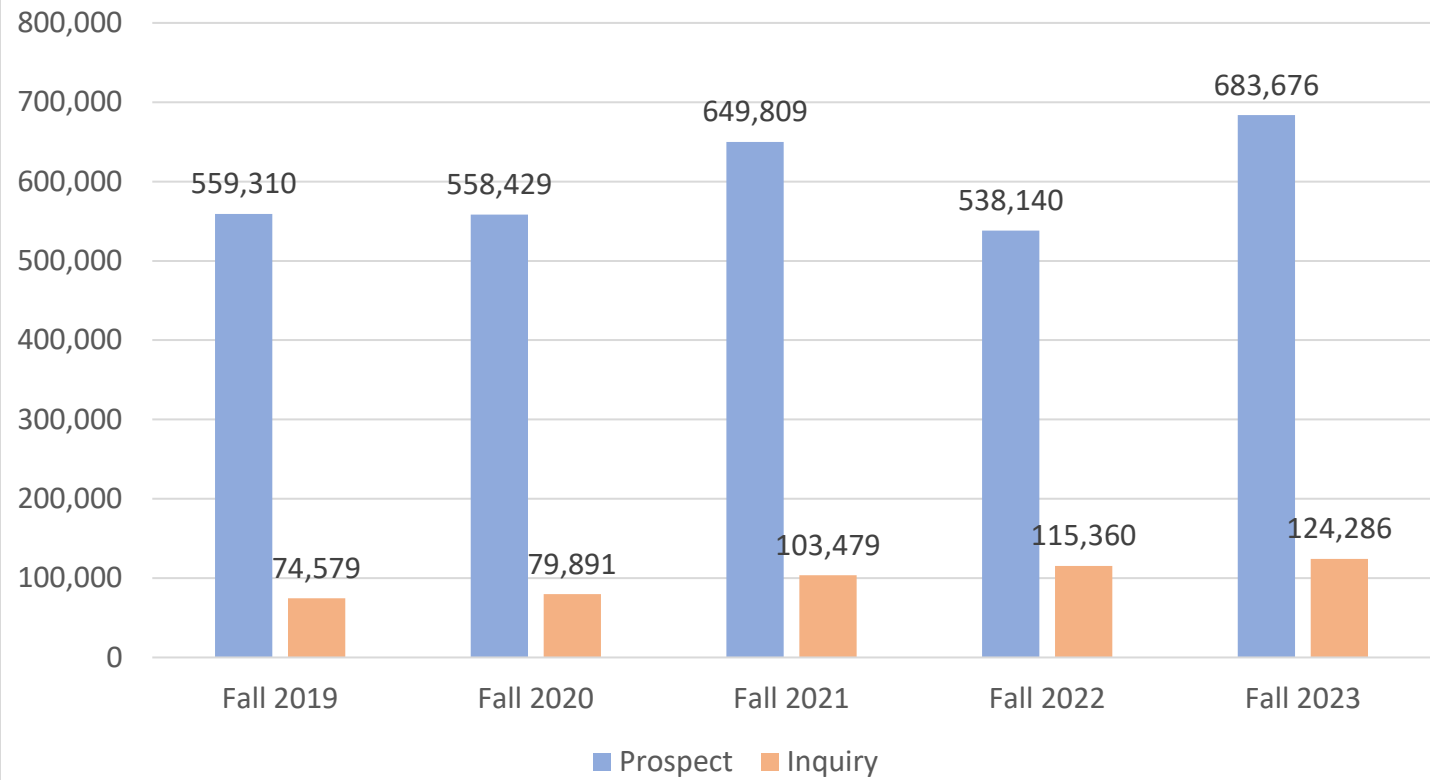
Oxford Campus
Undergraduate Applications by Region



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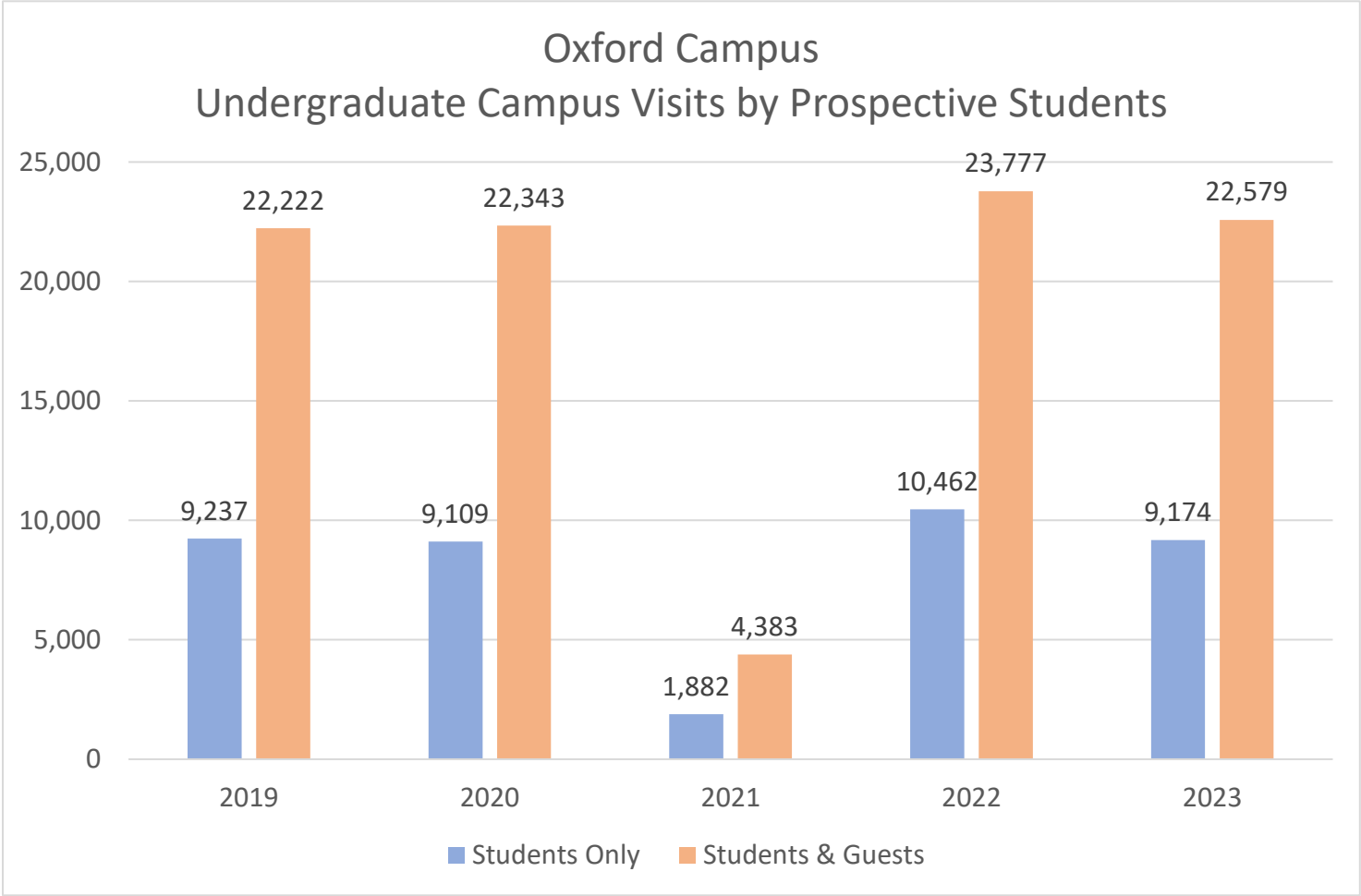
[Oxford Campus Undergraduate Leading Part 3](#)

Oxford Campus Undergraduate Prospects and Inquiries



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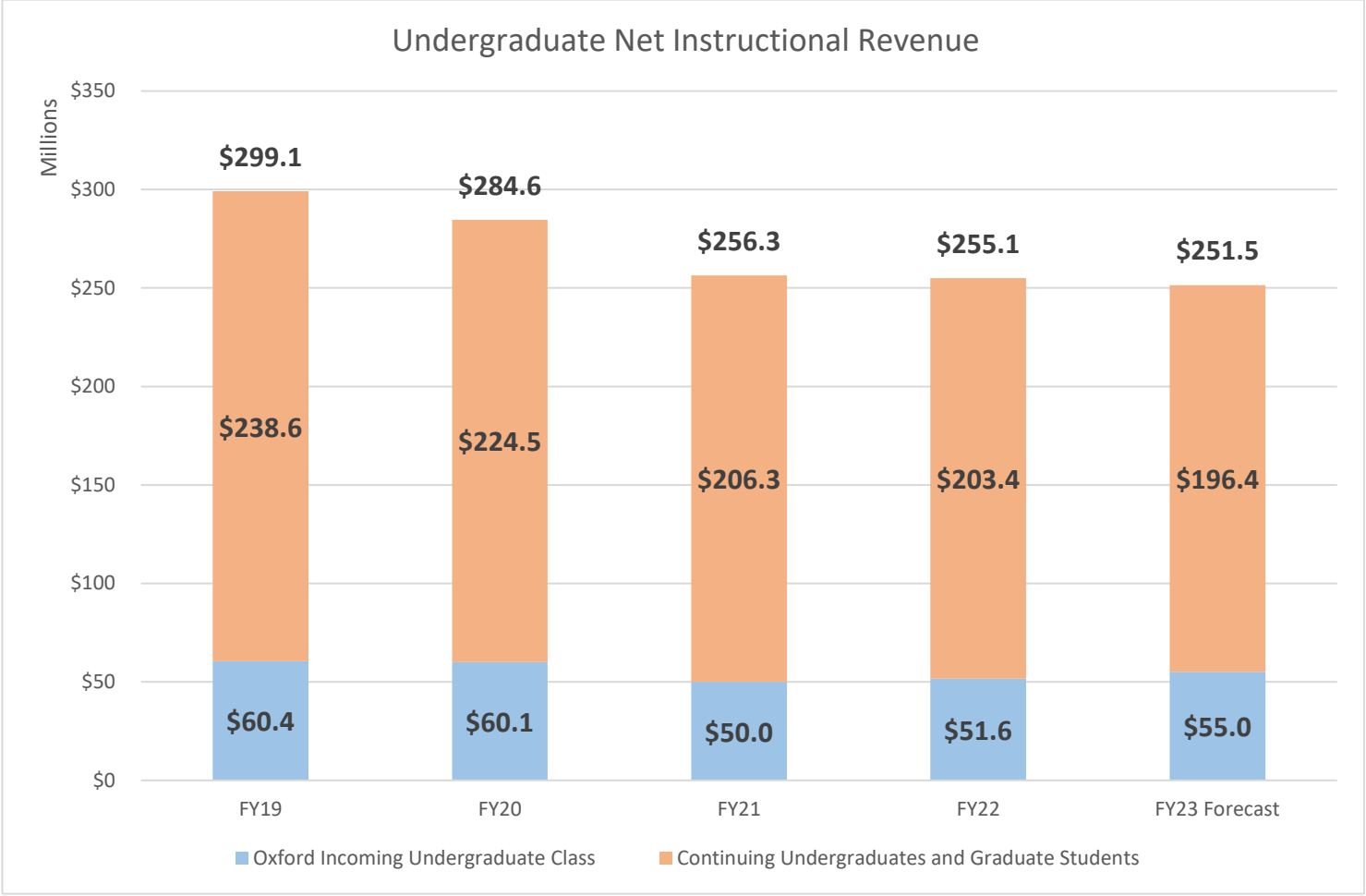
[Oxford Campus Undergraduate Leading Part 3](#)



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[Oxford Campus Undergraduate Leading Part 3](#)

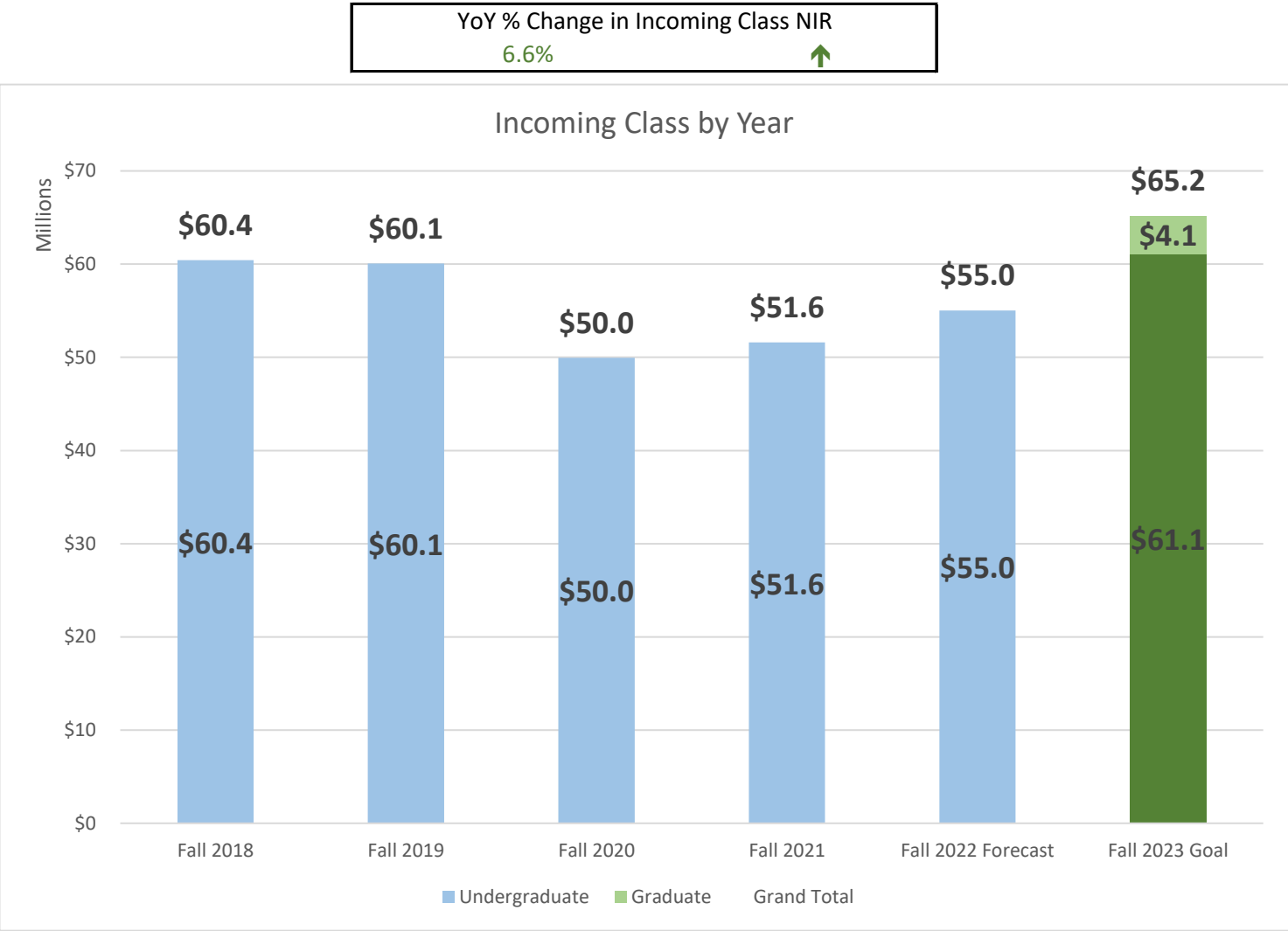
YoY % Change in Undergraduate NIR
-1.4% ↓



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[Oxford Campus Undergraduate Lagging Part 1](#)

Undergraduate net instructional revenue (NIR) is the largest revenue source for the University. This category of revenue has been on the decline since FY2018. This is the most important indicator of financial stability for Miami.

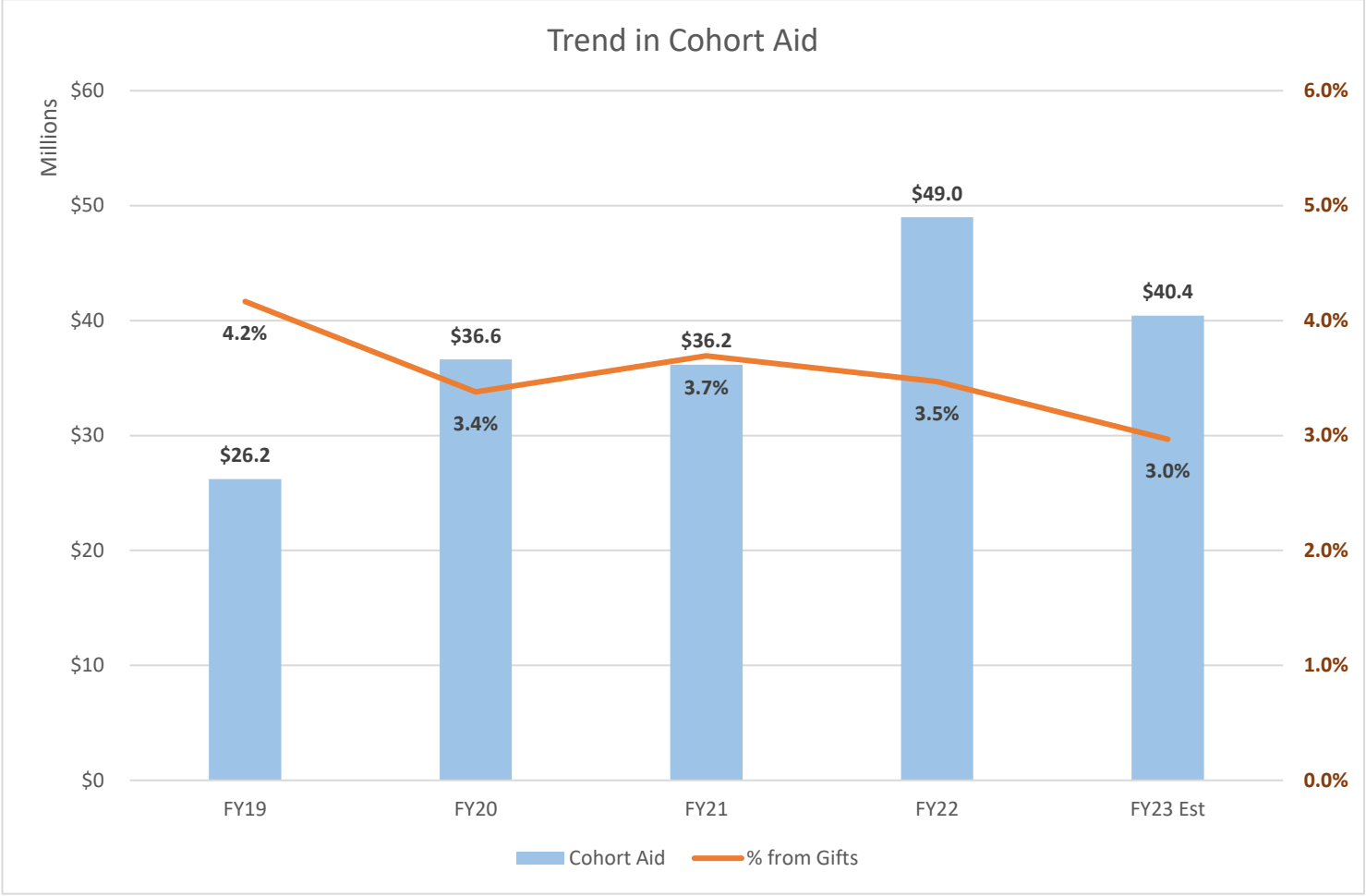


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[Oxford Campus Undergraduate Lagging Part 1](#)

Revenue growth from the incoming class is the most significant predictor of future revenue. Revenue from the incoming class from fall 2022 increased for the first time following several years of decline.

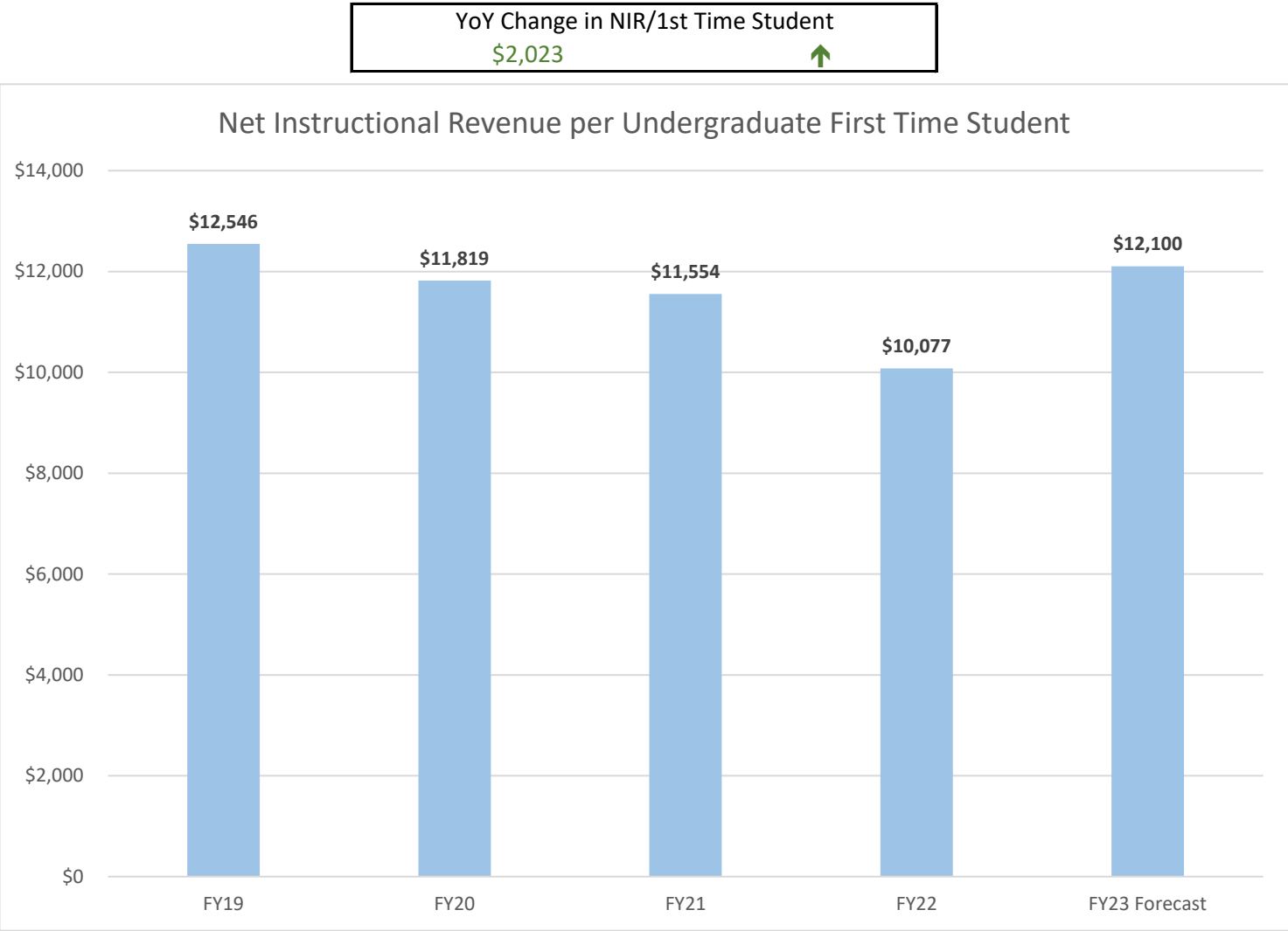
YoY % Change in Cohort Aid
-17.5% ↓



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[Oxford Campus Undergraduate Lagging Part 1](#)

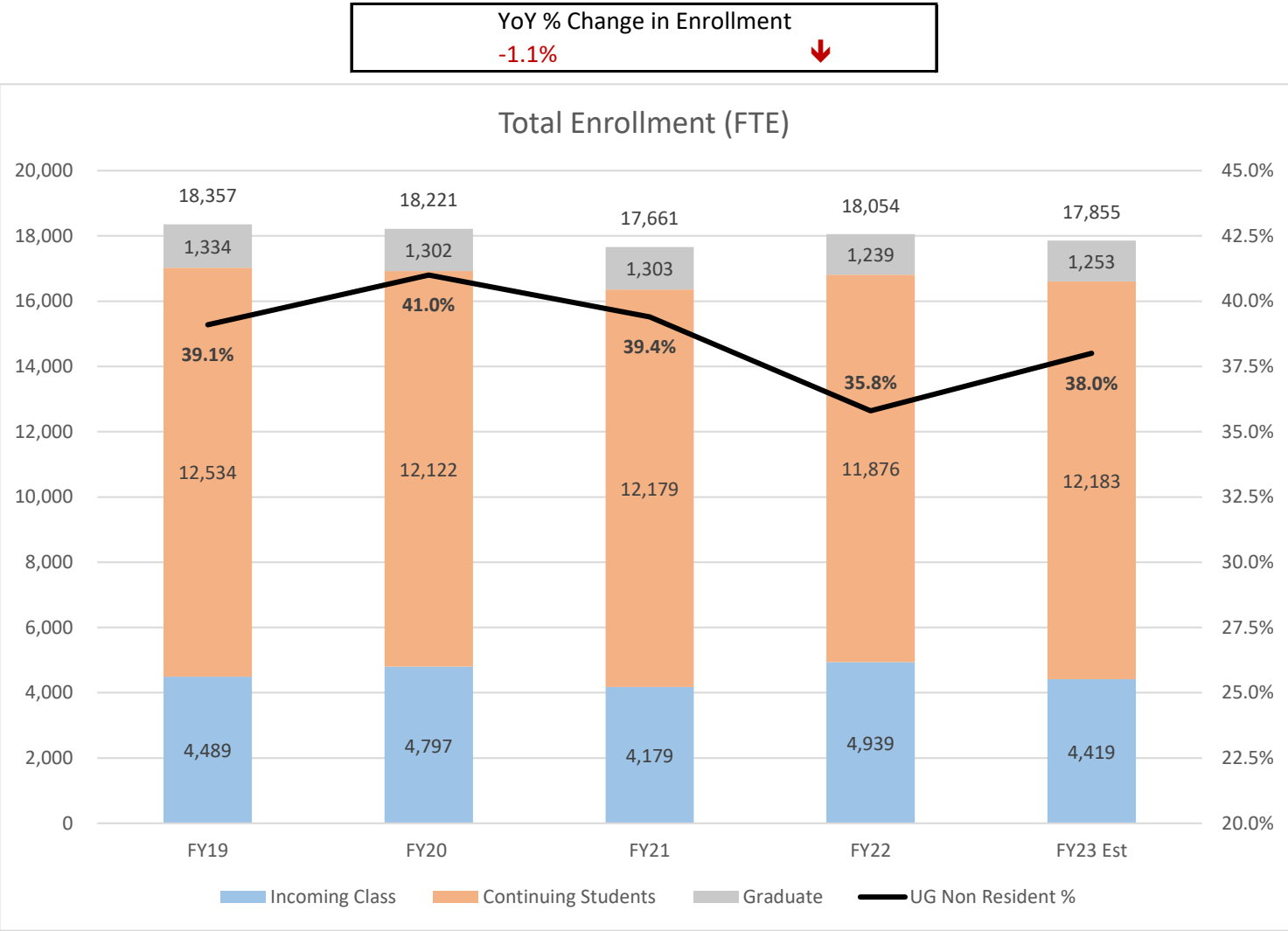
Cohort aid is the amount of scholarships awarded to the incoming class. As this aid rises it reduces the NIR available to fund compensation and university operations. The annual amount of cohort had generally been rising year over year until fall 2022 which led to declining net instructional revenue from the incoming class.



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[Oxford Campus Undergraduate Lagging Part 1](#)

The NIR per undergraduate student reflects the combination of class size, discounting, and residency mix and the resulting resources available to the University. NIR per undergraduate student had been decreasing year over year until fall 2022.

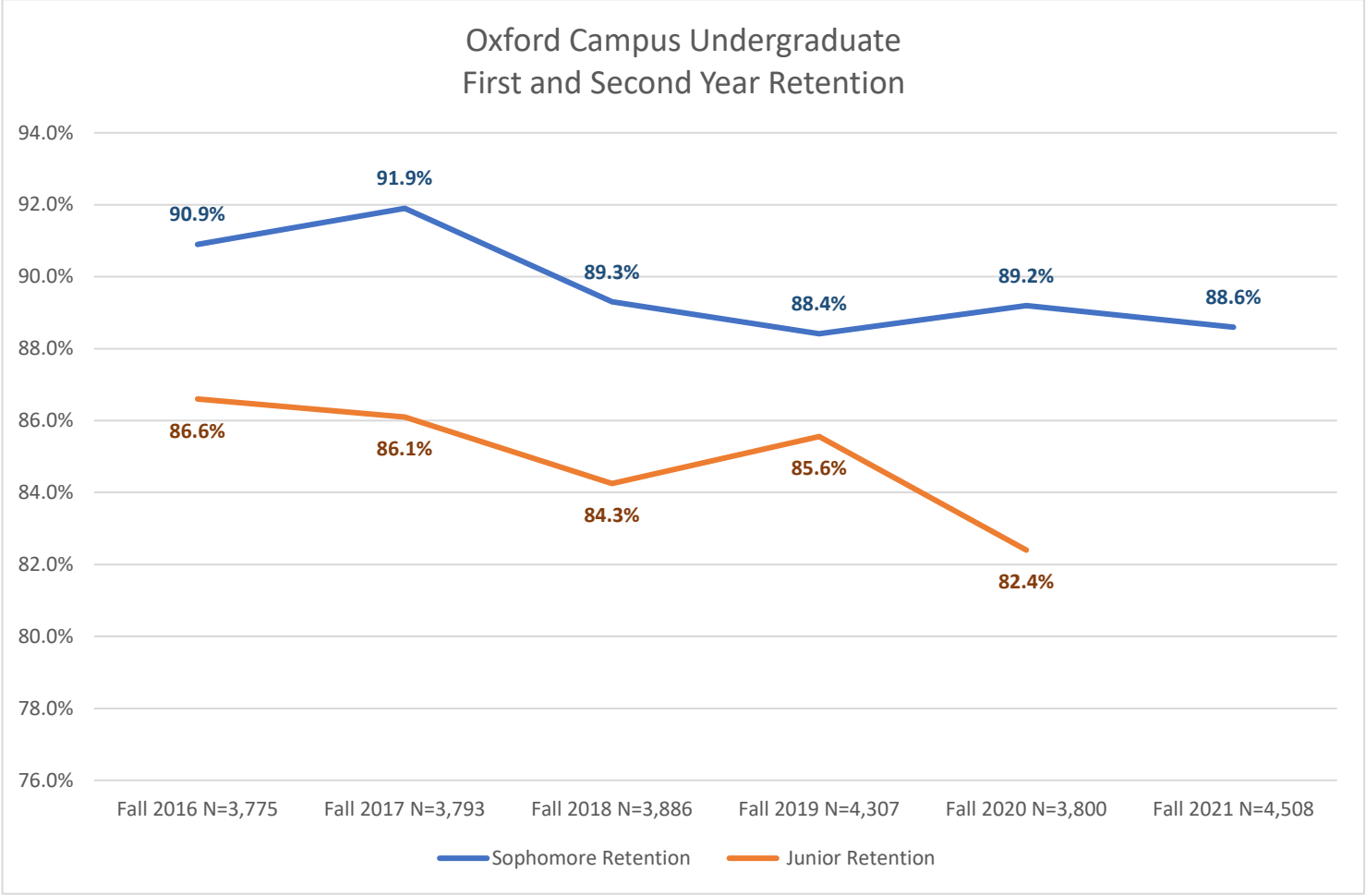


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The NIR per undergraduate student reflects the combination of class size, discounting, and residency mix and the resulting resources available to the University. NIR per undergraduate student has been decreasing.

YoY Change in 1st Year Retention
-0.6% ↓

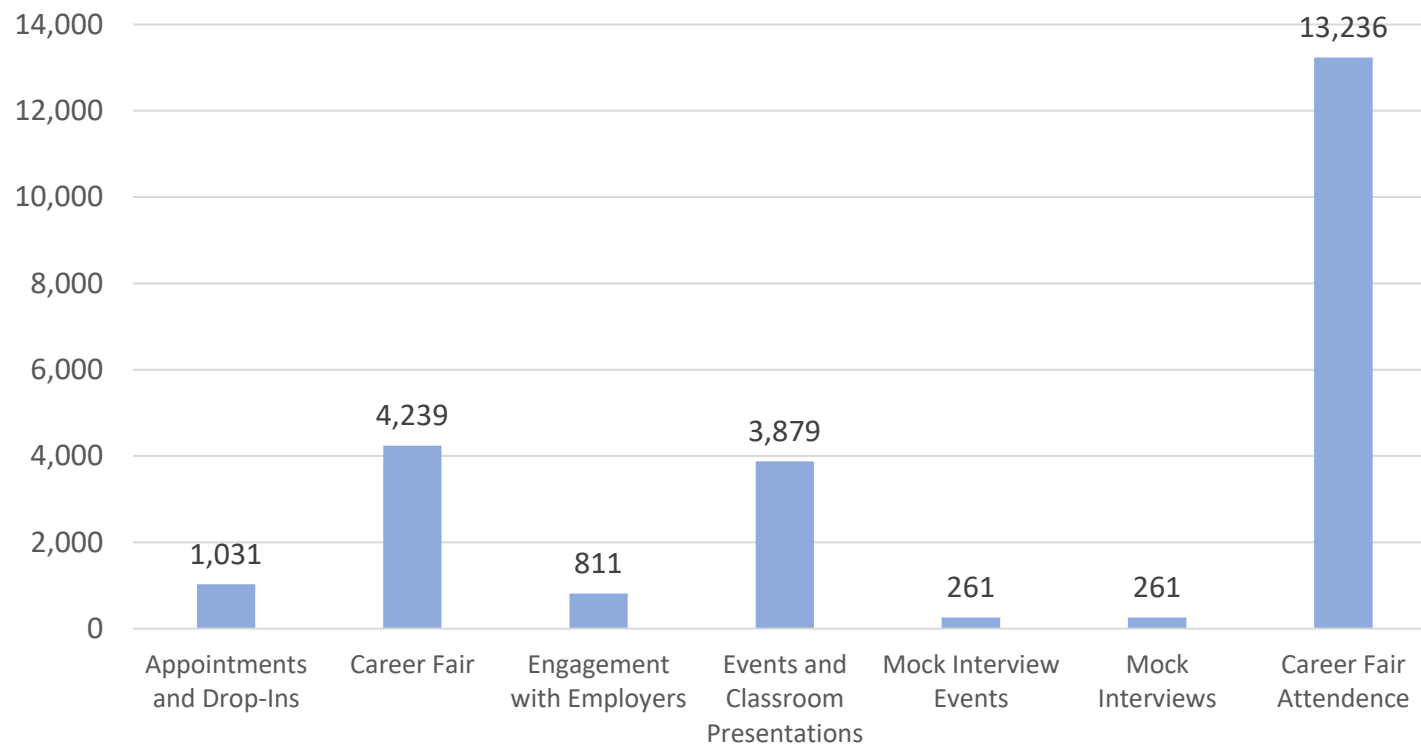


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[Oxford Campus Undergraduate Lagging Part 2](#)

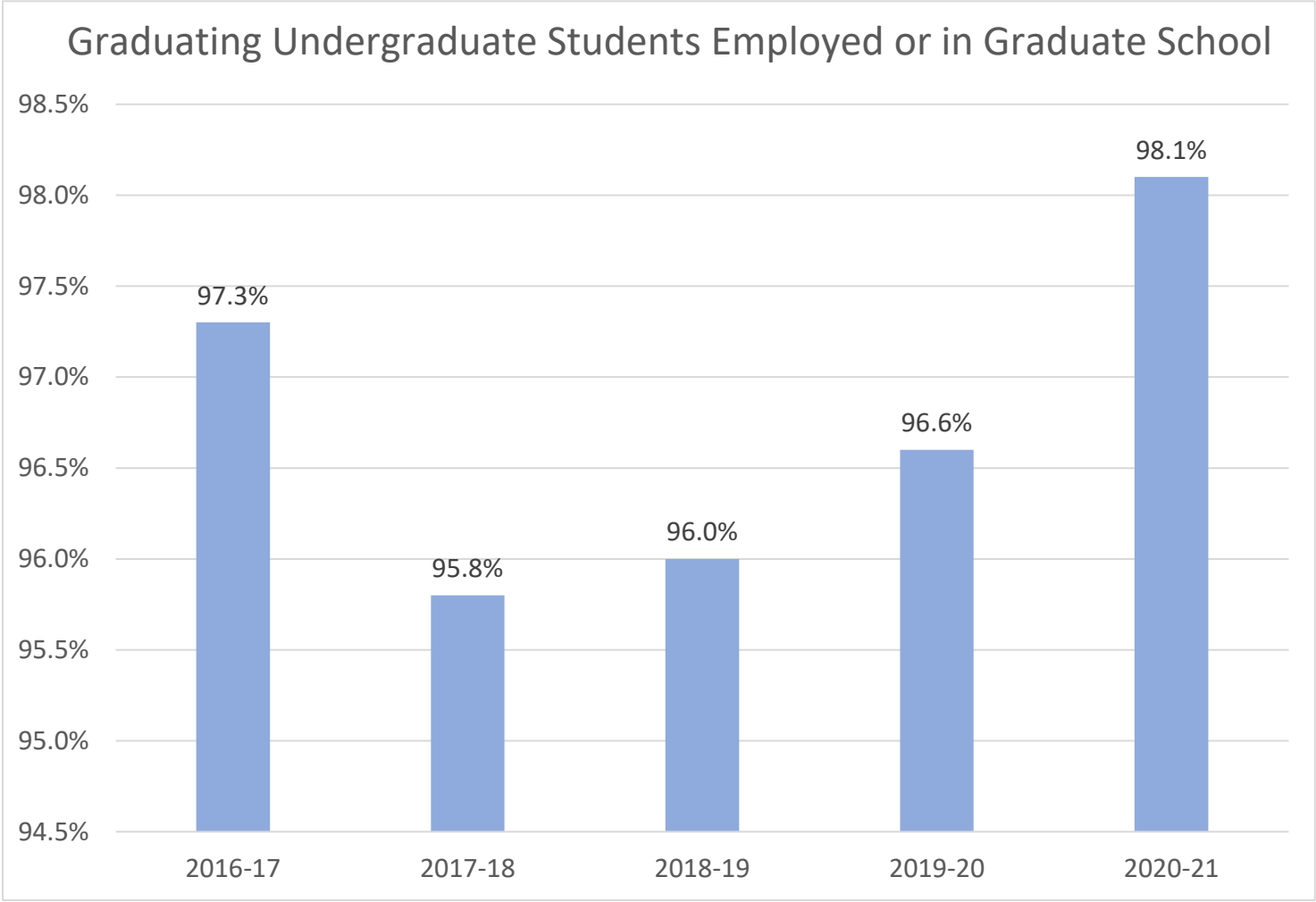
Retention measures student success and has an impact on tuition revenue. Decreases in retention will be followed by lower tuition revenue and lower graduation rates. After peaking for the Fall 2017 cohort, retention has declined but has remained around 89%.

Oxford Campus
2022 Career Services Student Engagements
(July through November)



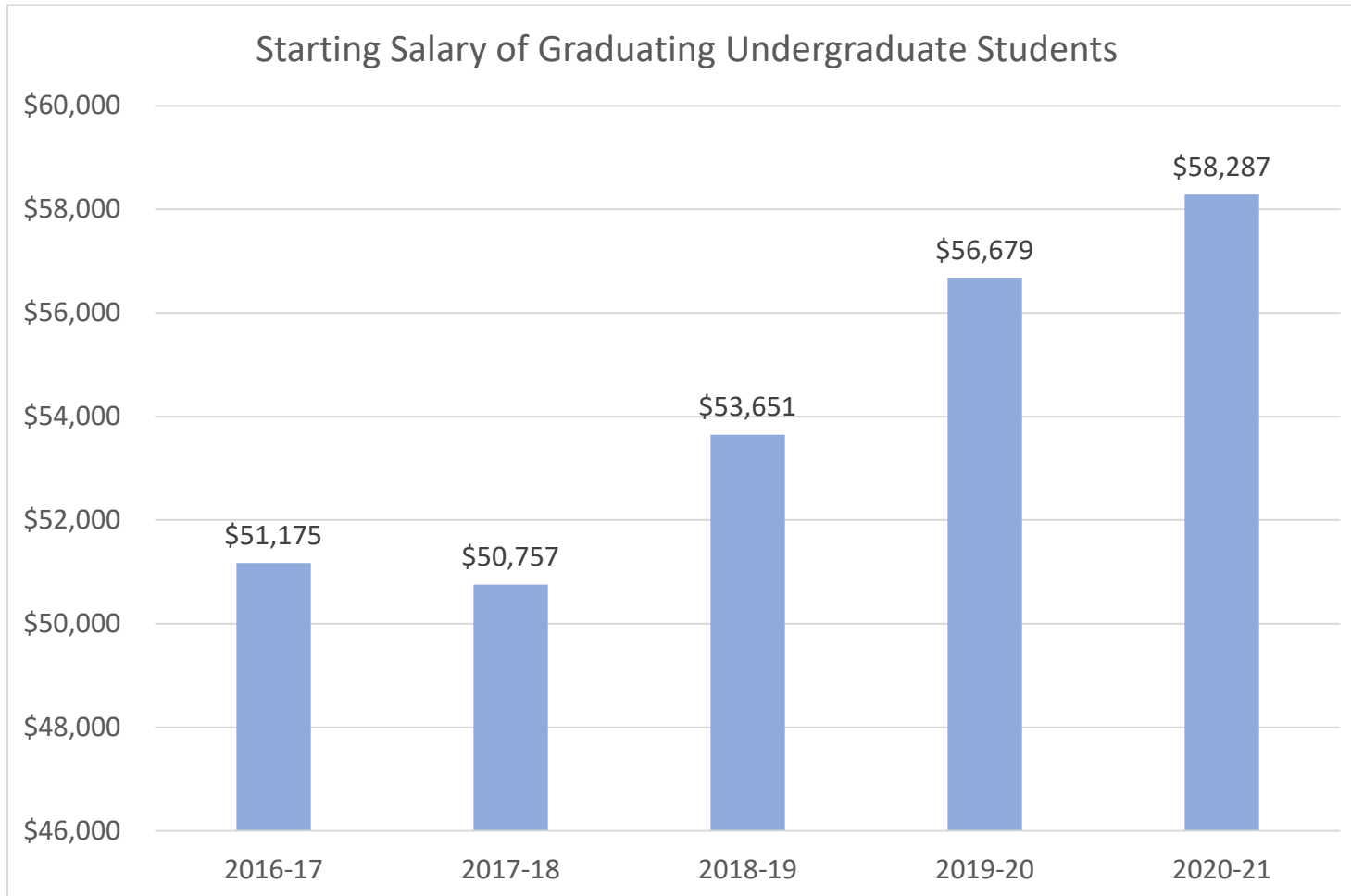
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[Student Success & Career Services](#)



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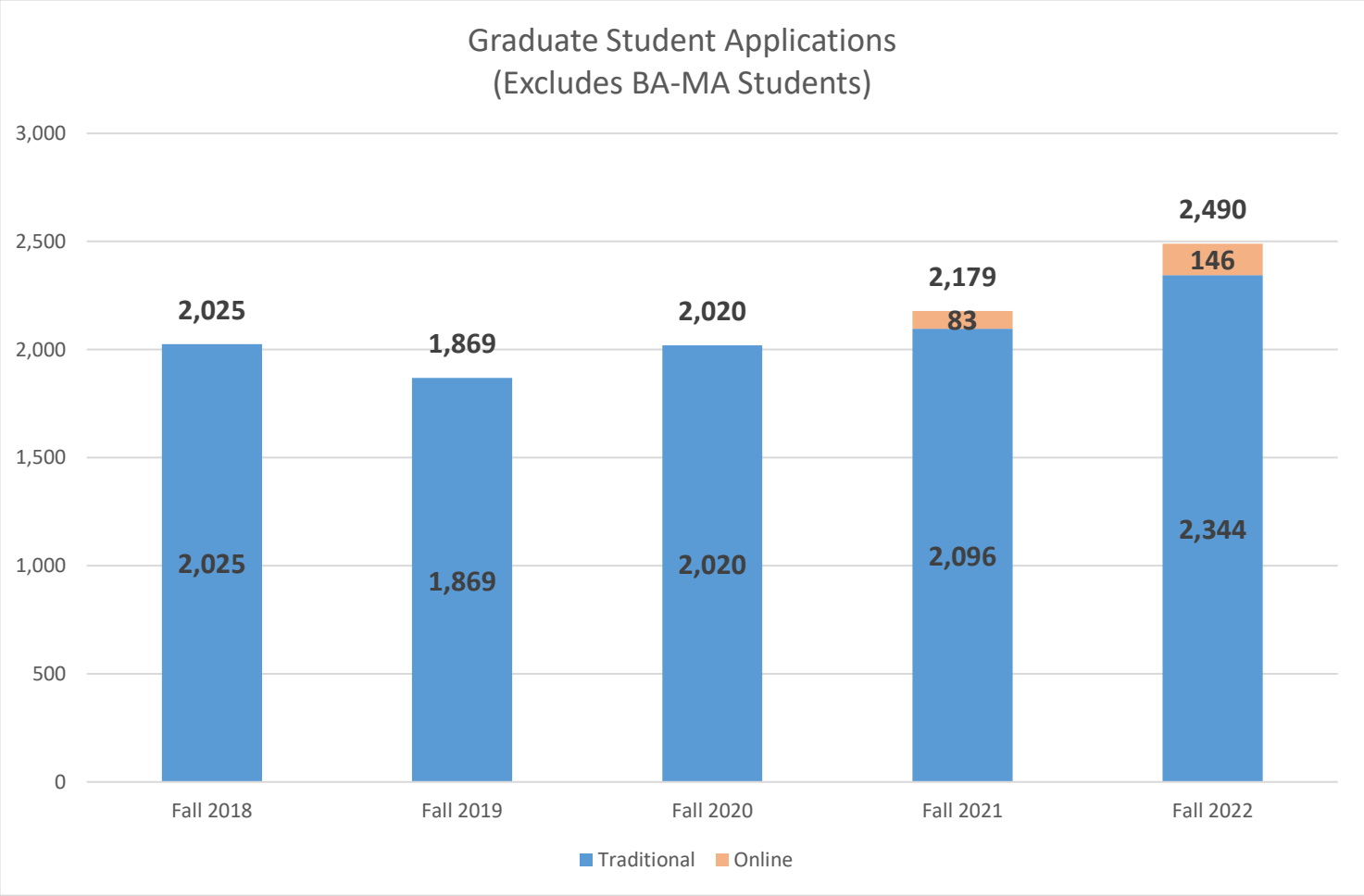
[Student Success &
Career Services](#)



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[Student Success & Career Services](#)

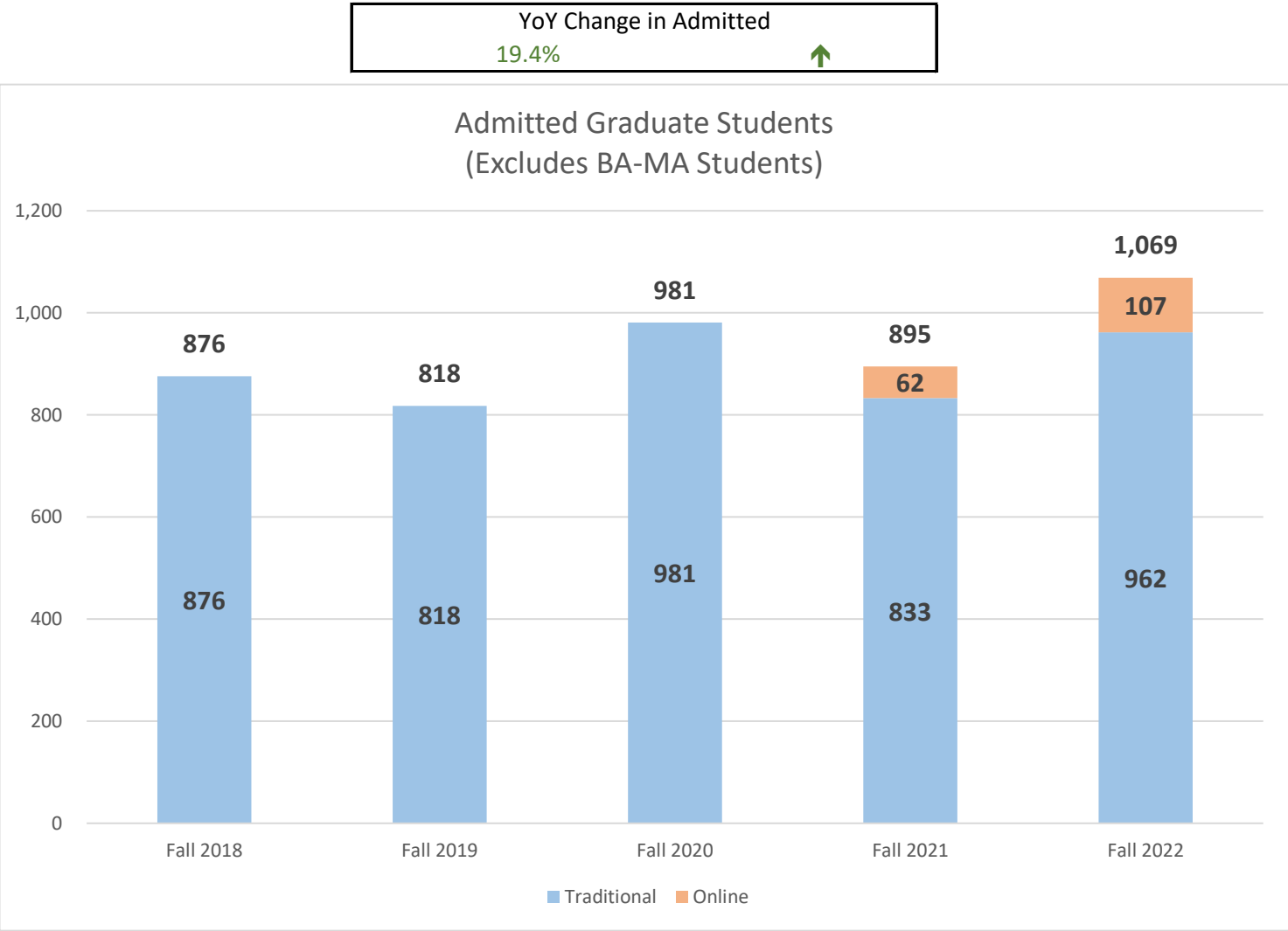
YoY Change in Applications
14.3% ↑



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[Oxford Campus
Graduate Leading](#)

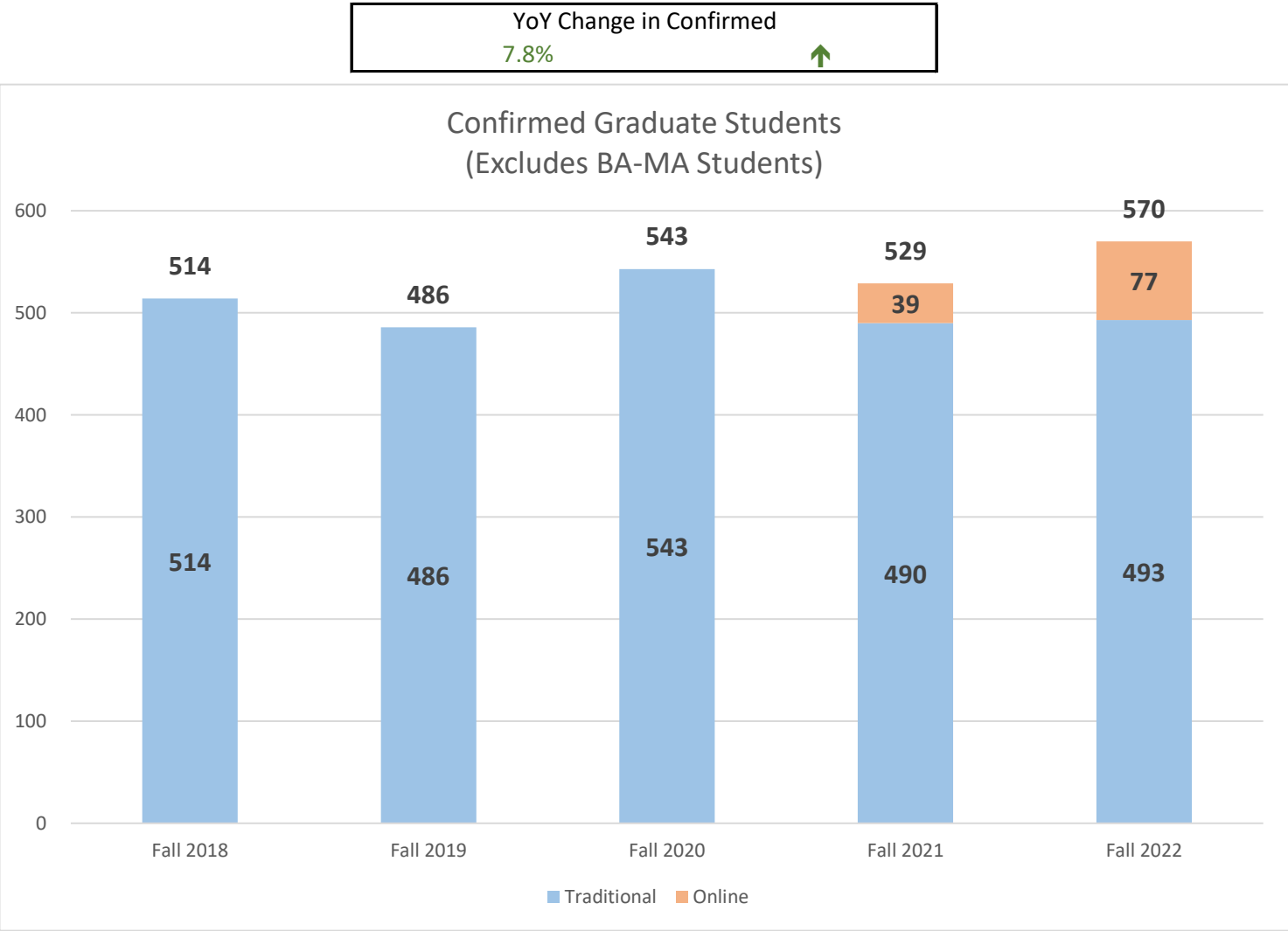
Applications reflect student demand for the program. With program offerings increasingly delivered on line the data are segmented between “traditional” and “online.”



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[Oxford Campus Graduate Leading](#)

Graduate admissions are influenced by student demand, academic preparedness, and program size as determined by the academic department. As a result, the number of admitted students fluctuates more than undergraduate students.

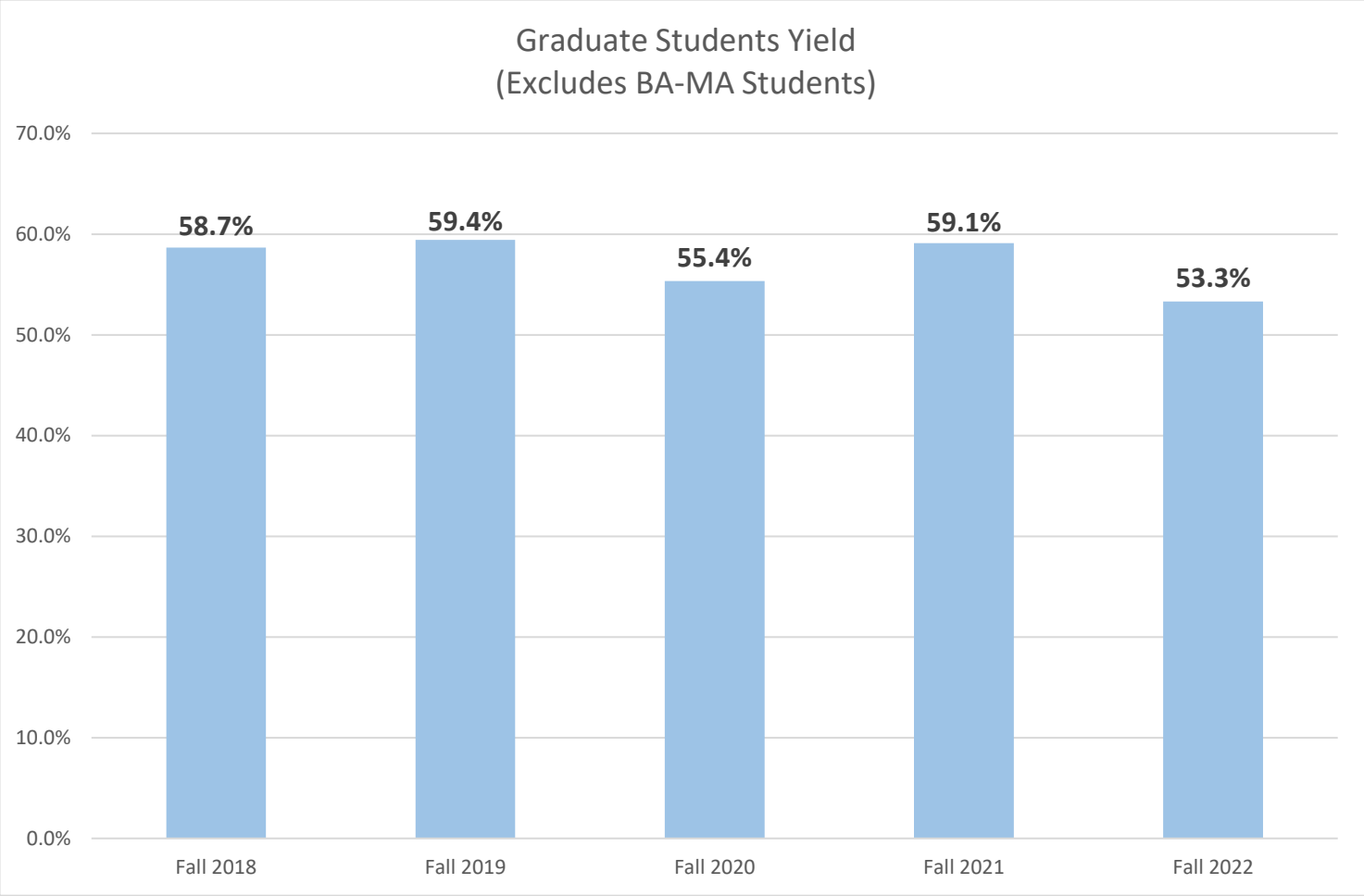


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[Oxford Campus Graduate Leading](#)

Confirmed students are those selecting Miami University for graduate study. The addition of new Boldly Creative graduate programs should result in increased confirmations.

YoY Change in Yield
-5.8% ↓

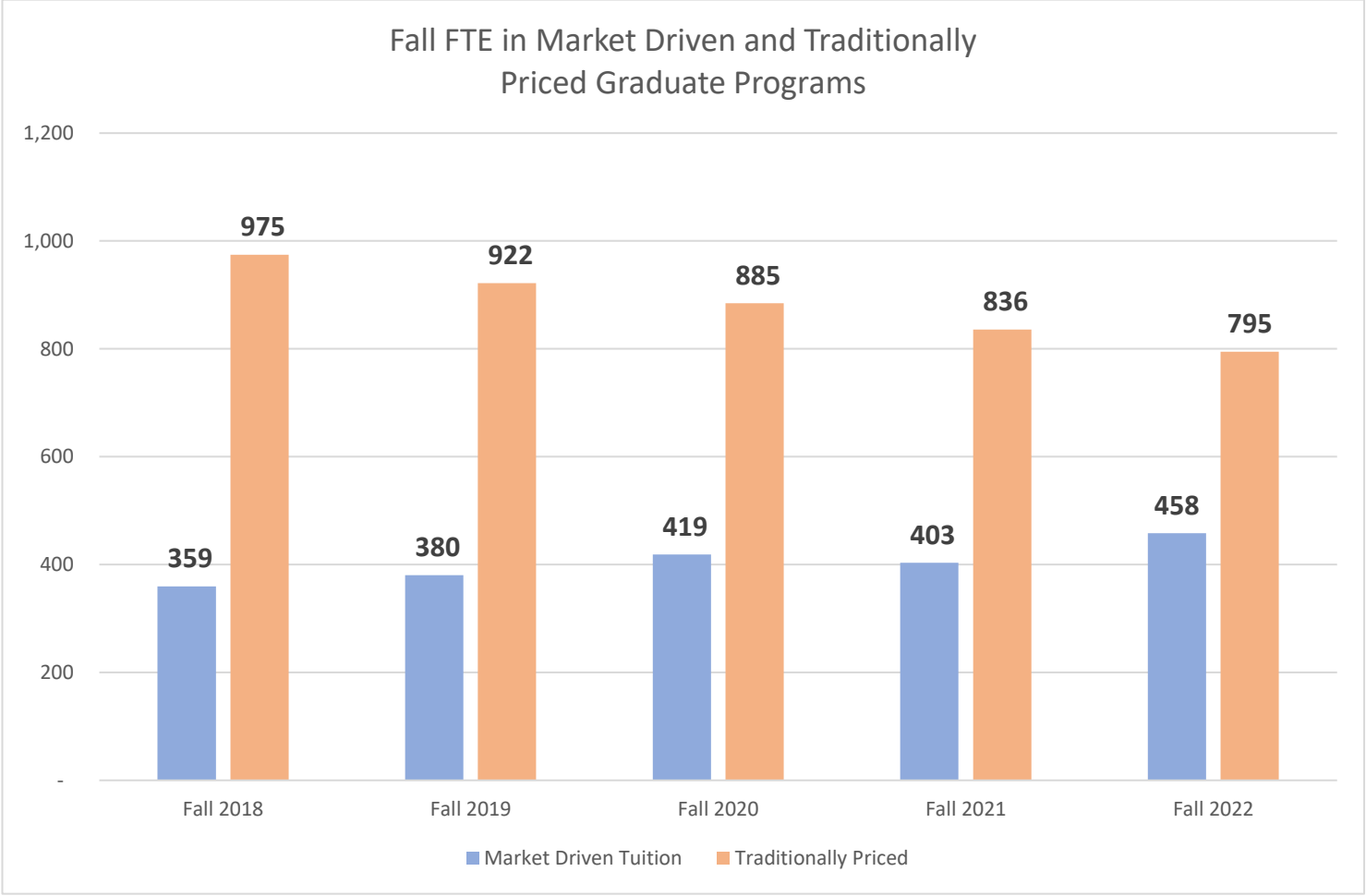


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[Oxford Campus
Graduate Leading](#)

Yield is the percentage of admitted students confirming attendance at Miami University. Generally, increasing yield rates reflect alignment of student demand with program offerings.

YoY Change in Enrollment
1.1% ↑

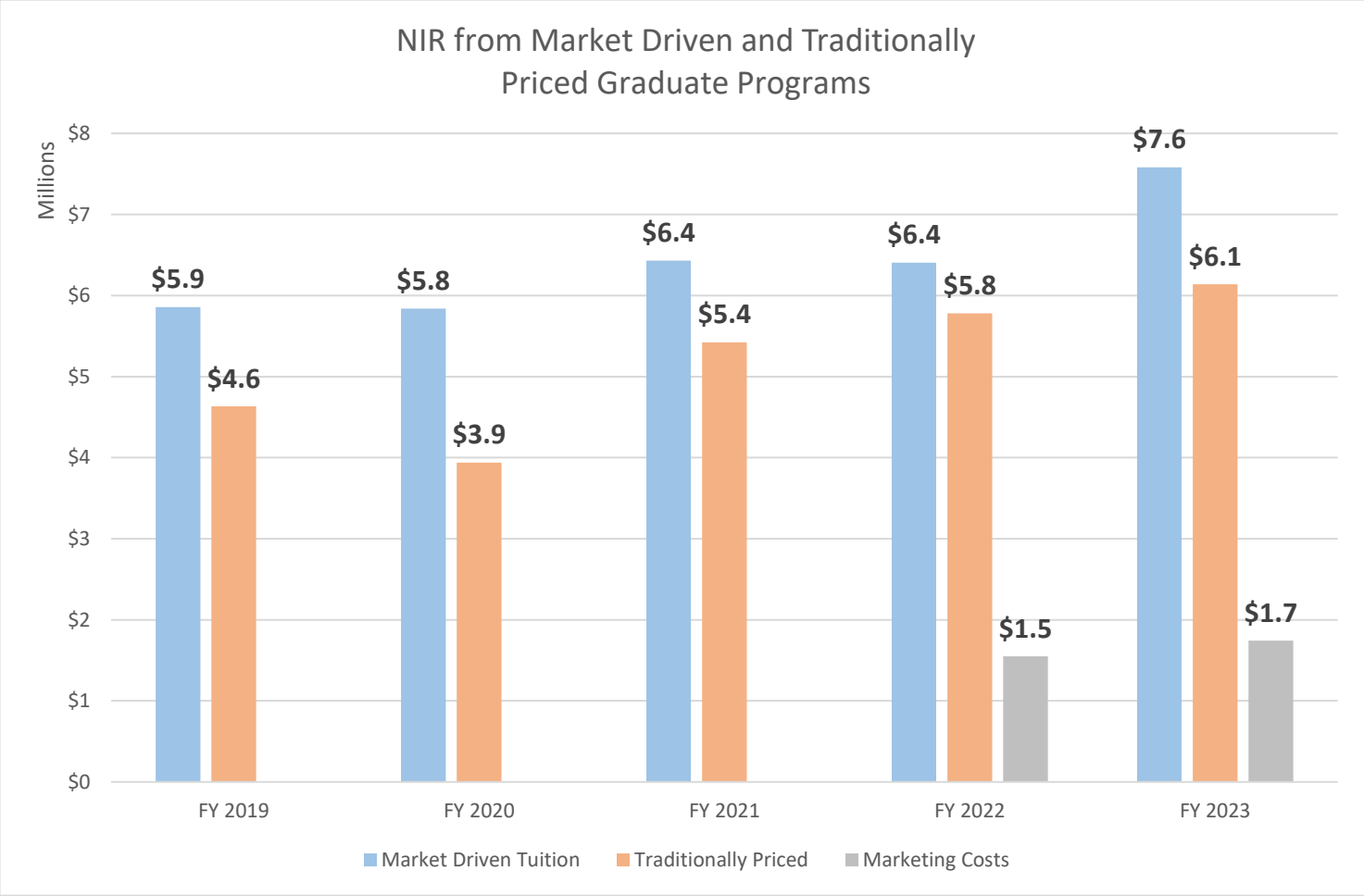


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[Oxford Campus Graduate Lagging Part 1](#)

Miami University offers traditionally priced graduate programs that often have a student stipend and fee waiver. Market programs are priced based on market analysis and do not include stipends or fee waivers. The mix in these programs is changing over time as more professional (market driven) programs are offered.

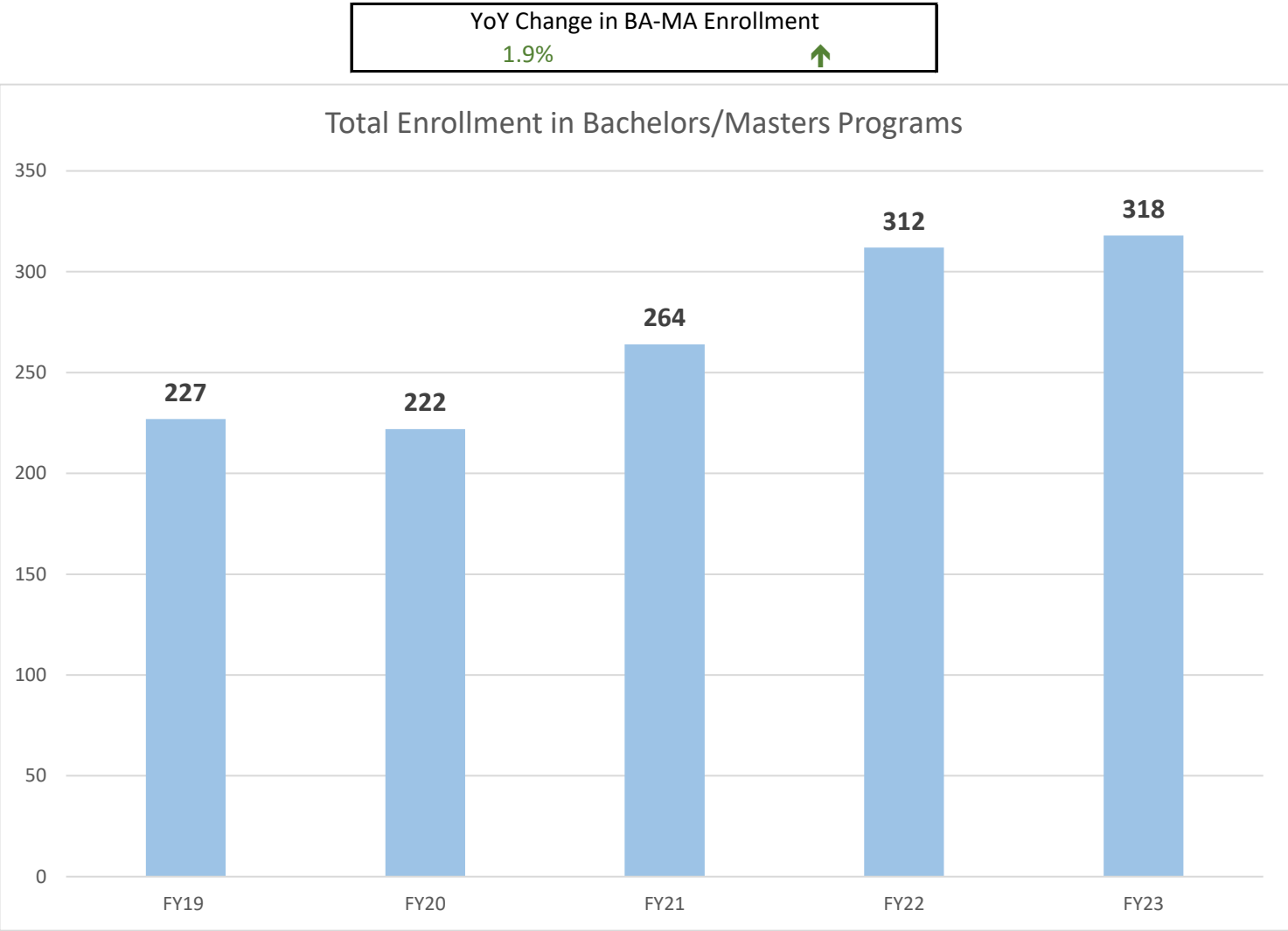
YoY Change in NIR
12.6% ↑



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[Oxford Campus Graduate Lagging Part 1](#)

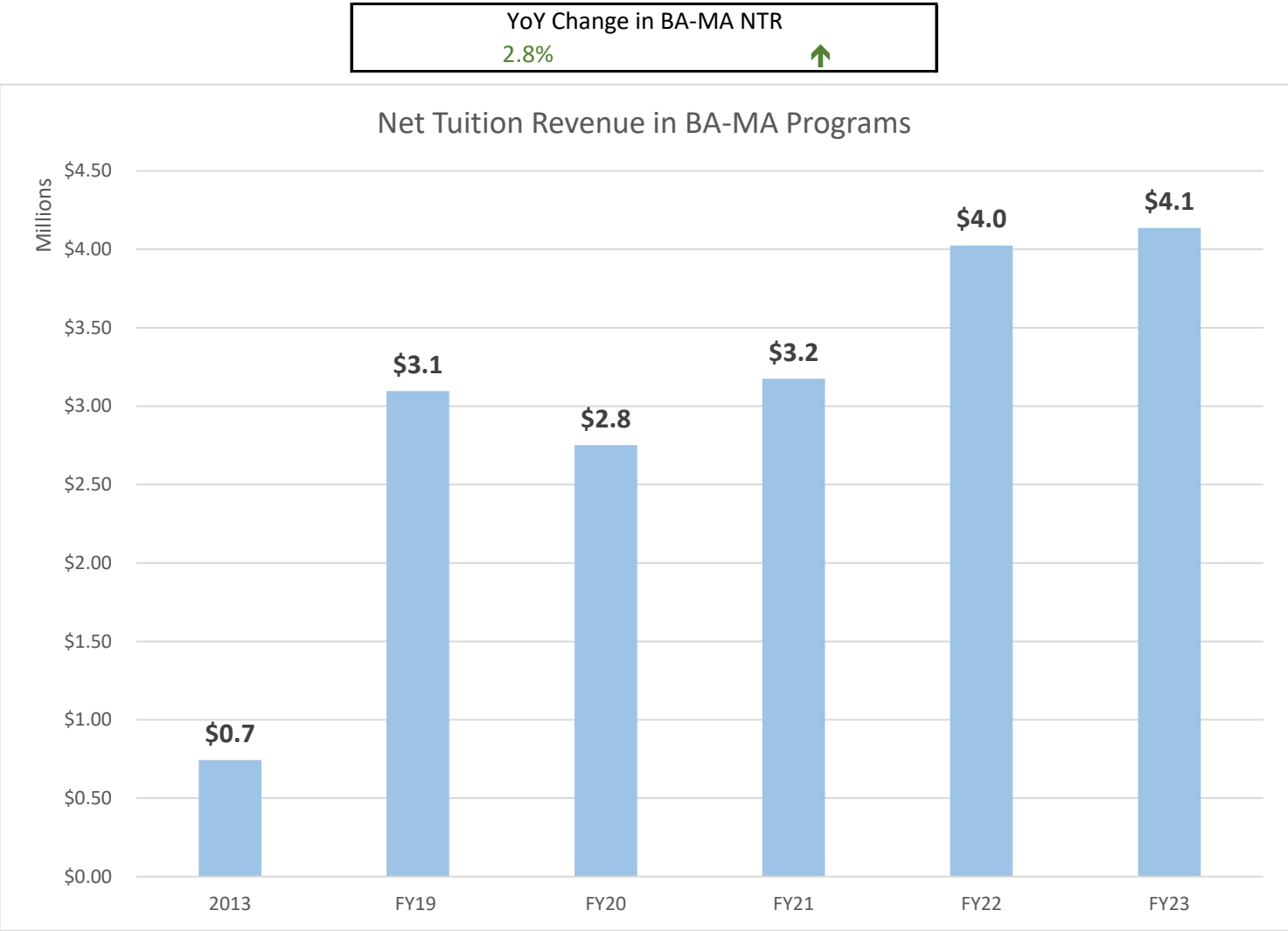
Miami University offers traditionally priced graduate programs that often have a student stipend and fee waiver. Market programs are priced based on market analysis and do not include stipends or fee waivers. The shift to market driven programs is a revenue diversification and growth strategy.



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[Oxford Campus Graduate Lagging Part 2](#)

Miami University offers over 50 program pathways where undergraduate students can transition into a masters program as early as their third year. Students find these opportunities appealing and are increasingly pursuing the option.

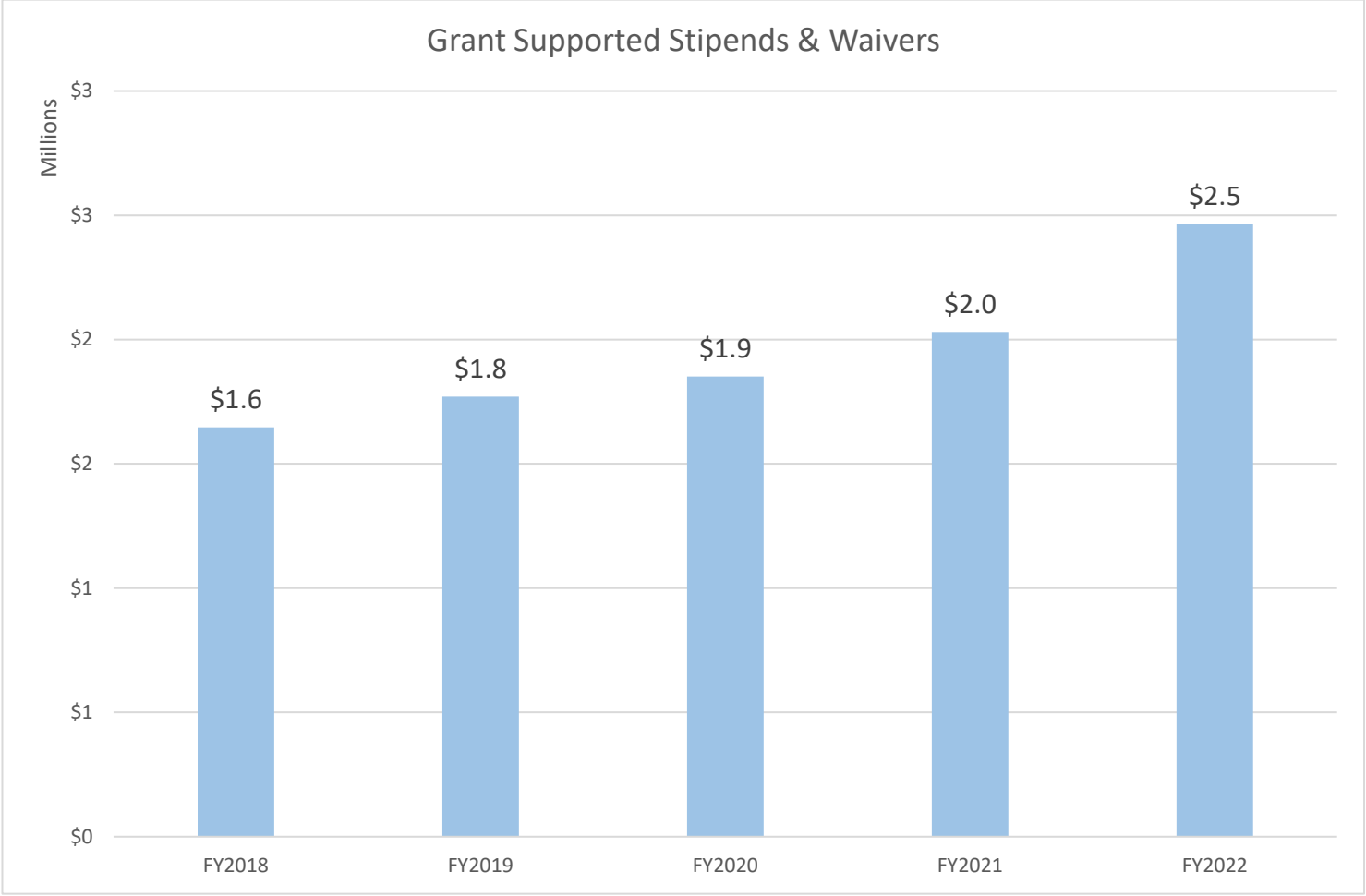


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[Oxford Campus Graduate Lagging Part 1](#)

Miami University offers over 50 program pathways where undergraduate students can transition into a masters program as early as their third year. It is difficult to discern whether BAMA tuition revenue is “new” or merely retained revenue. Either outcome is preferable to foregone revenue.

YoY Change in Grant Supported Students
21.3% ↑

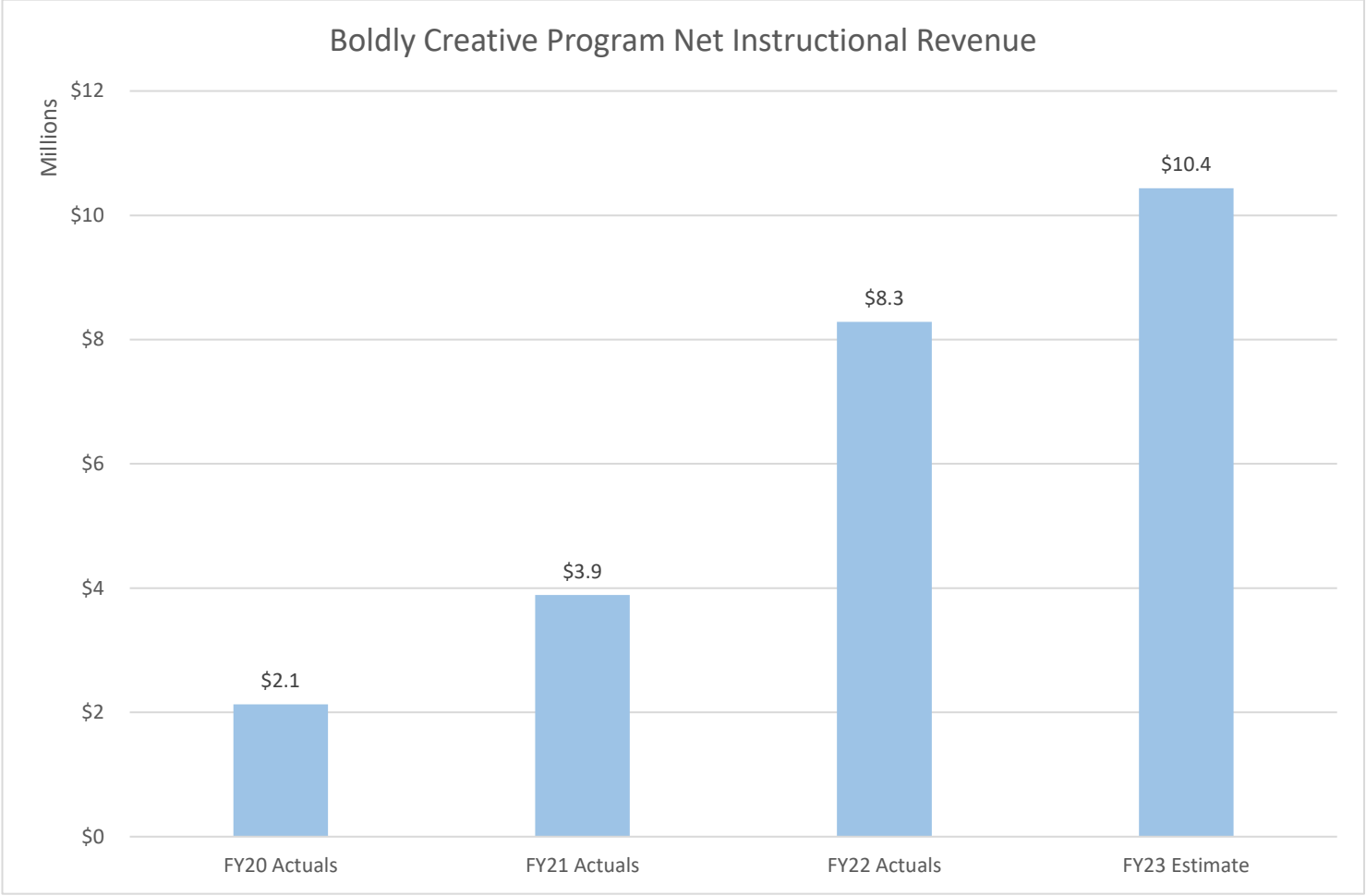


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[Oxford Campus Graduate Lagging Part 1](#)

Funding graduate stipends and fee waivers for students in traditionally priced programs reduces pressure on the tuition supported budget. Faculty in graduate programs have increased the level of grant support for graduate students.

YoY Change in Boldly Creative NIR
25.9% ↑

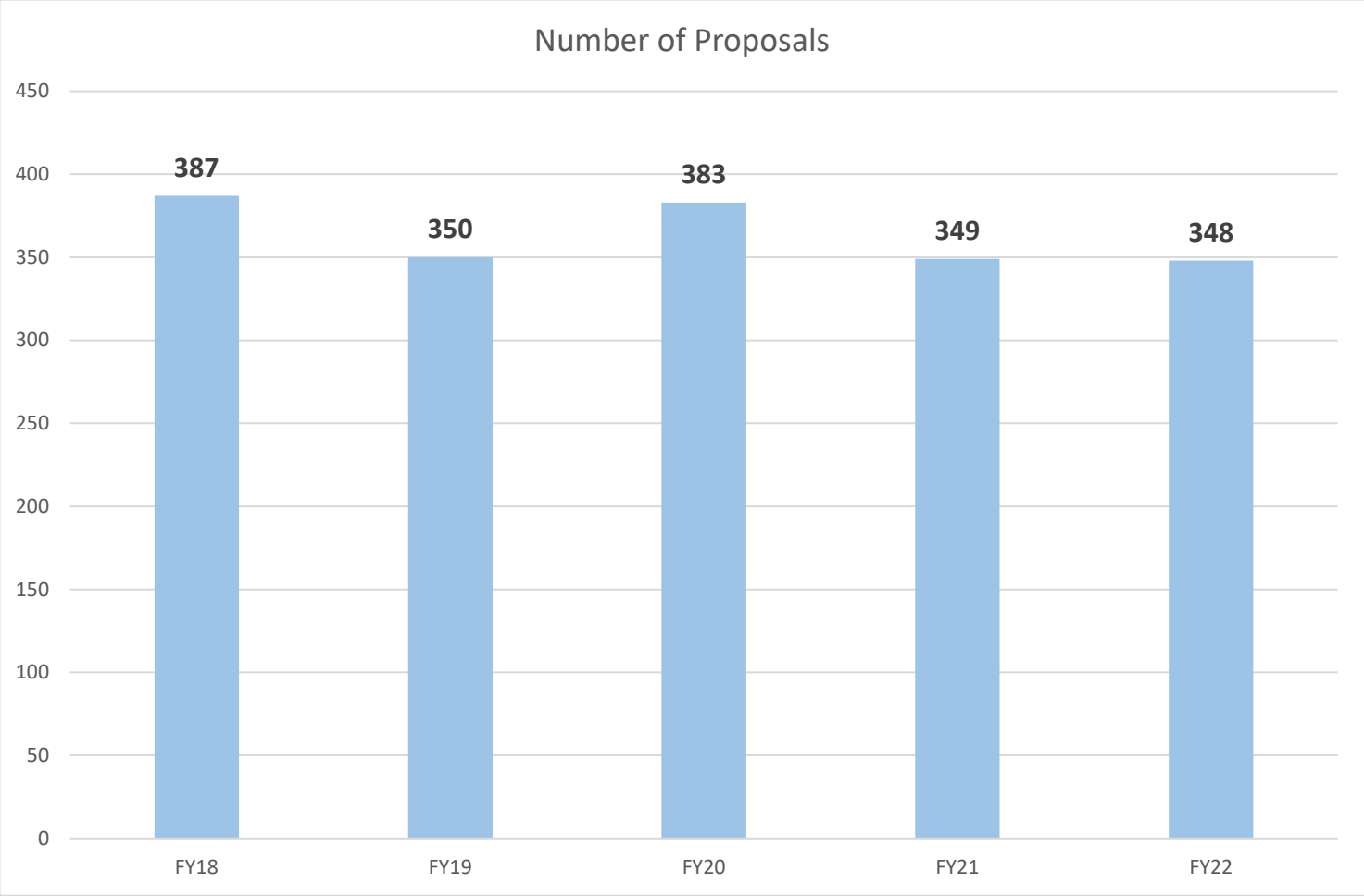


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[Oxford Campus Graduate Lagging Part 2](#)

The Boldly Creative initiative has resulted in the creation of new, in-demand programs. As program enrollments fill in, instructional revenue should increase.

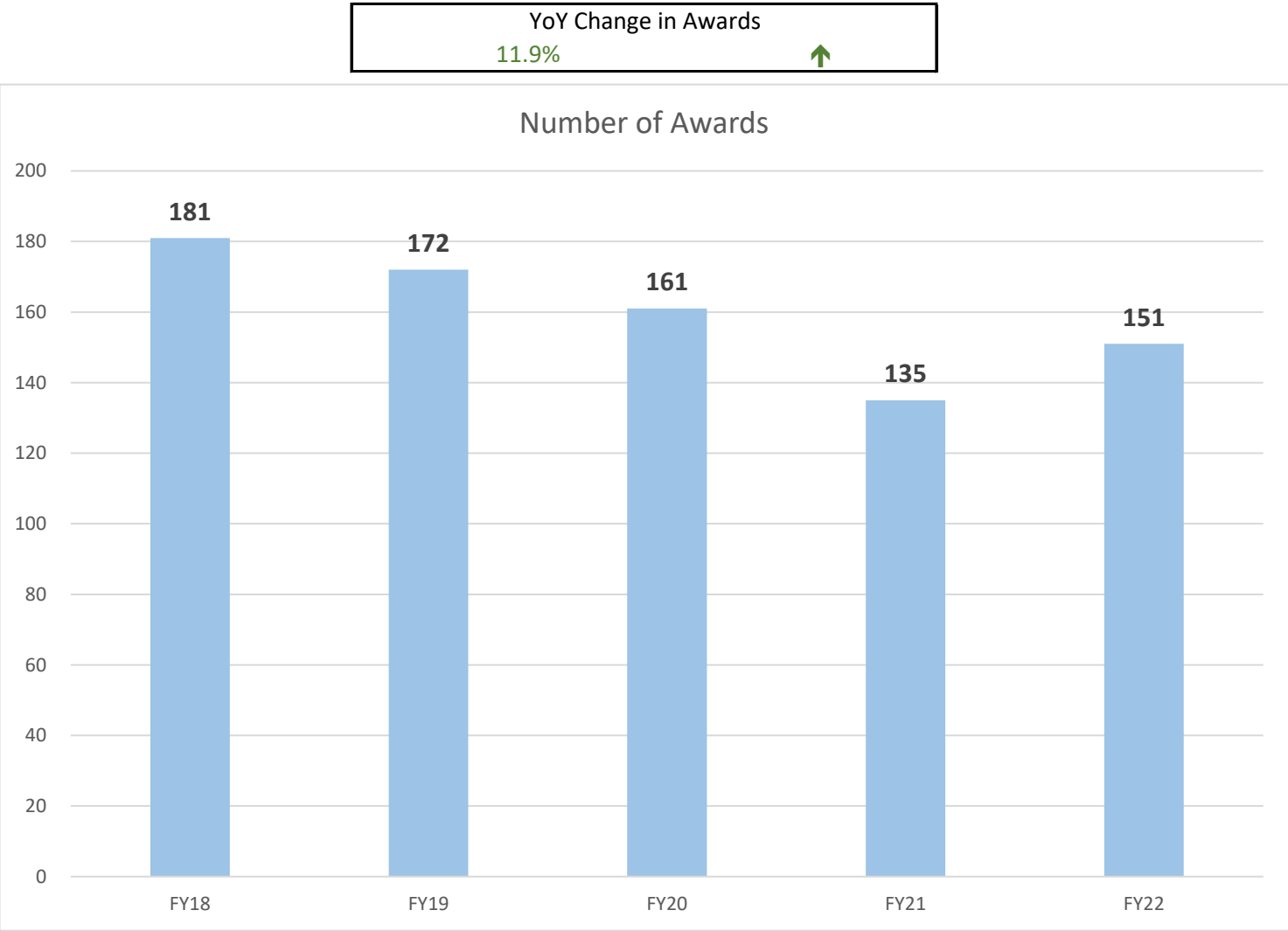
YoY Change in Proposals
-0.3% ↓



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[Research Activity
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Increasing revenues from grants requires a consistent pipeline of grant proposal. However, the count of proposals doesn't capture the quality of the proposal. For instance, the number of proposals in FY21 and FY22 were below FY19, but research revenue increased in FY22.



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[Research Activity
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Increasing revenues from grants requires a consistent pipeline of grant awards. However, the count of awards doesn't capture the quality of the proposal or the amount of. For instance, the number of awards in FY21 and FY22 were below FY19, but research revenue increased in FY22.

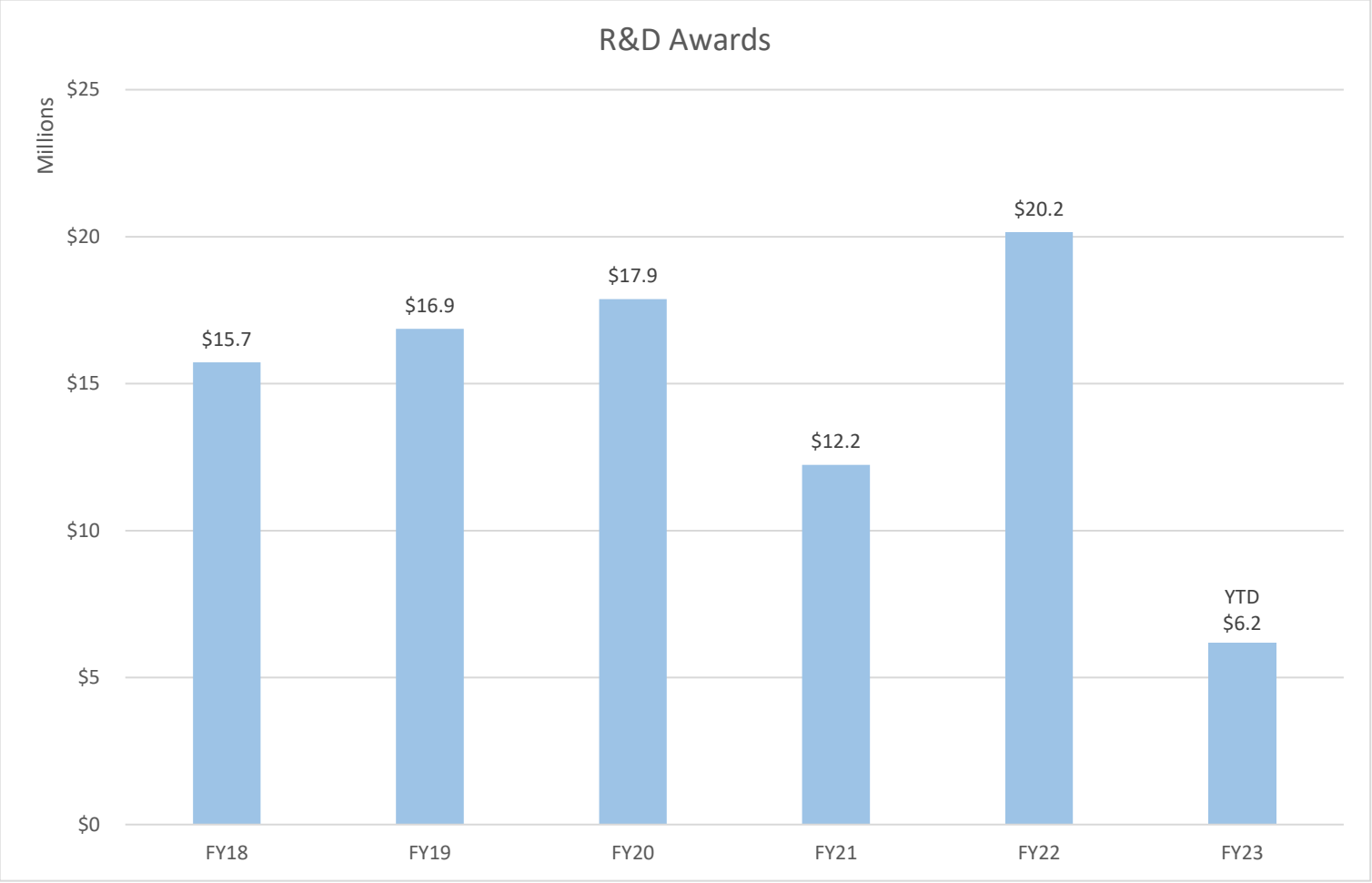


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[Research Activity
Part 2](#)

Grant revenue has been on an upward trend, with a substantial increase in FY22. The revenues increased despite a decline in proposals and awards suggesting higher quality proposals and better relationships with grant making agencies.

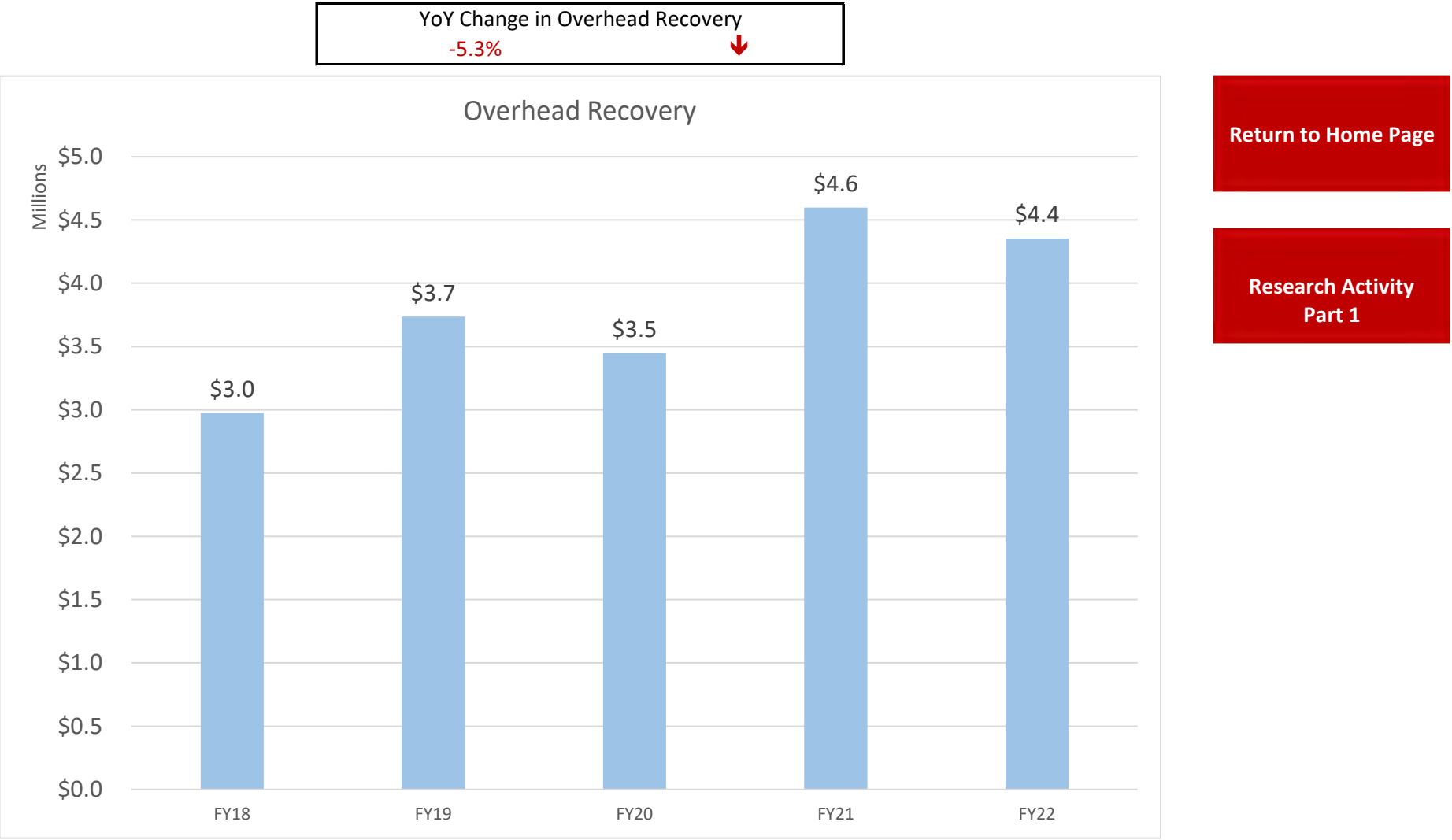
YoY Change in R&D Awards \$
64.8% ↑



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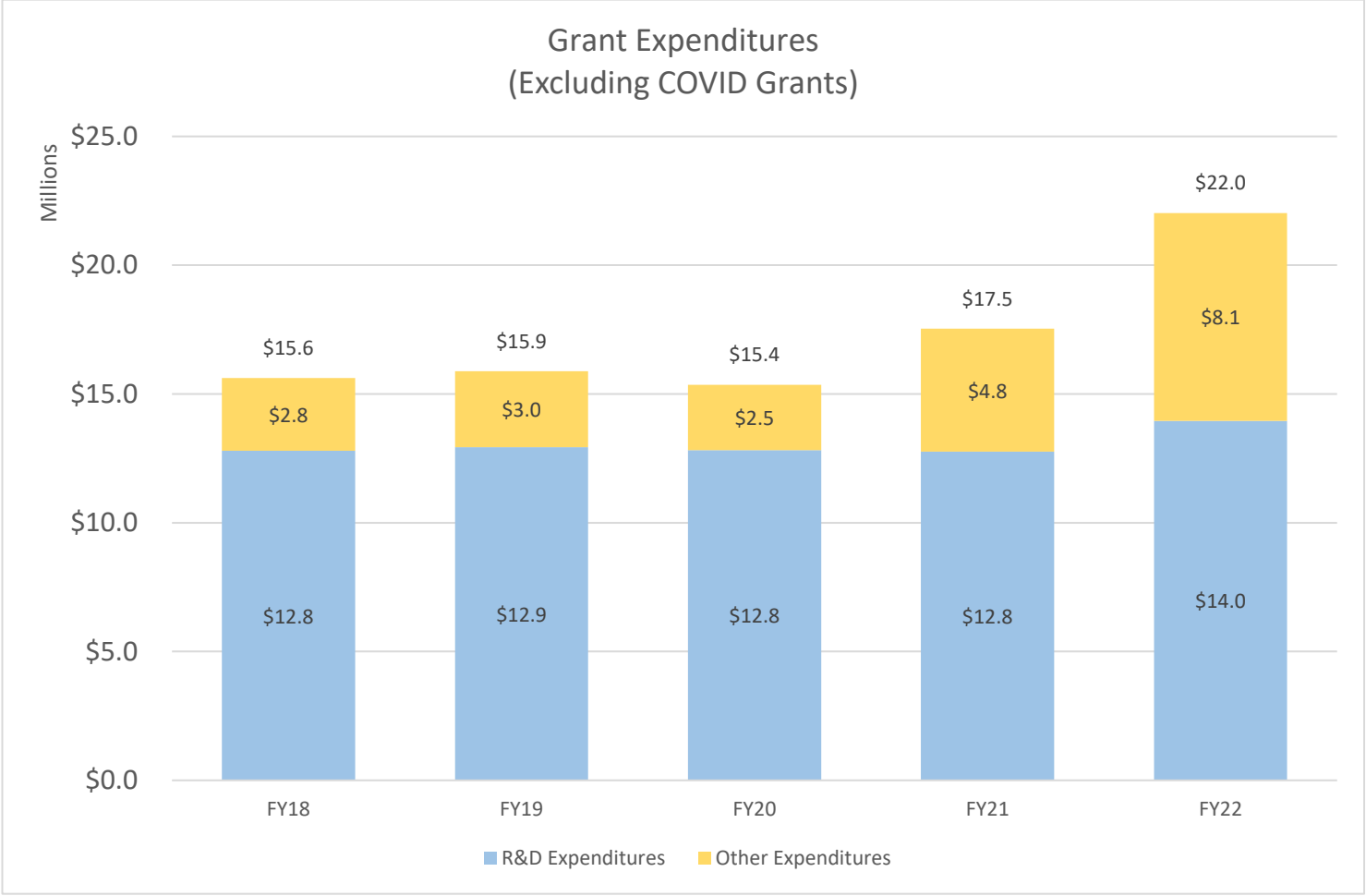
[Research Activity
Part 1](#)

R&D Awards support the University's scholarly research activity. Increases in R&D awards help to diversify revenues and decrease pressure on the tuition supported budget. R&D awards have been increasing except for FY21 which was impacted by COVID.



Many grants allow for an administrative recovery. Increasing overhead recoveries help to take pressure of the tuition supported portion of the university’s budget.

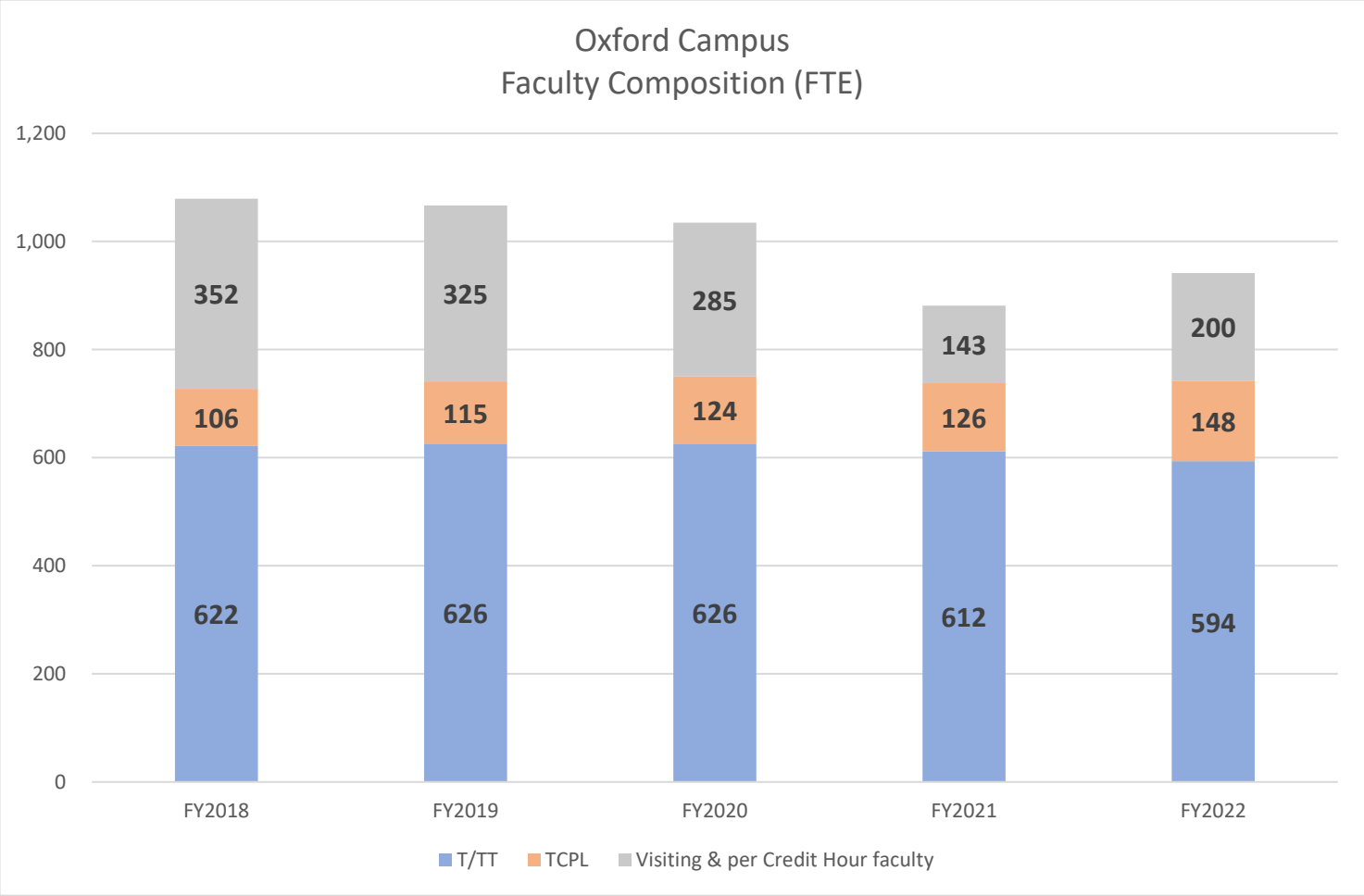
YoY Change in R&D Expenditures
9.4% ↑



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[Research Activity
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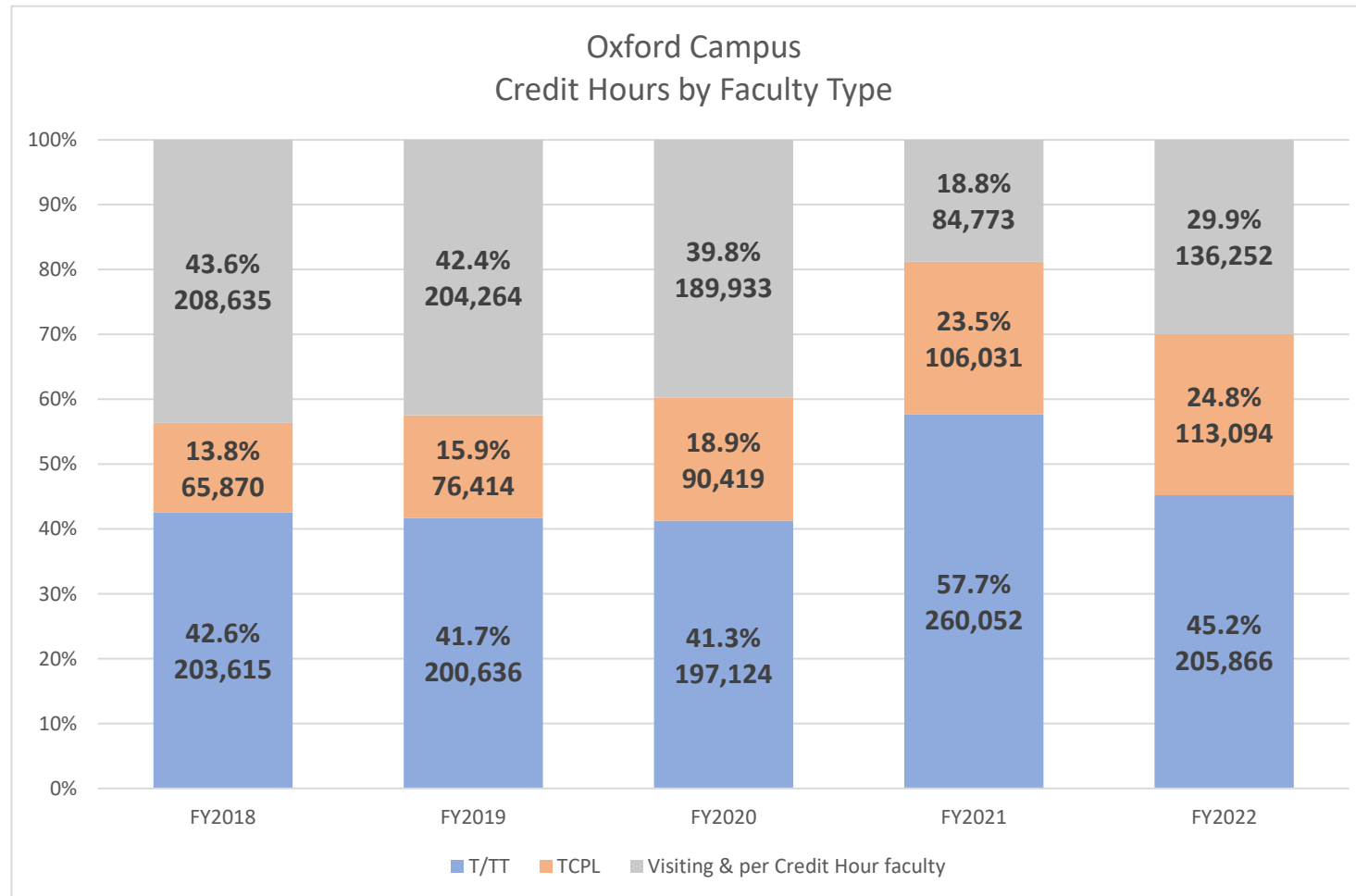
Grant expenditures reflect the amount of spending from grant revenues. The level of grant expenditures has been increasing, with a substantial increase in FY22. Federal and state grants to offset the impacts of COVID are not reflected in the chart.



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[Oxford Campus
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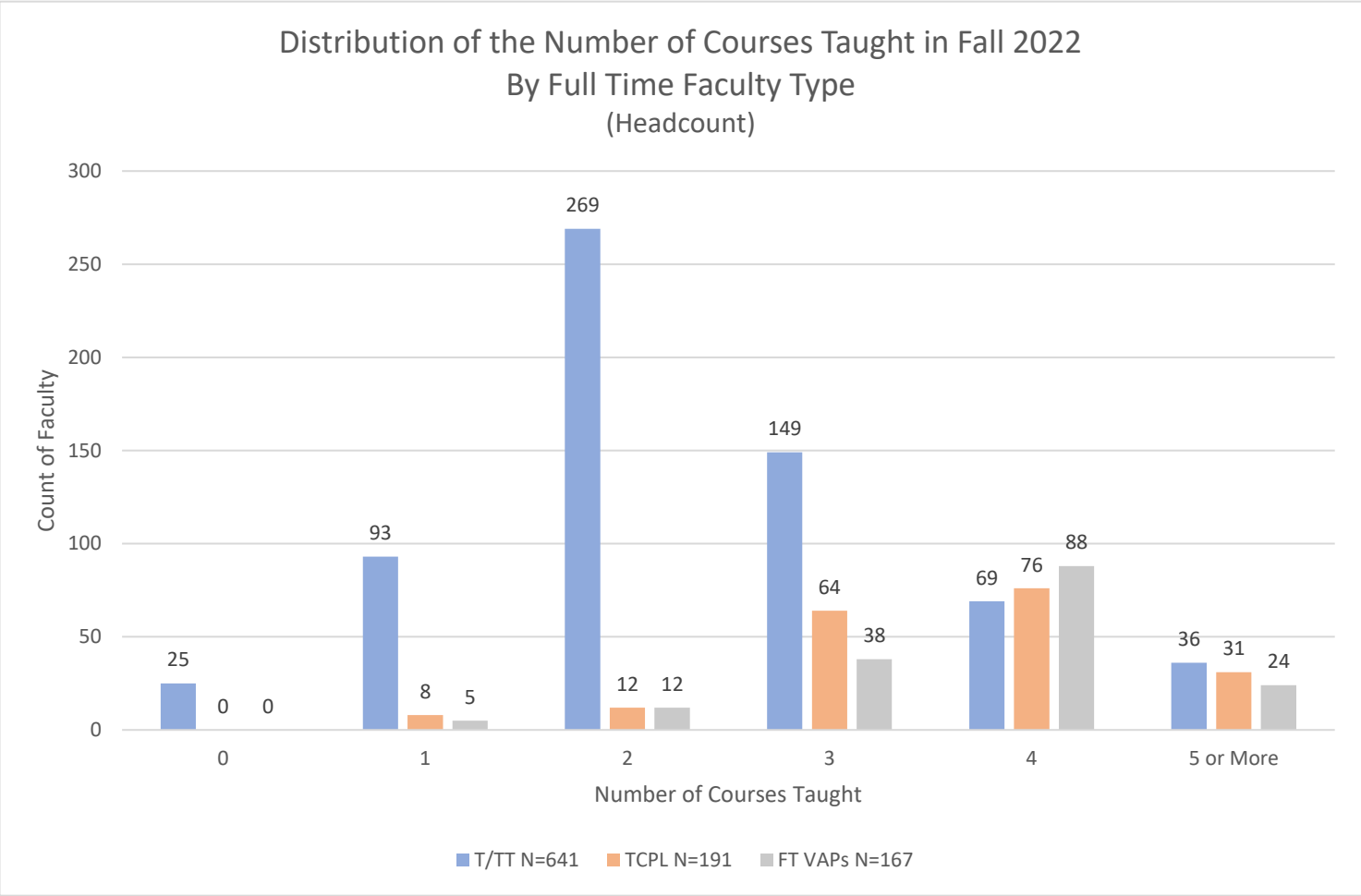
The number and mix of faculty determines the capacity of the university to deliver in academic programs, and fulfill research and service objectives.



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[Oxford Campus
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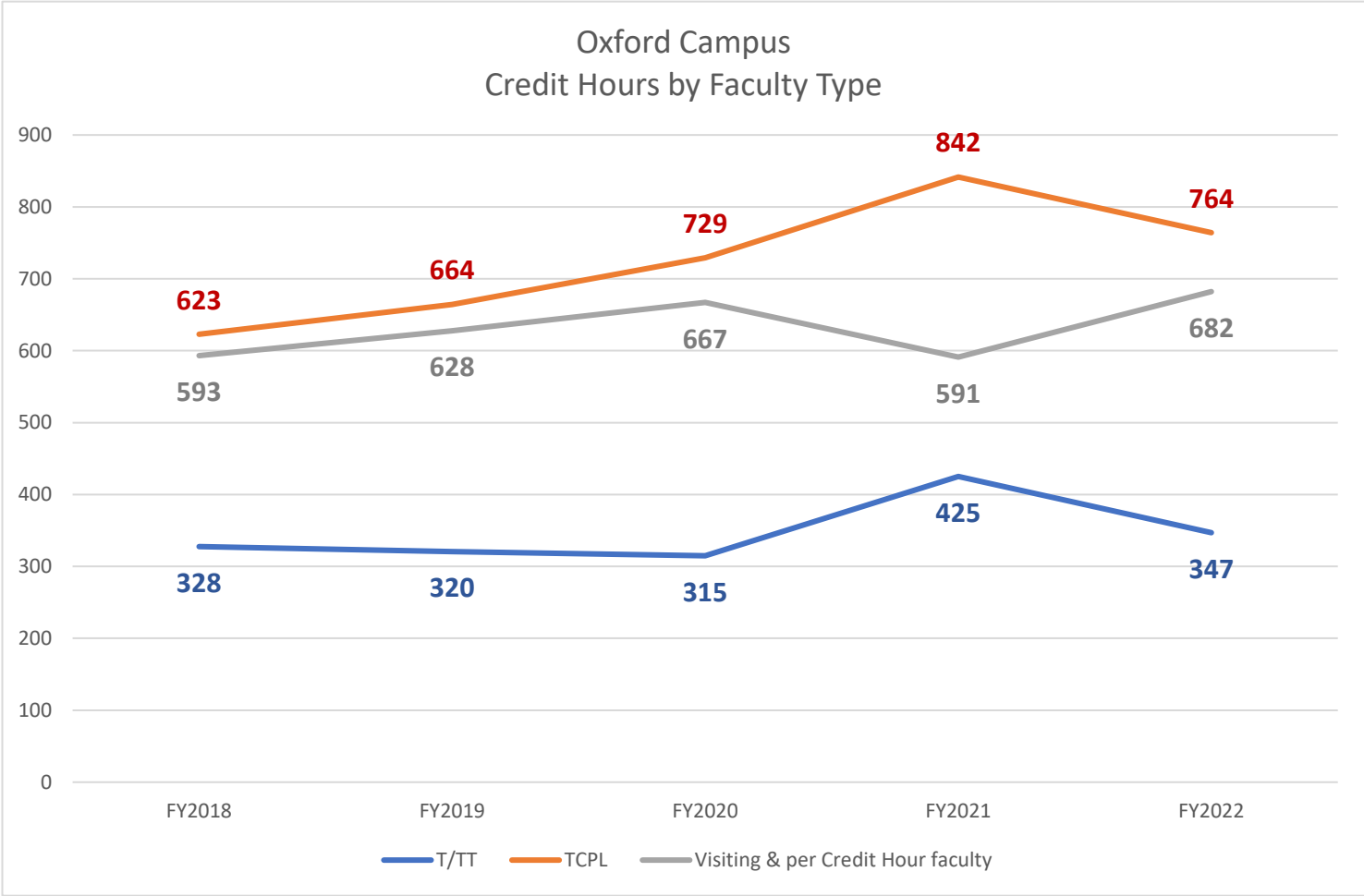
Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.



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[Oxford Campus
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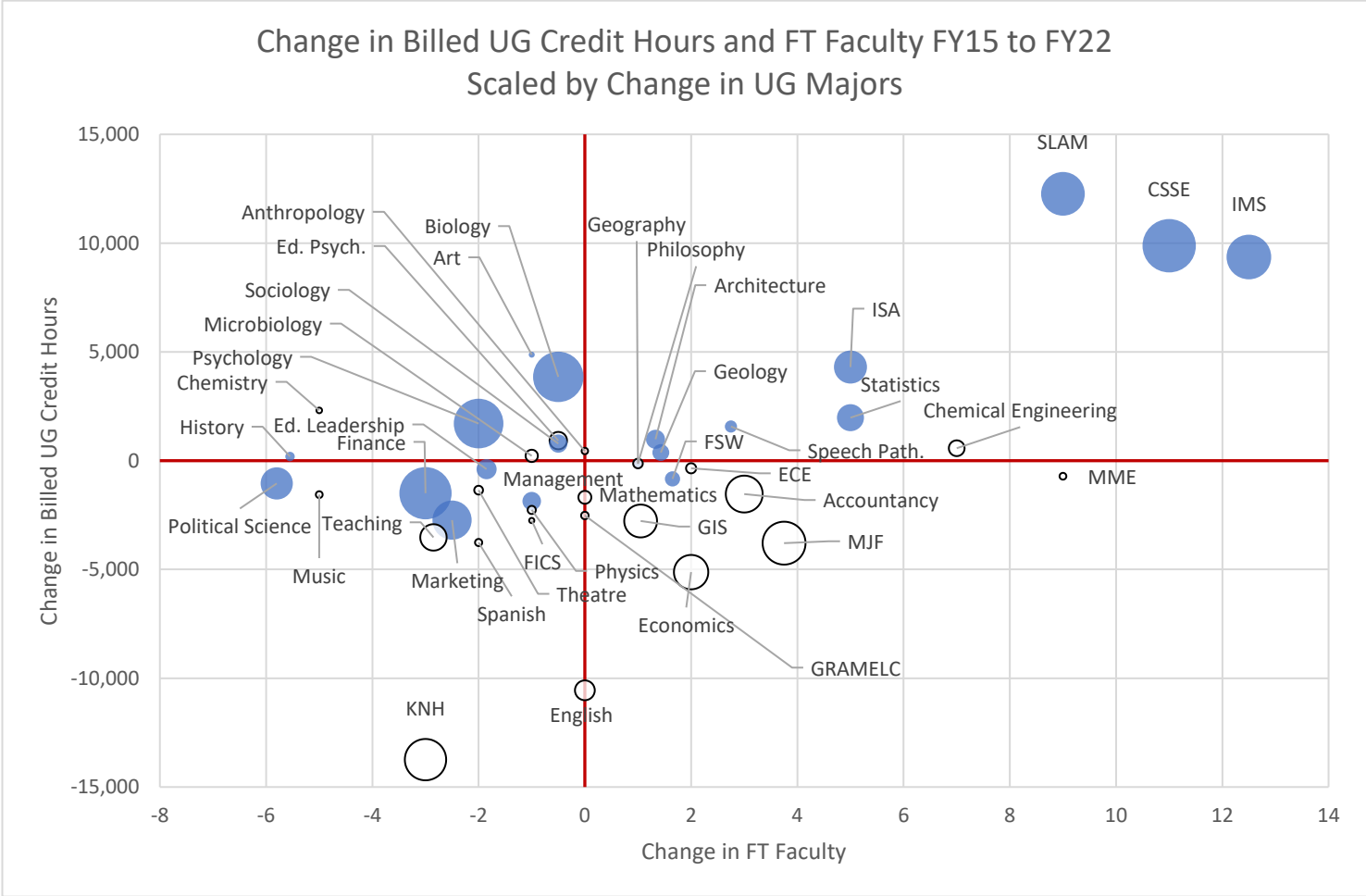
The number of course taught by faculty type generally illustrates instruction load. Instructional load for a tenure-tenure track faculty member is 3/2 or 3/3. Instructional load for a clinical faculty and full time visiting members is 4/4.



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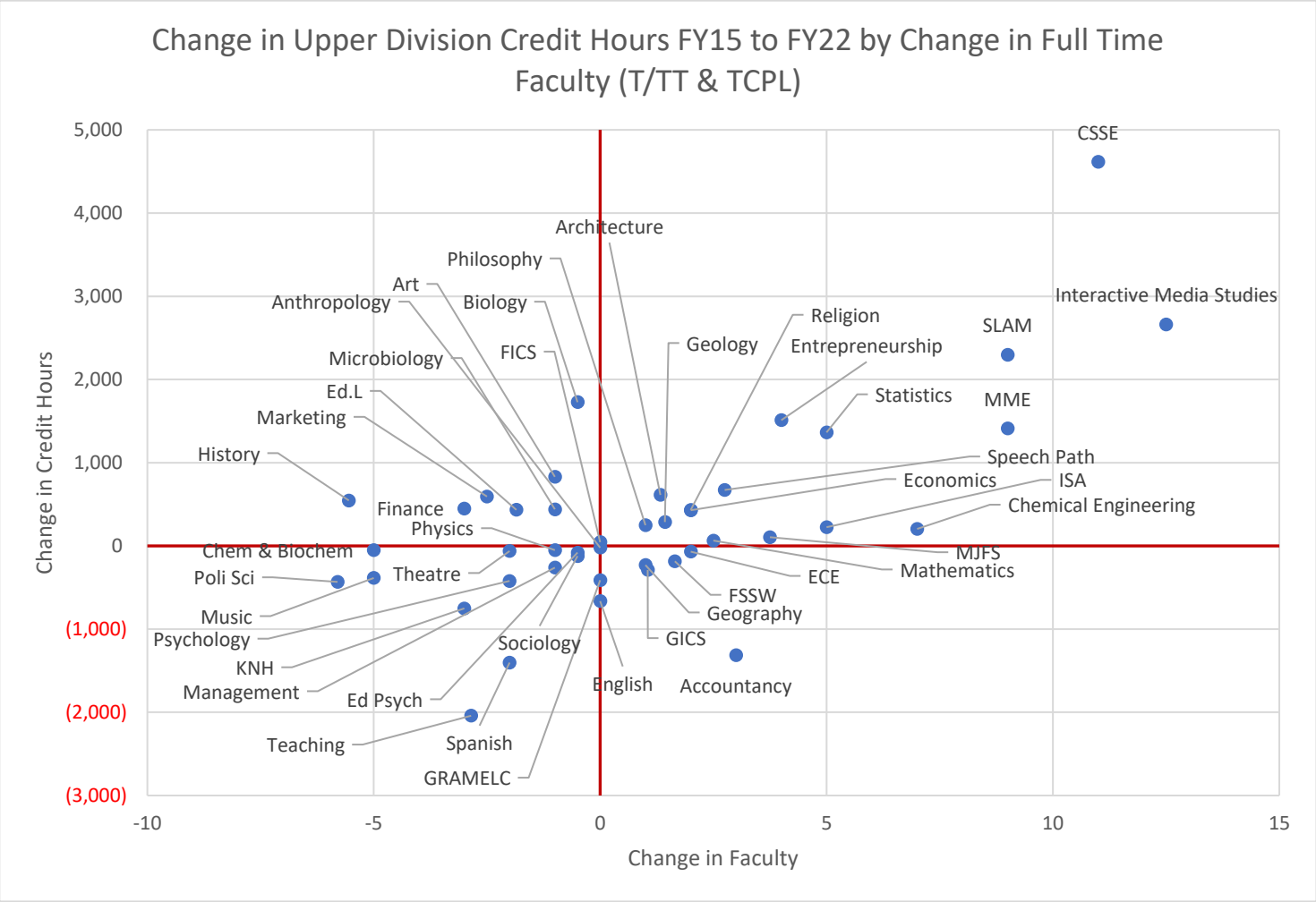
Credit hours per faculty member illustrates the type of faculty members delivering instruction.



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[Oxford Campus
Faculty
Resources Part 2](#)

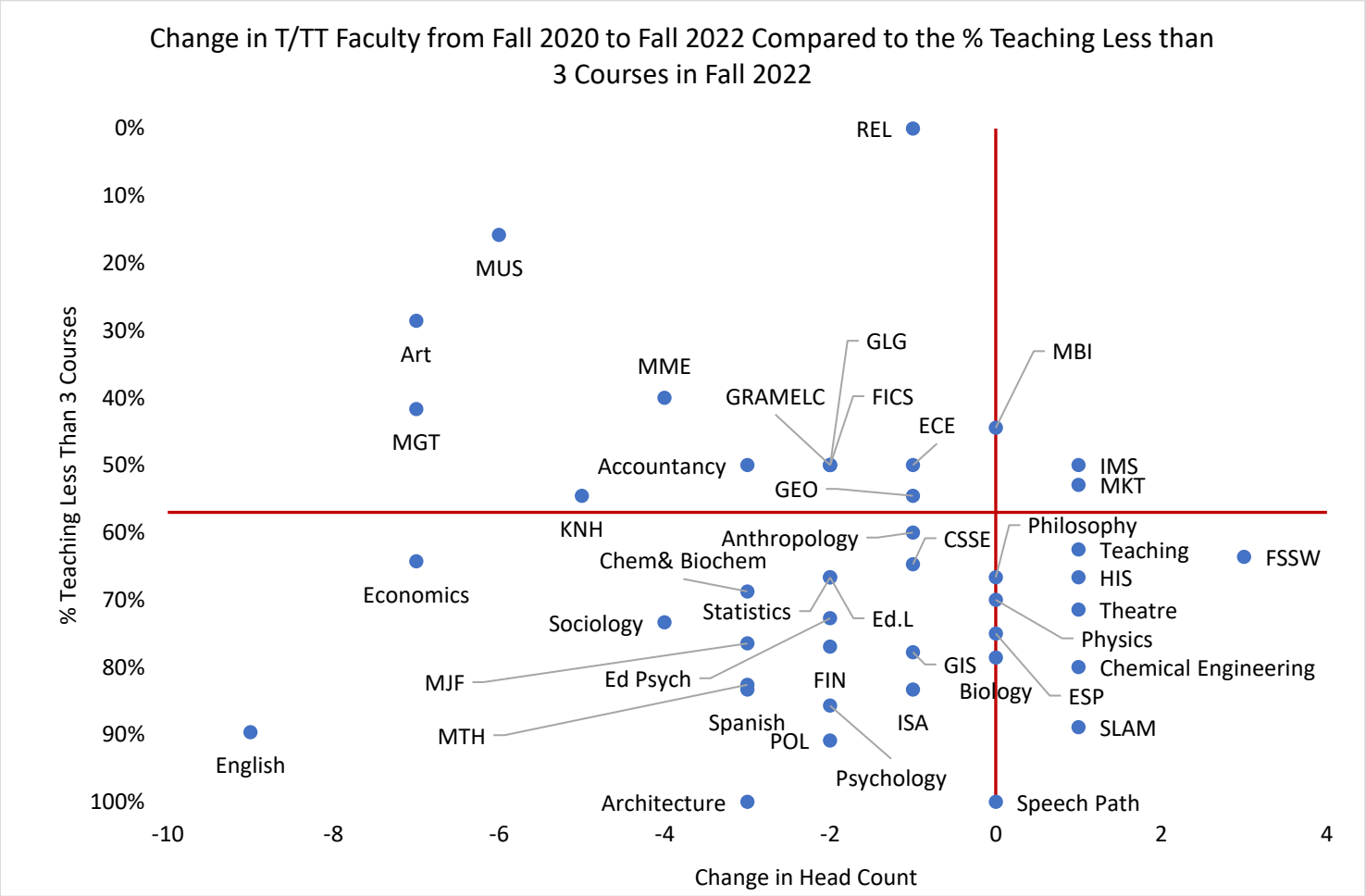
Faculty resources are aligned when the change in faculty matches the change in student demand (credit hours). Departments in the upper right quadrant increased faculty to meet increased credit hours. Departments in the lower left quadrant decreased faculty as credit hours decreased. The change in faculty did not match student demand the lower right quadrant (fewer credit hours, more faculty) and upper left quadrant (more credit hours, fewer faculty).



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[Oxford Campus
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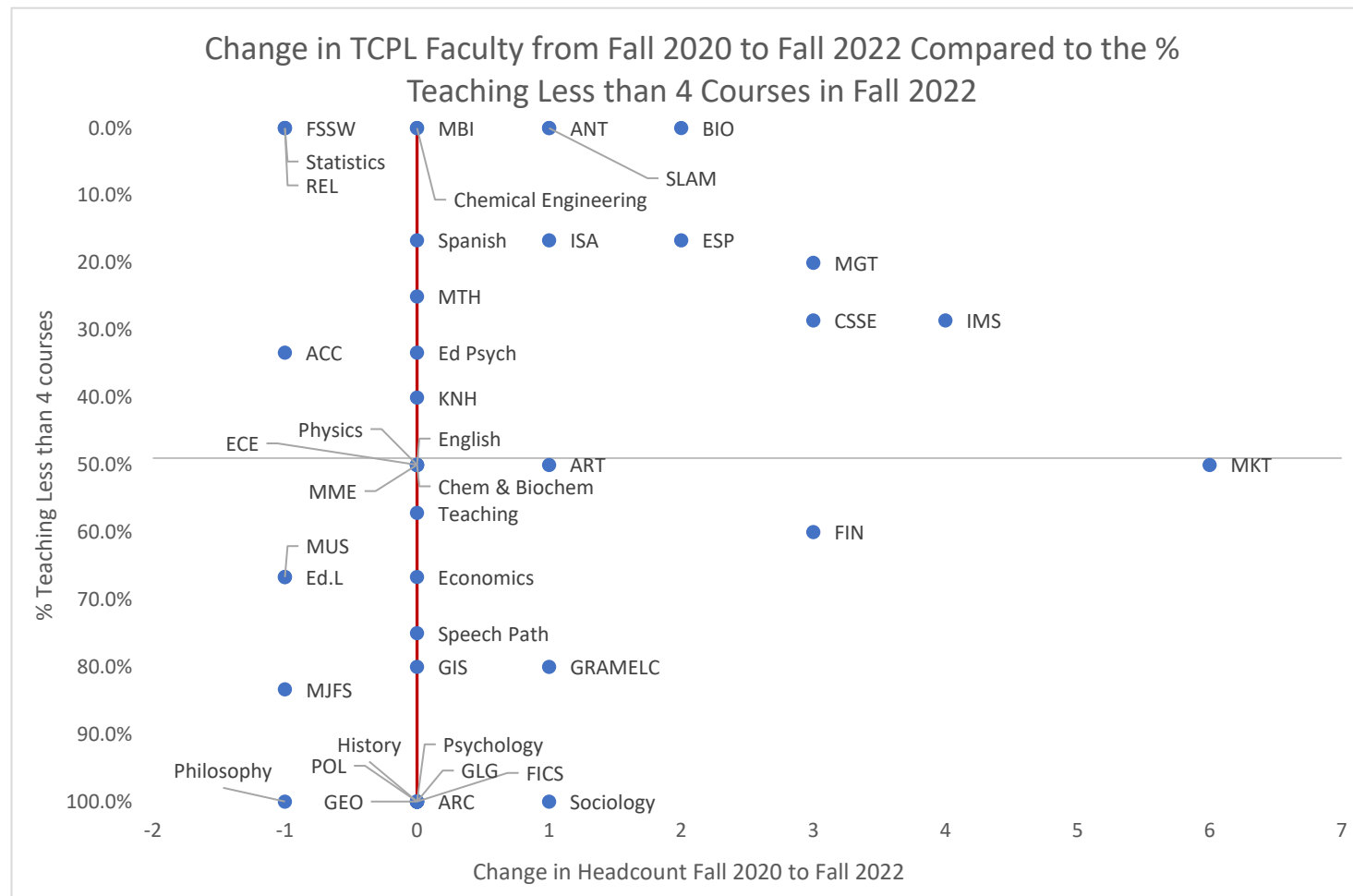
Student demand for programs is reflected by upper division credit hours taken to fulfill the requirements of majors. Departments in the upper right quadrant increased faculty to meet increased credit hours. Departments in the lower left quadrant decreased faculty as credit hours decreased. The change in faculty did not match student demand the lower right quadrant (fewer credit hours, more faculty) and upper left quadrant (more credit hours, fewer faculty)



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[Oxford Campus
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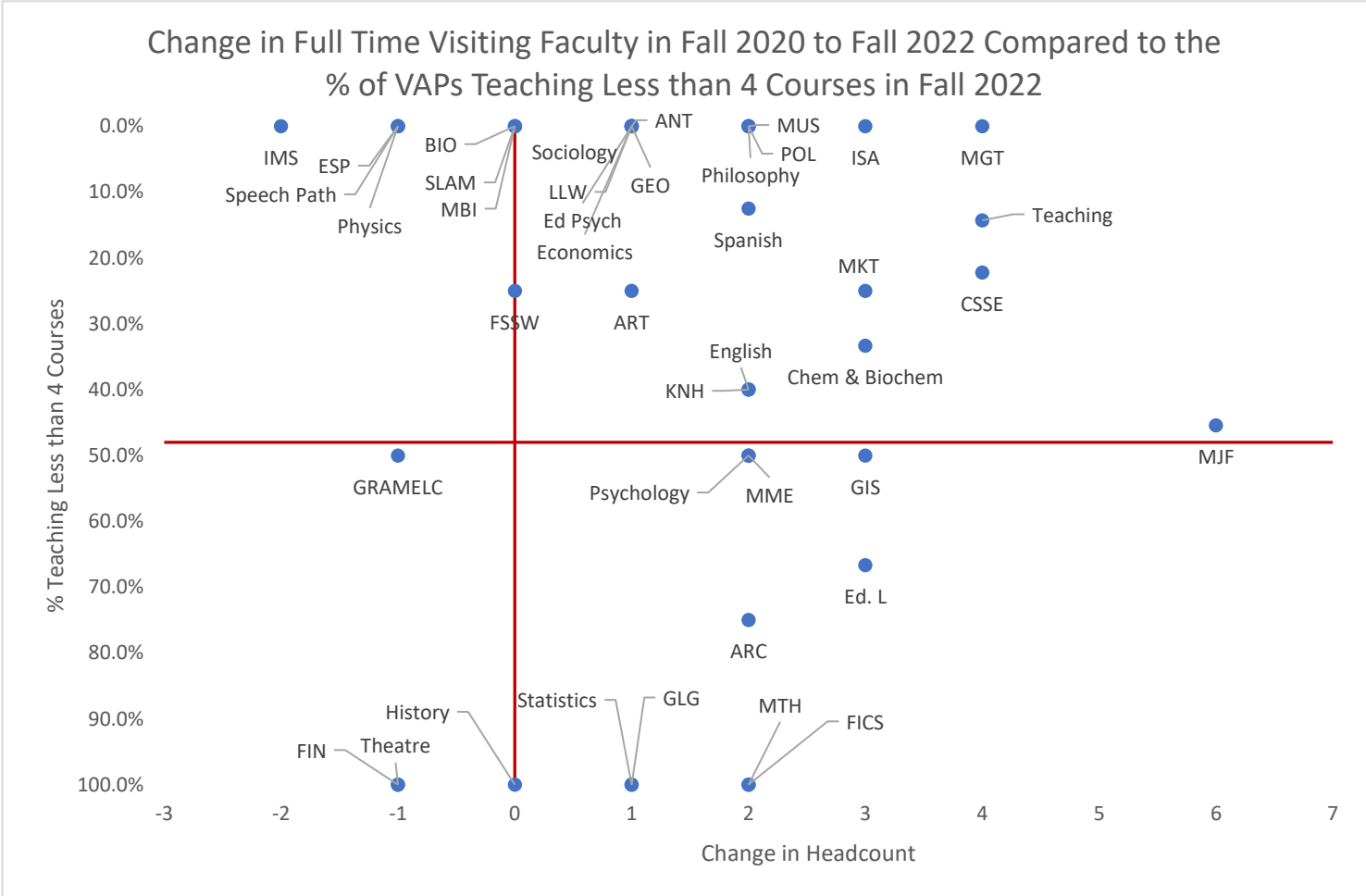
Generally, tenure-tenure track faculty teaching loads are 3/3 (3/2). Departments in the upper right quadrant had an increase in faculty and a lower than average percent of their faculty teaching less than 3 courses. Departments in the lower right quadrant had an increase in faculty and a higher than average percent of their faculty teaching less than 3 courses. Departments in the upper left quadrant had a decrease in faculty and a lower than average percent of their faculty teaching less than 3 courses. Departments in the lower left quadrant had a decrease in faculty and a higher than average percent of their faculty teaching less than 3 courses.



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[Oxford Campus Faculty Resources Part 3](#)

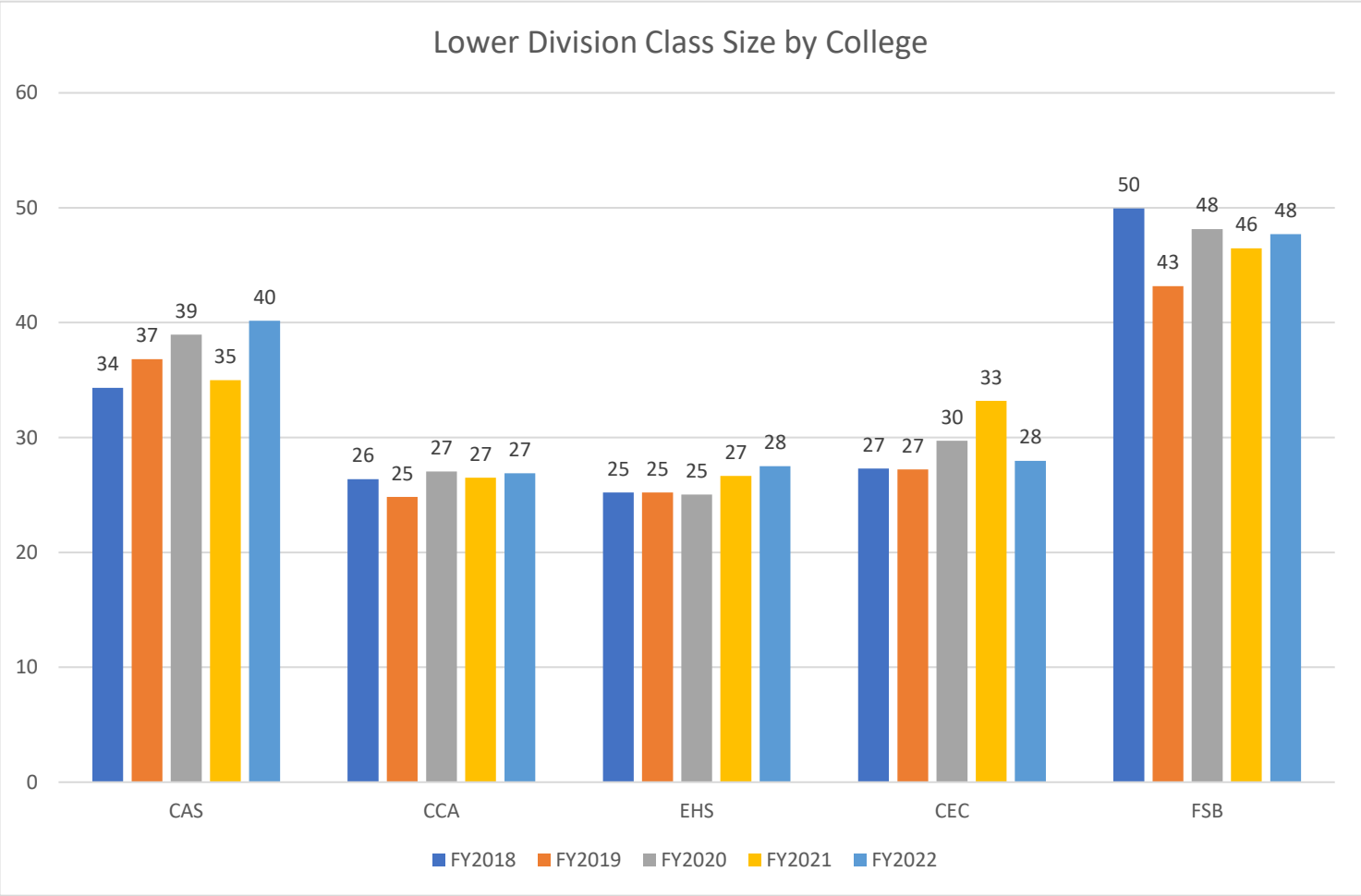
Generally, TCPL faculty teaching loads are 4/4. Departments in the upper right quadrant had an increase in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower right quadrant had an increase in faculty and a higher than average percent of their faculty teaching less than 4 courses. Departments in the upper left quadrant had a decrease in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower left quadrant had a decrease in faculty and a higher than average percent of their faculty teaching less than 4 courses.



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[Oxford Campus
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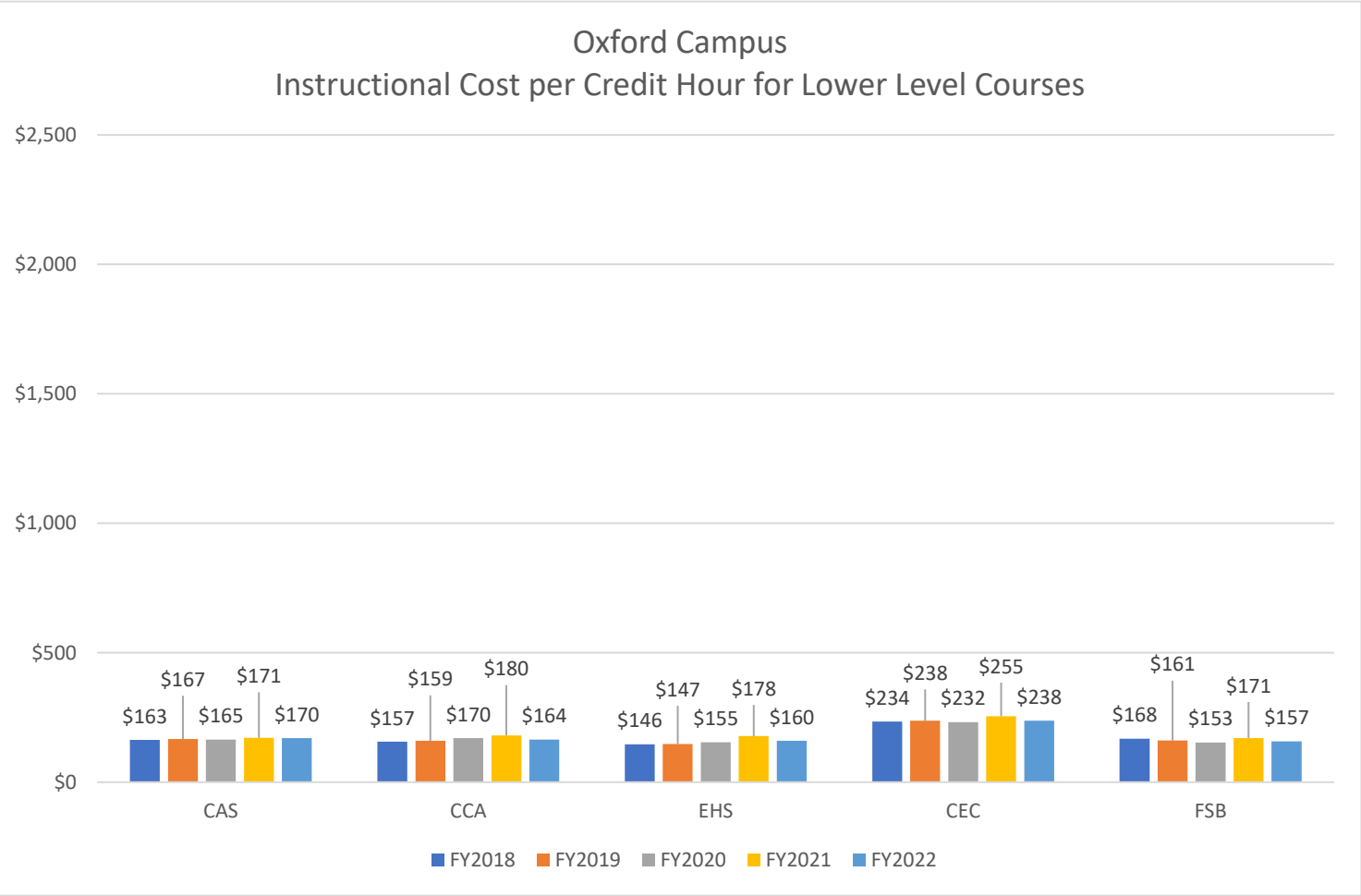
Generally, full-time visiting faculty teaching loads are 4/4. Departments in the upper right quadrant had an increase in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower right quadrant had an increase in faculty and a higher than average percent of their faculty teaching less than 4 courses. Departments in the upper left quadrant had a decrease in faculty and a lower than average percent of their faculty teaching less than 4 courses. Departments in the lower left quadrant had a decrease in faculty and a higher than average percent of their faculty teaching less than 4 courses.



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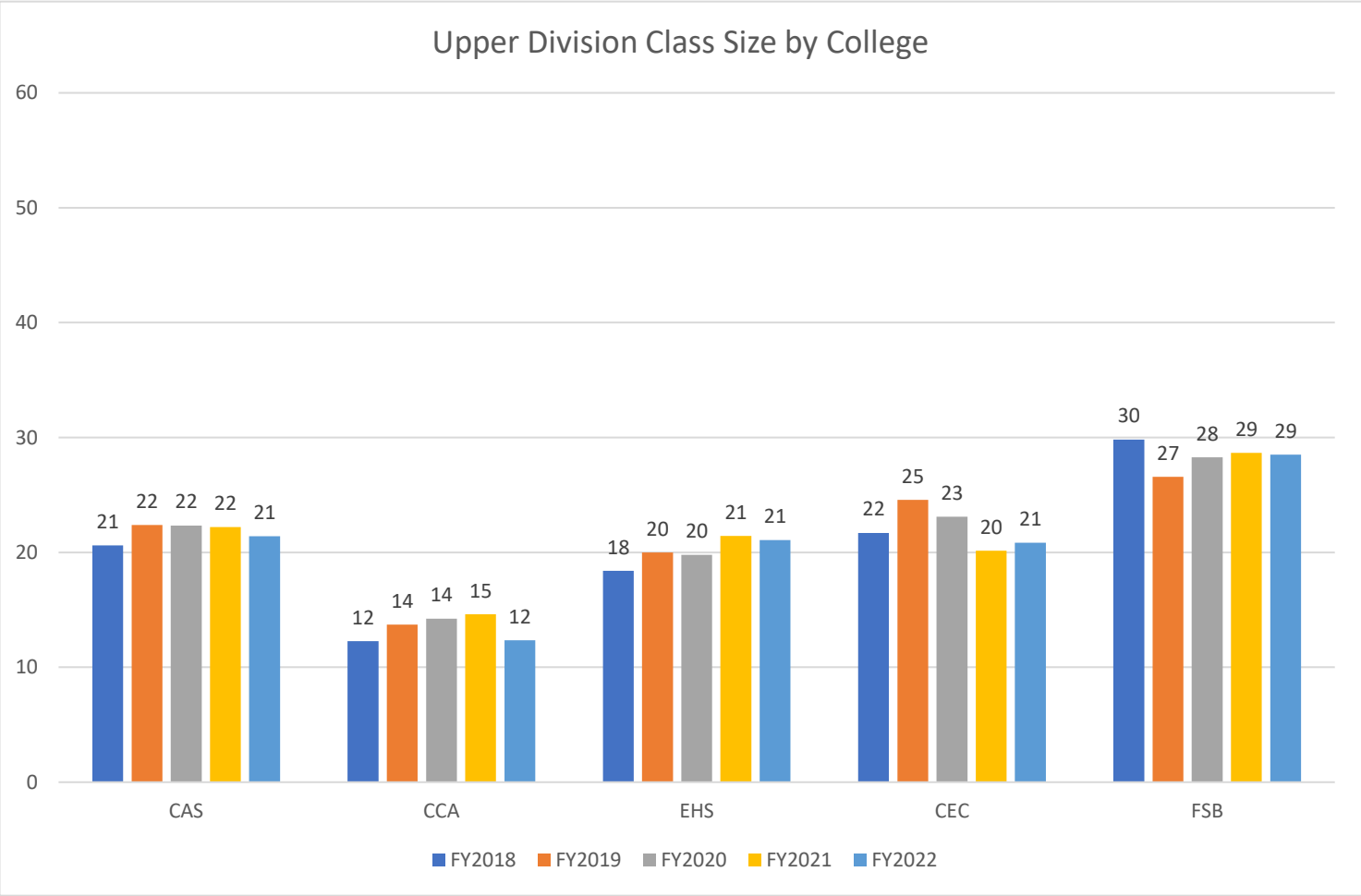
[Oxford Campus
Faculty
Resources Part 4](#)

Section sizes are influenced by discipline and pedagogy. Generally, larger section sizes are associated with the efficient use of faculty and lower costs of instruction.



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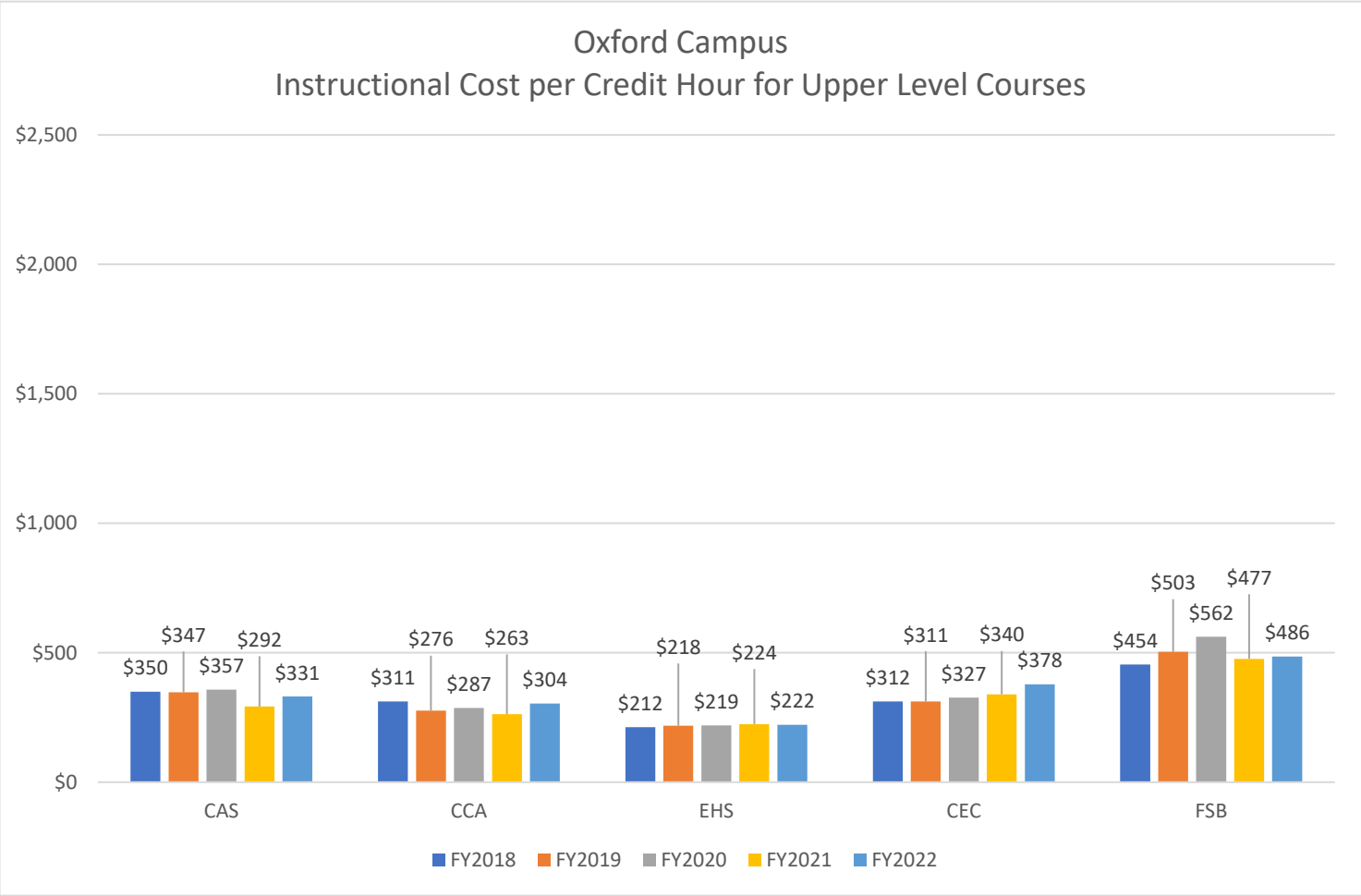
[Oxford Campus
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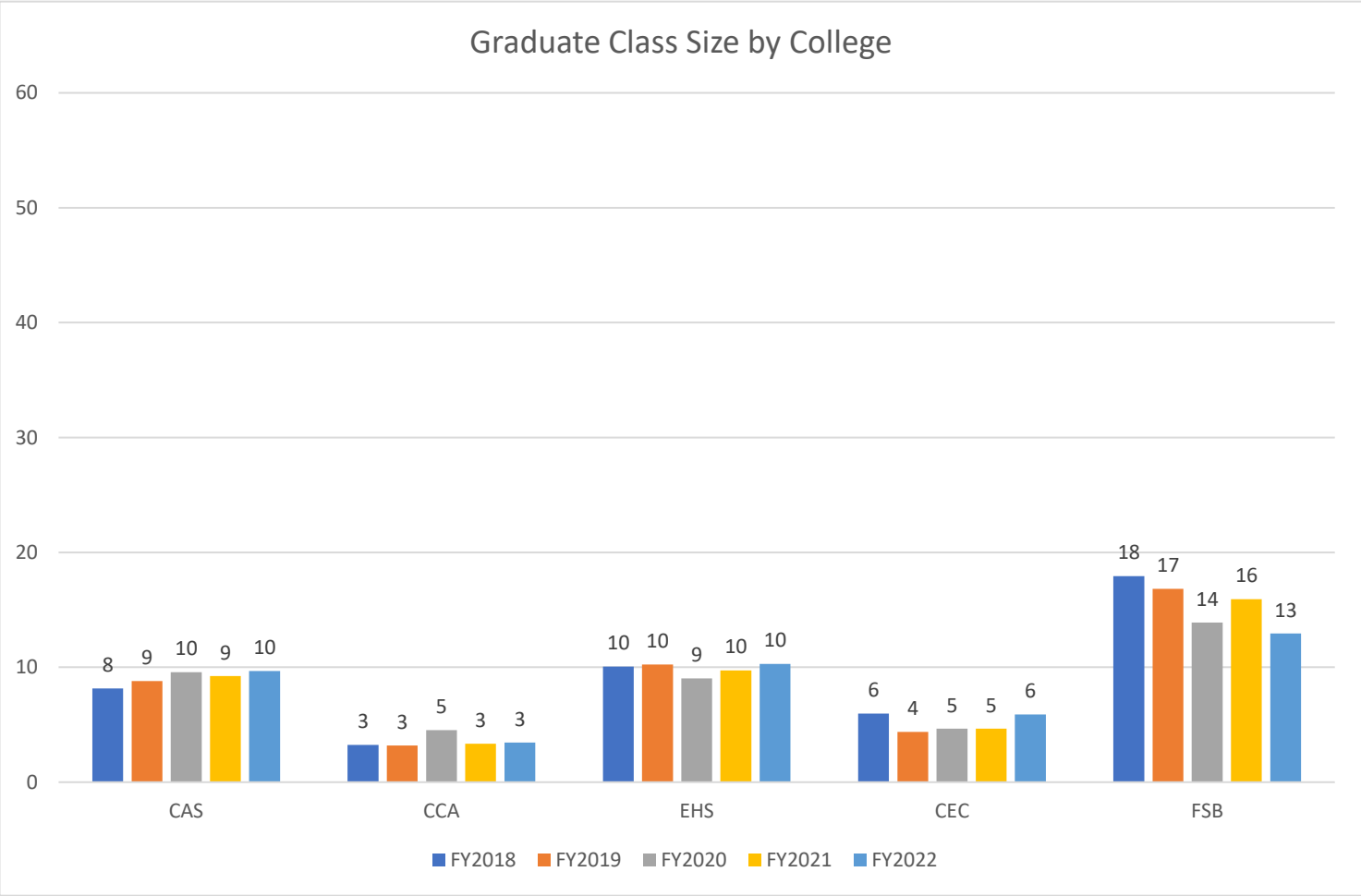
[Oxford Campus
Faculty
Resources Part 4](#)

Section sizes are influenced by discipline and pedagogy. Generally, larger section sizes are associated with the efficient use of faculty and lower costs of instruction.



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[Oxford Campus
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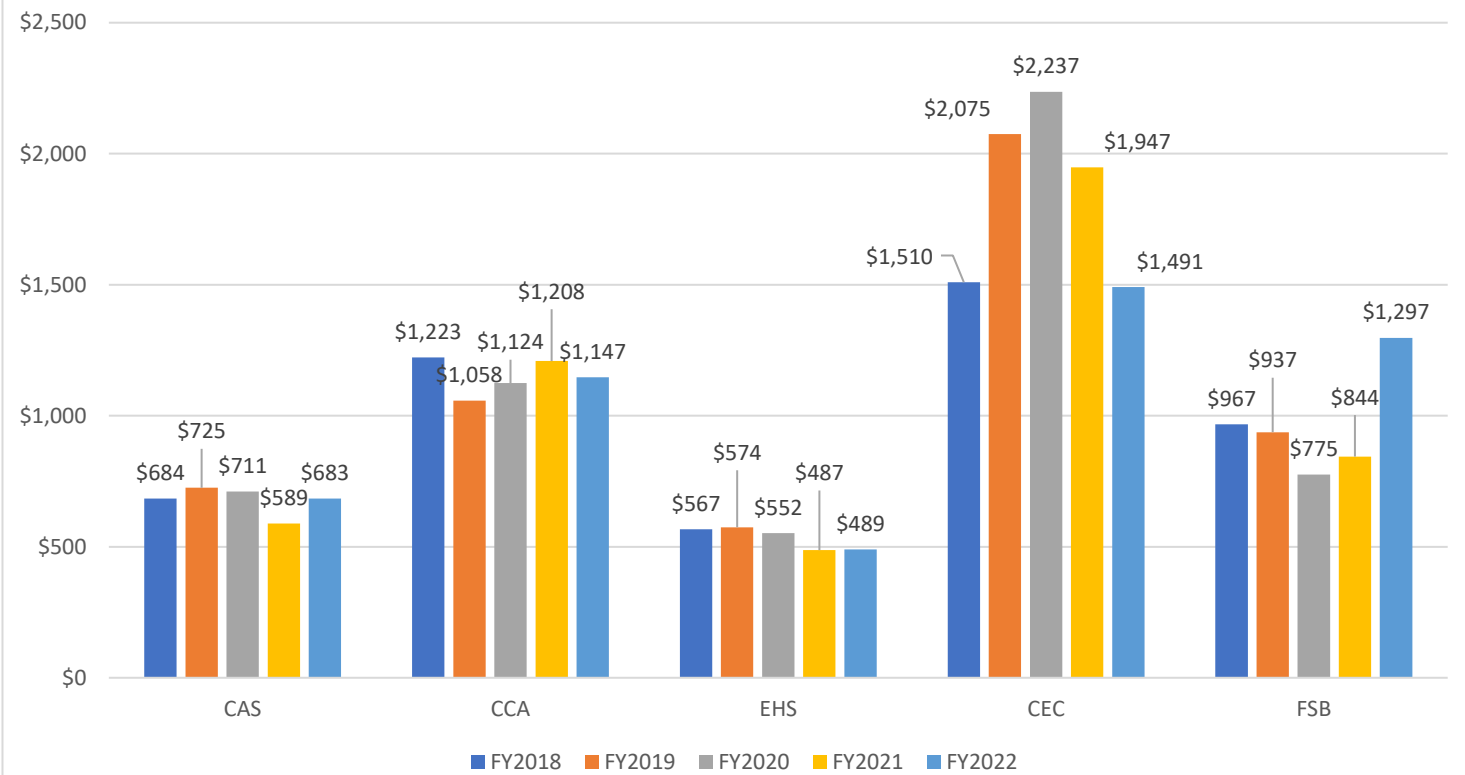


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[Oxford Campus
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Resources Part 4](#)

Section sizes are influenced by discipline and pedagogy. Generally, larger section sizes are associated with the efficient use of faculty and lower costs of instruction. Graduate instruction tends to be more expensive than undergraduate instruction due to section size and the use of tenure-tenure track faculty for instruction.

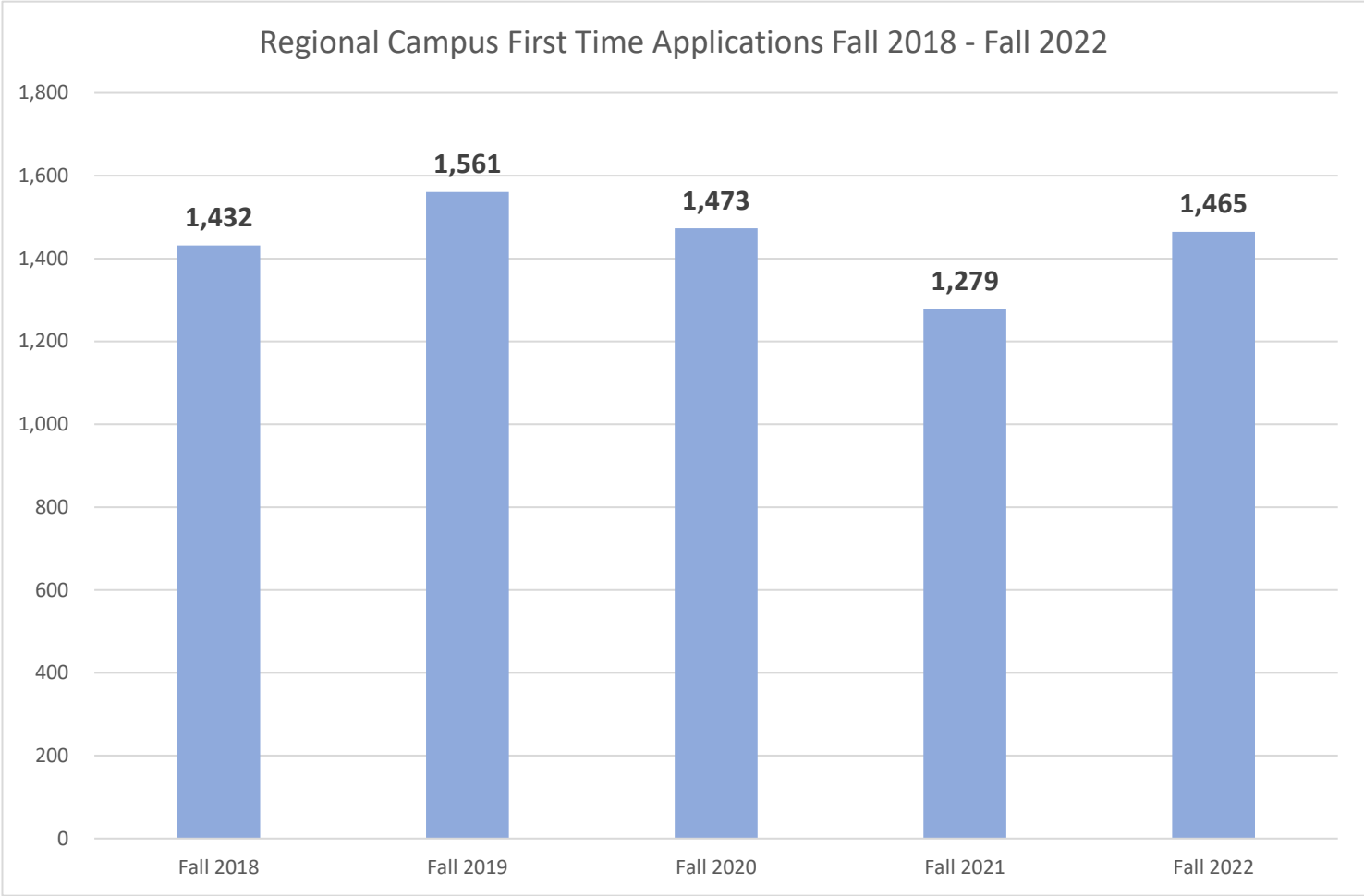
Oxford Campus
Instructional Cost per Credit Hour for Graduate
Level Courses



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[Oxford Campus
Faculty
Resources Part 5](#)

YoY Change in 1st Time Applications
14.5% ↑

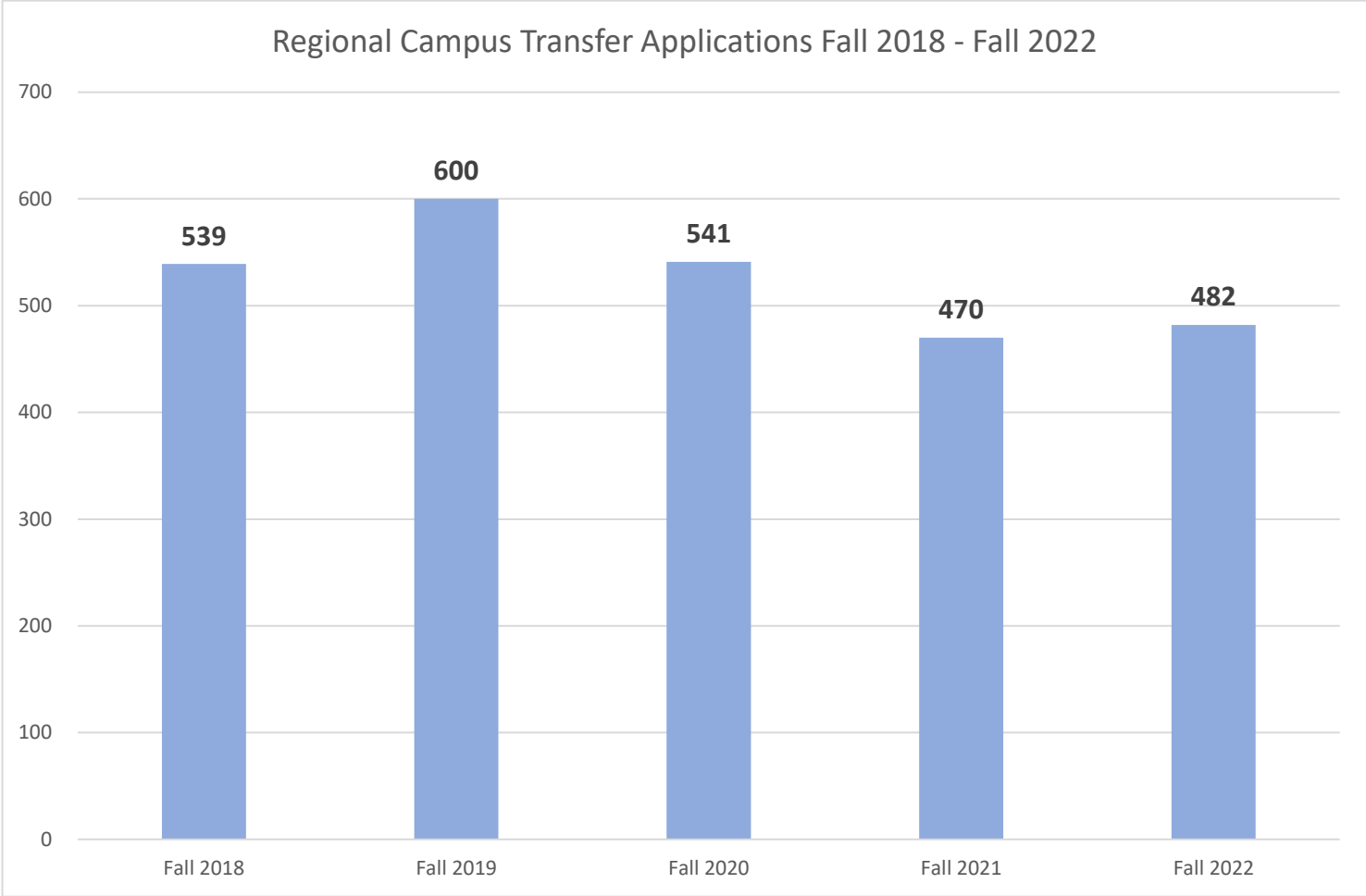


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**Regional Campus
Leading**

The size of the application pool is the earliest indicator of whether the regional campuses will meet its NIR goals. First time applications increased in fall 2022 following a decline in Fall 2021 likely due to the tight labor market.

YoY Change in Transfer Applications
2.6% ↑

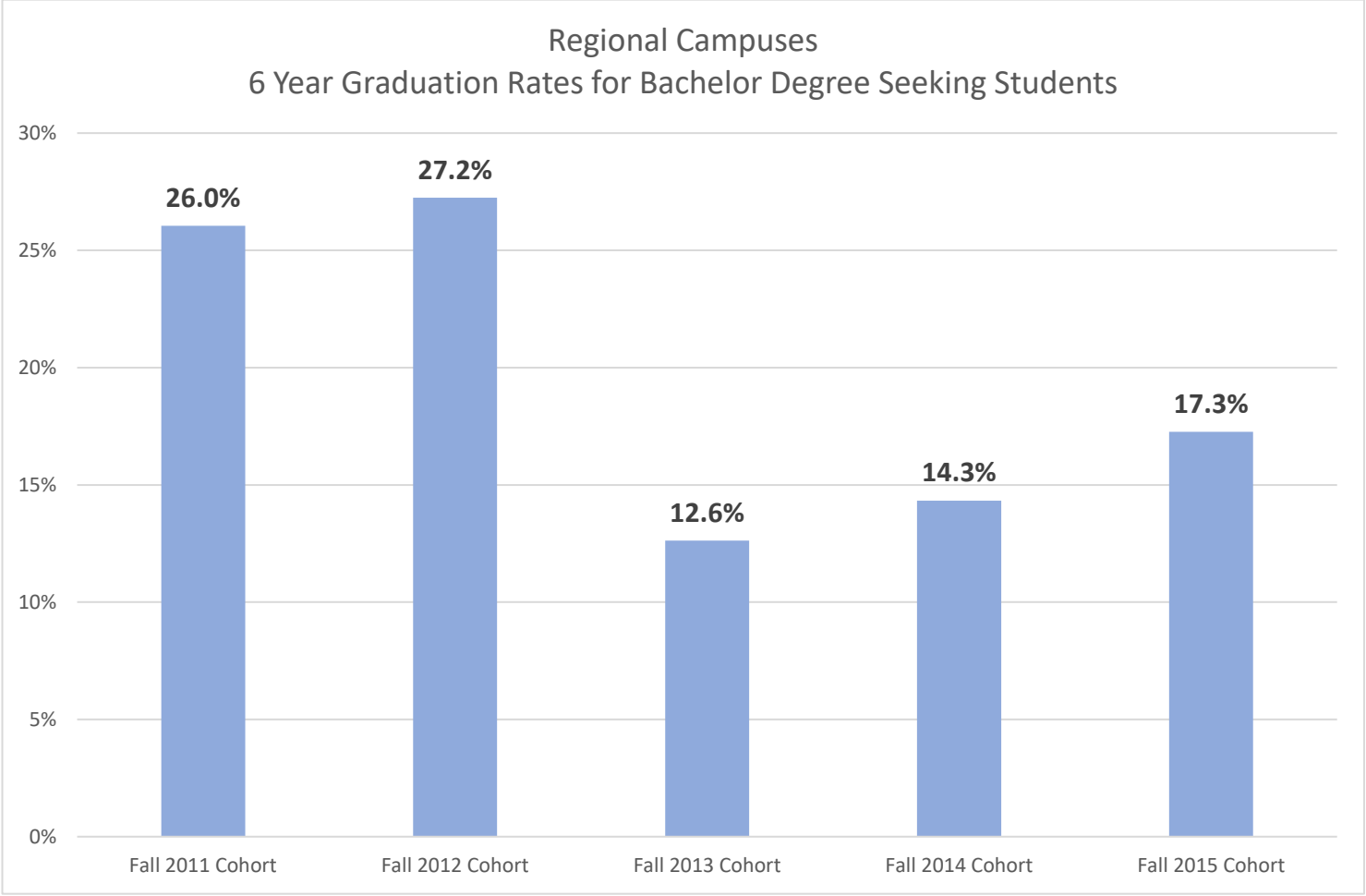


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[Regional Campus
Leading](#)

Compared to the main camp, transfer students make up a larger portion of the regional campus incoming class. Transfer application have been trending down since fall 2019.

YoY Change in Graduate Rate
2.9% ↑

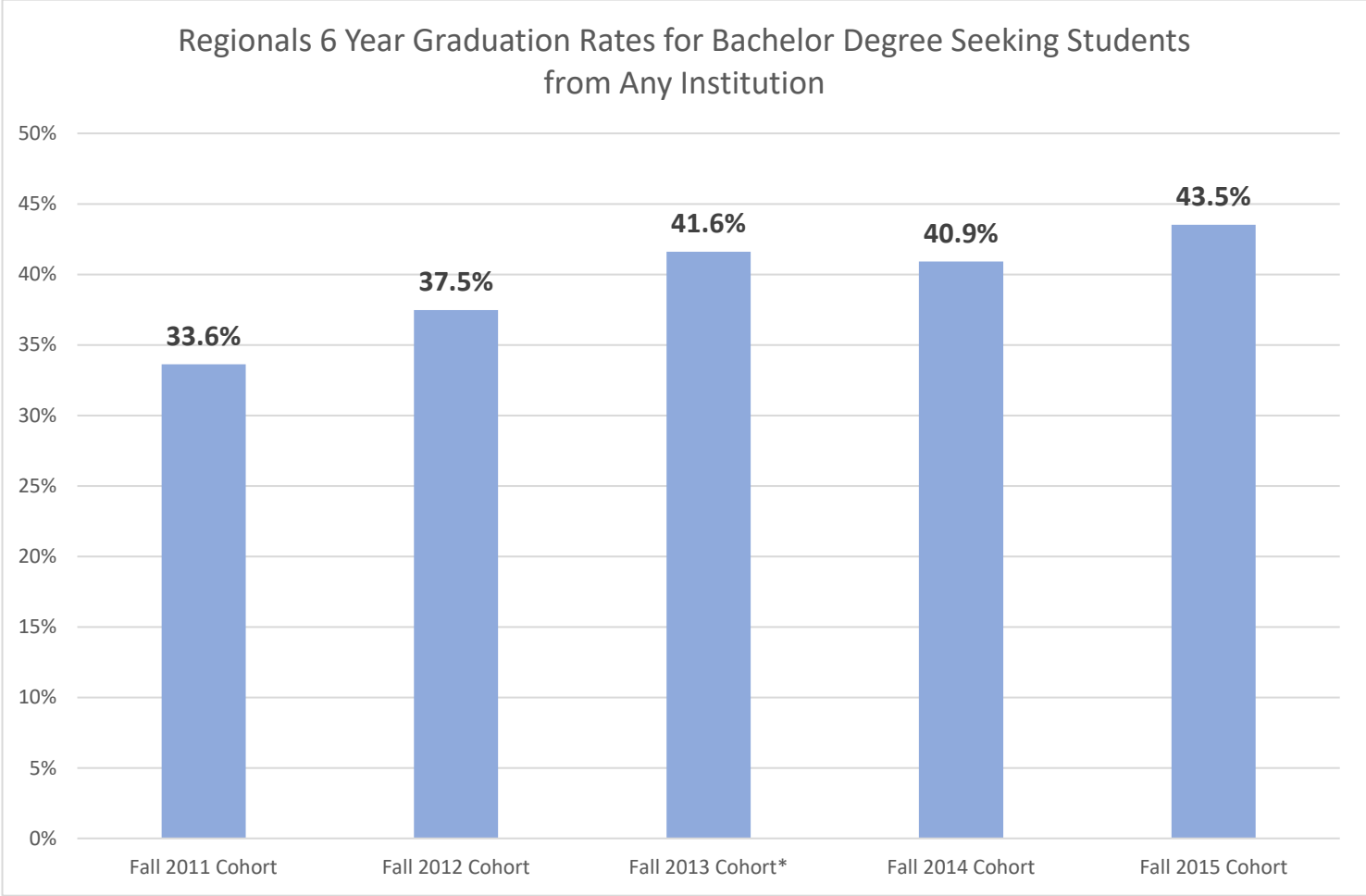


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[Regional Campus Leading](#)

Regional campus graduate rates tend to be lower than main campus graduation rates due to the open access to admissions and the greater likelihood students will complete their degree at the main campus or another institution.

YoY Change in Graduate Rate Any Inst
2.6% ↑



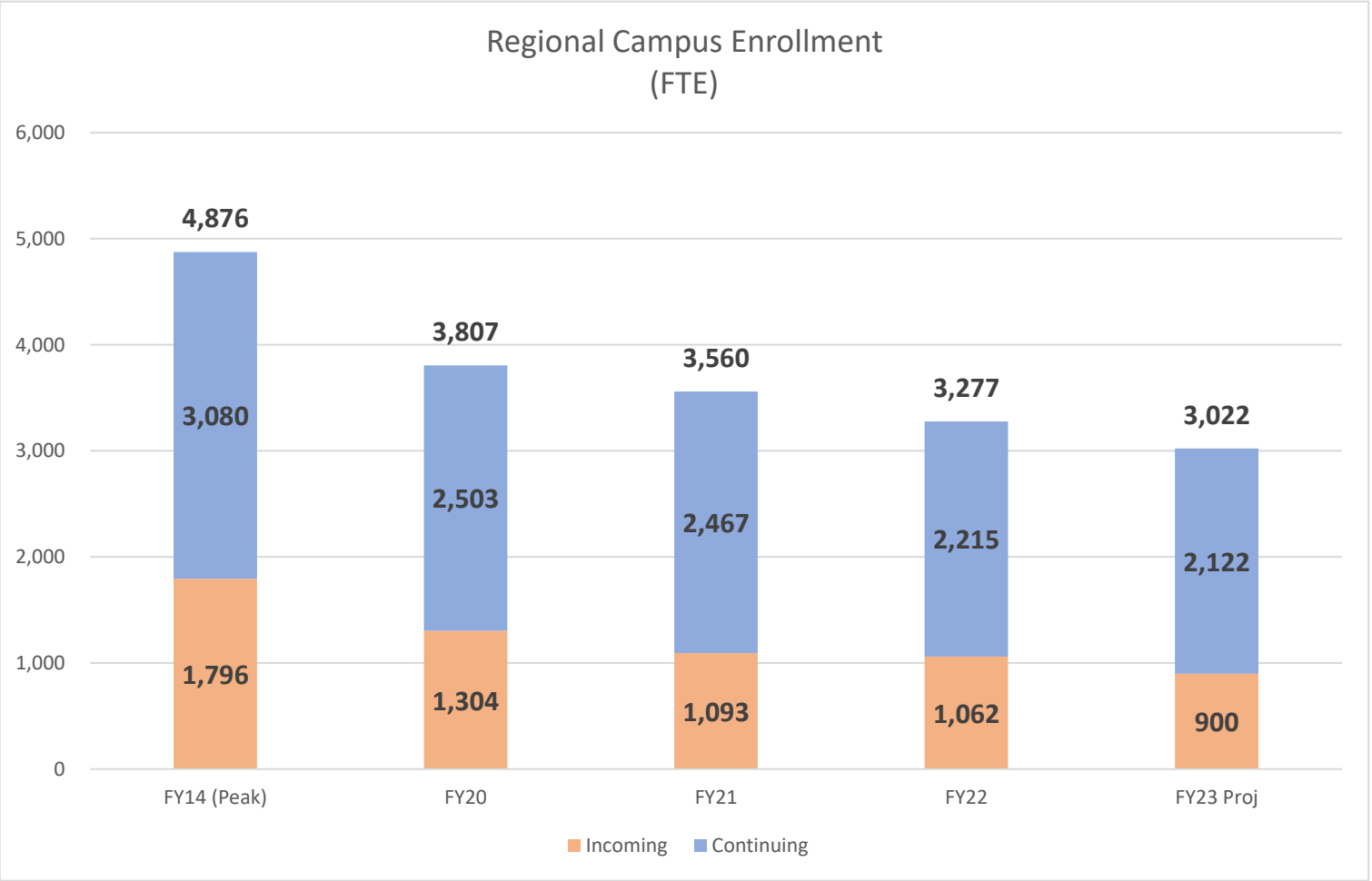
[Return to Home Page](#)

[Regional Campus
Leading](#)

When factoring in graduation at any institution, regional student graduation rates reflect greater academic success.

YoY Change in Incoming Students
-15.3% ↓

YoY Change in Total Students
-7.8% ↓

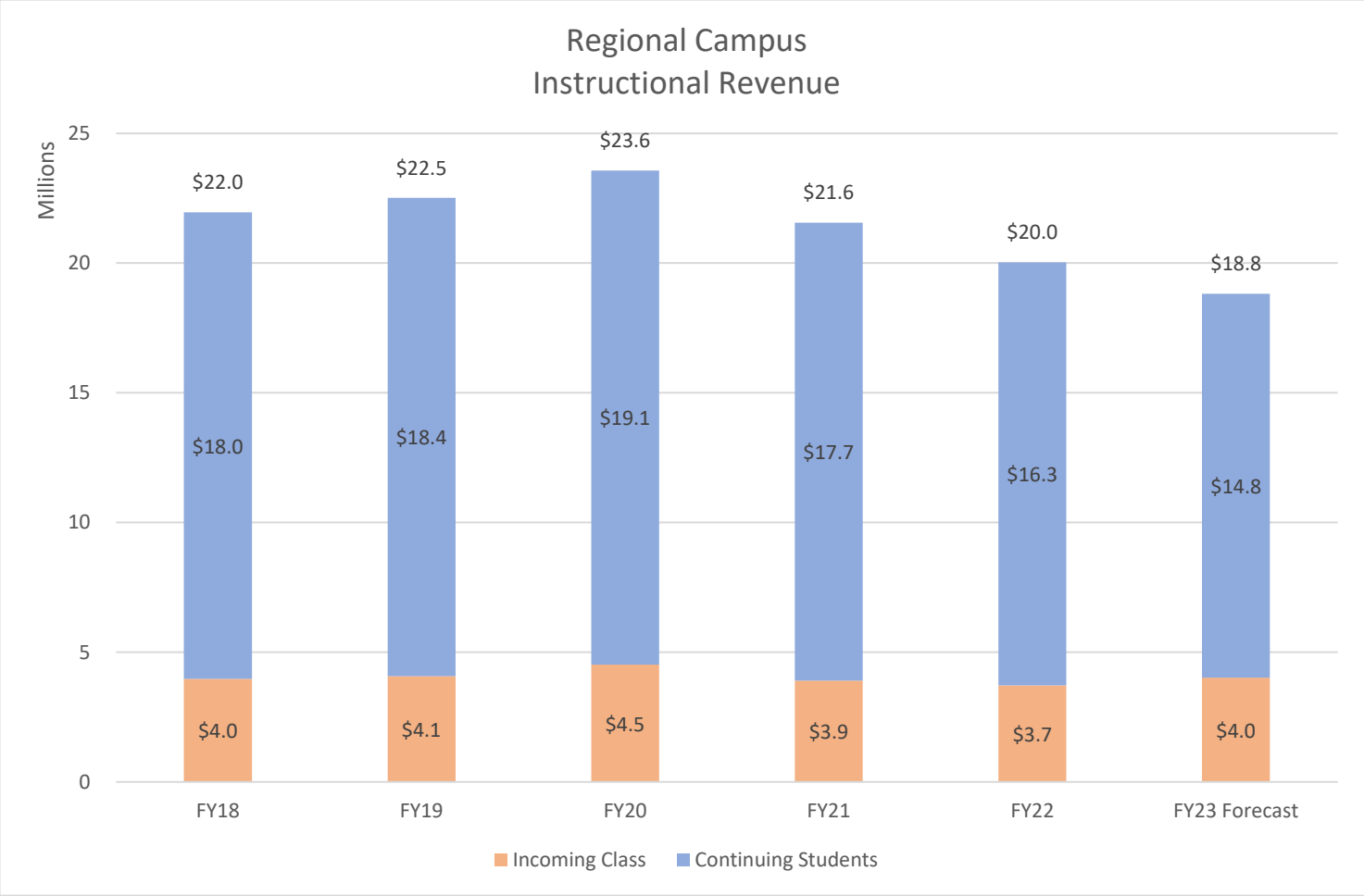


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[Regional Campus Lagging Part 2](#)

Regional campus enrollments have been on a downward trend since FY19 due to smaller incoming classes, and lower retention rates.

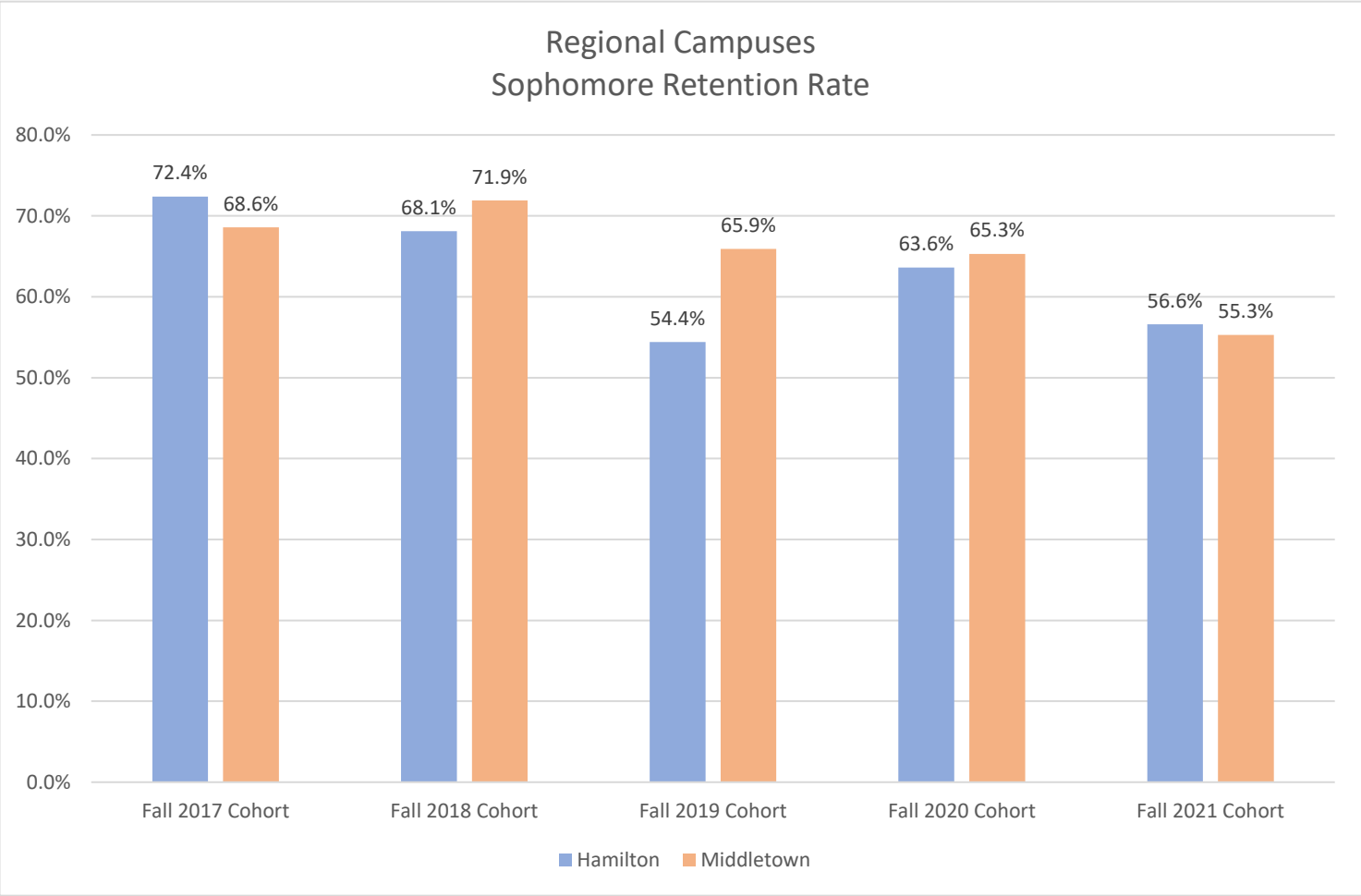
YoY Change in NIR
-6.0% ↓



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[Regional
Campus Lagging
Part 2](#)

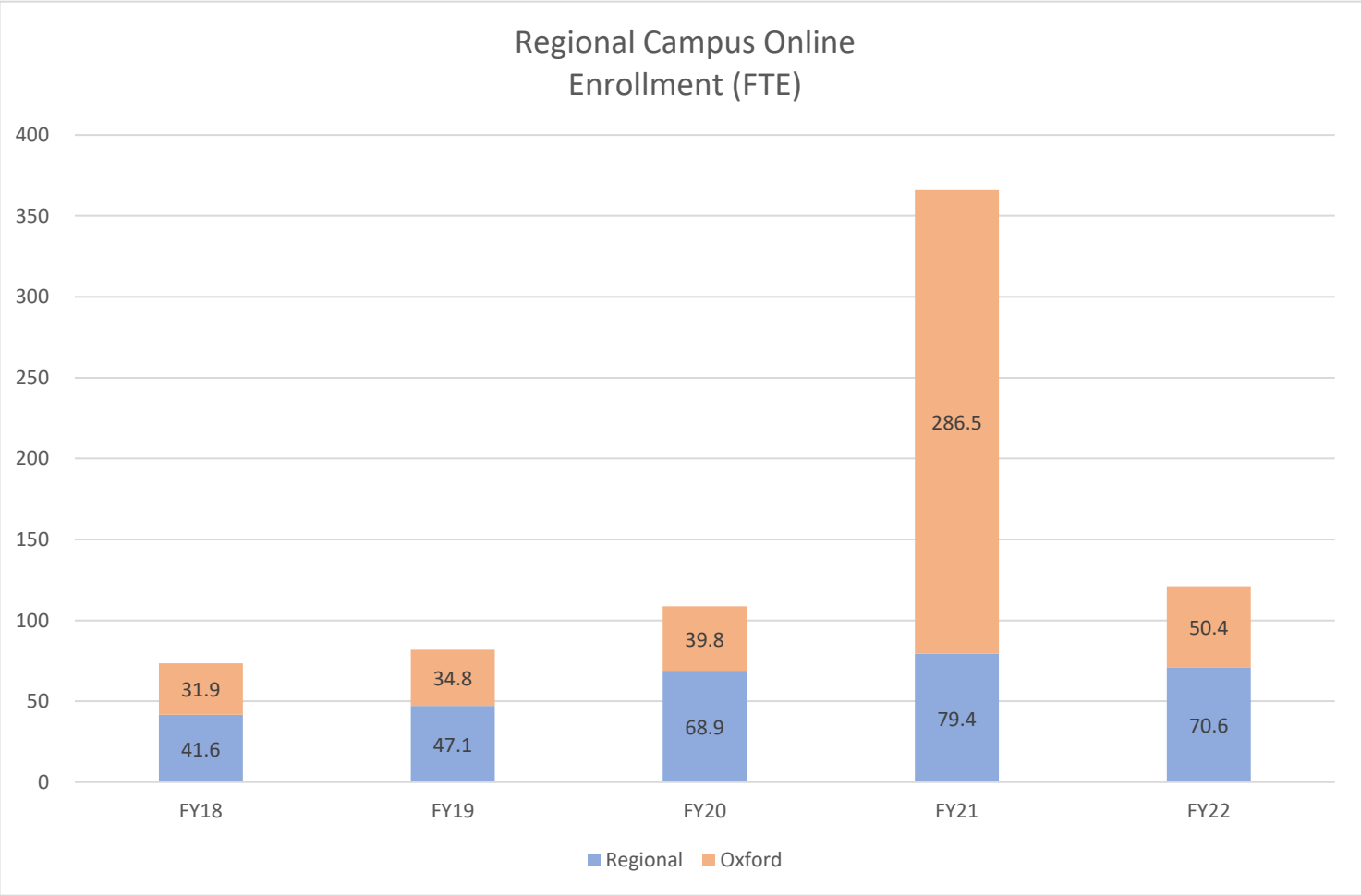
Instructional revenue has declined as enrollments decreased.



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[Regional
Campus Lagging
Part 1](#)

While volatile from year to year, regional retention rates have been on a downward trend.

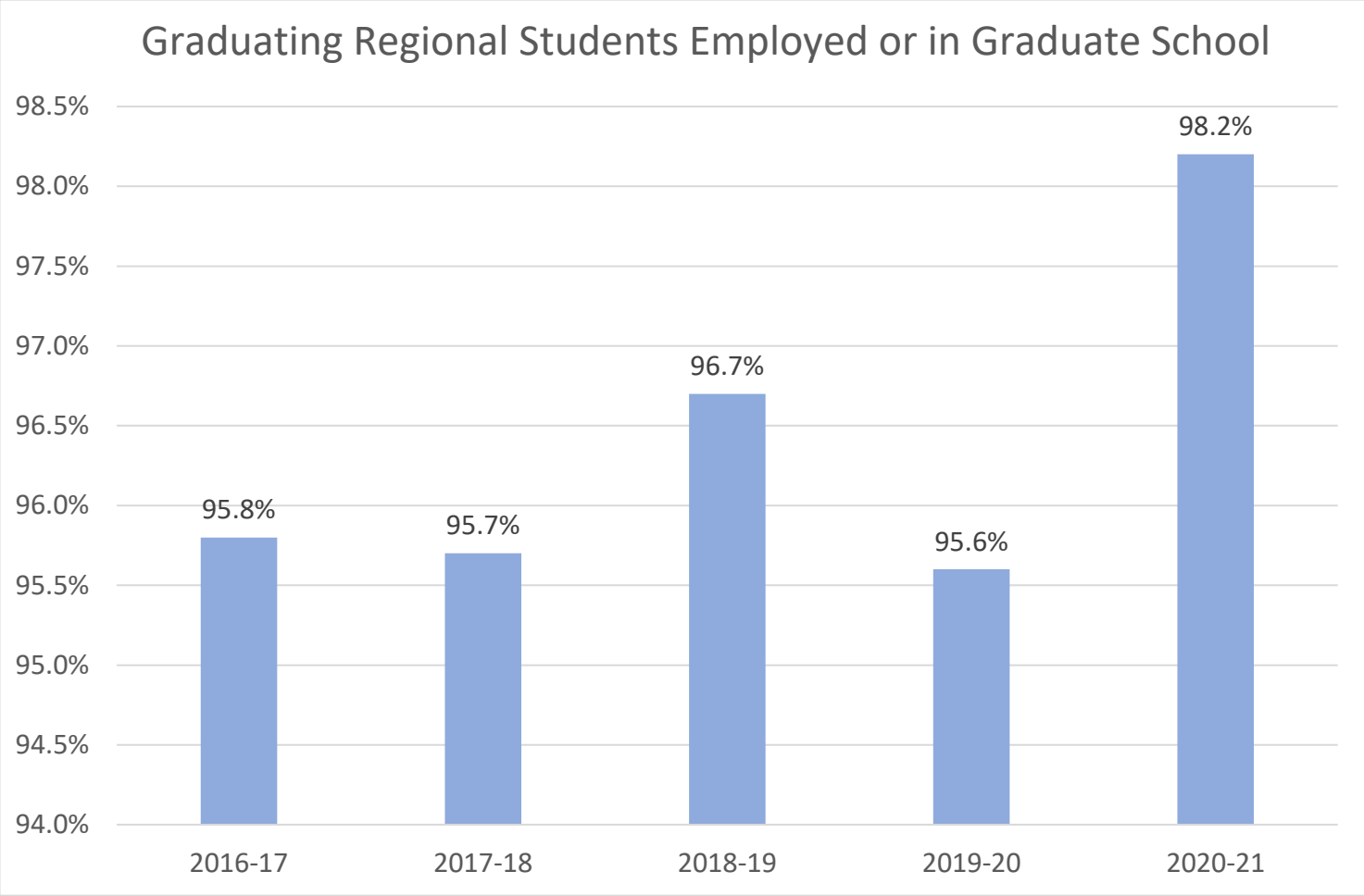


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[Regional
Campus Lagging
Part 2](#)

The online delivery of courses and programs has been increasing for the regionals. Online credit hours taken on the regional campuses have for students enrolled at the regional campuses and on the Oxford campus.

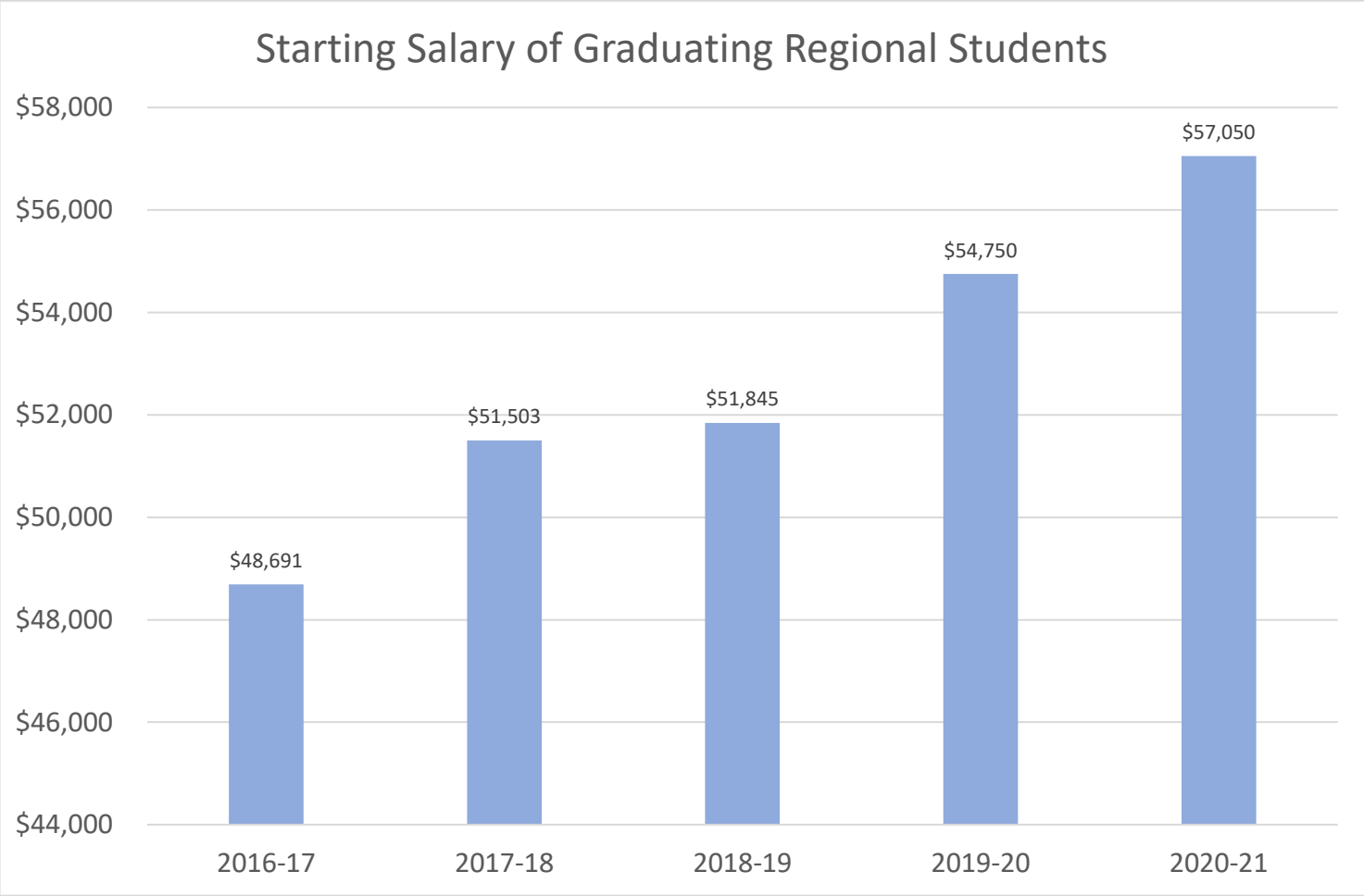
YoY Change in Success Rate
2.6% ↑



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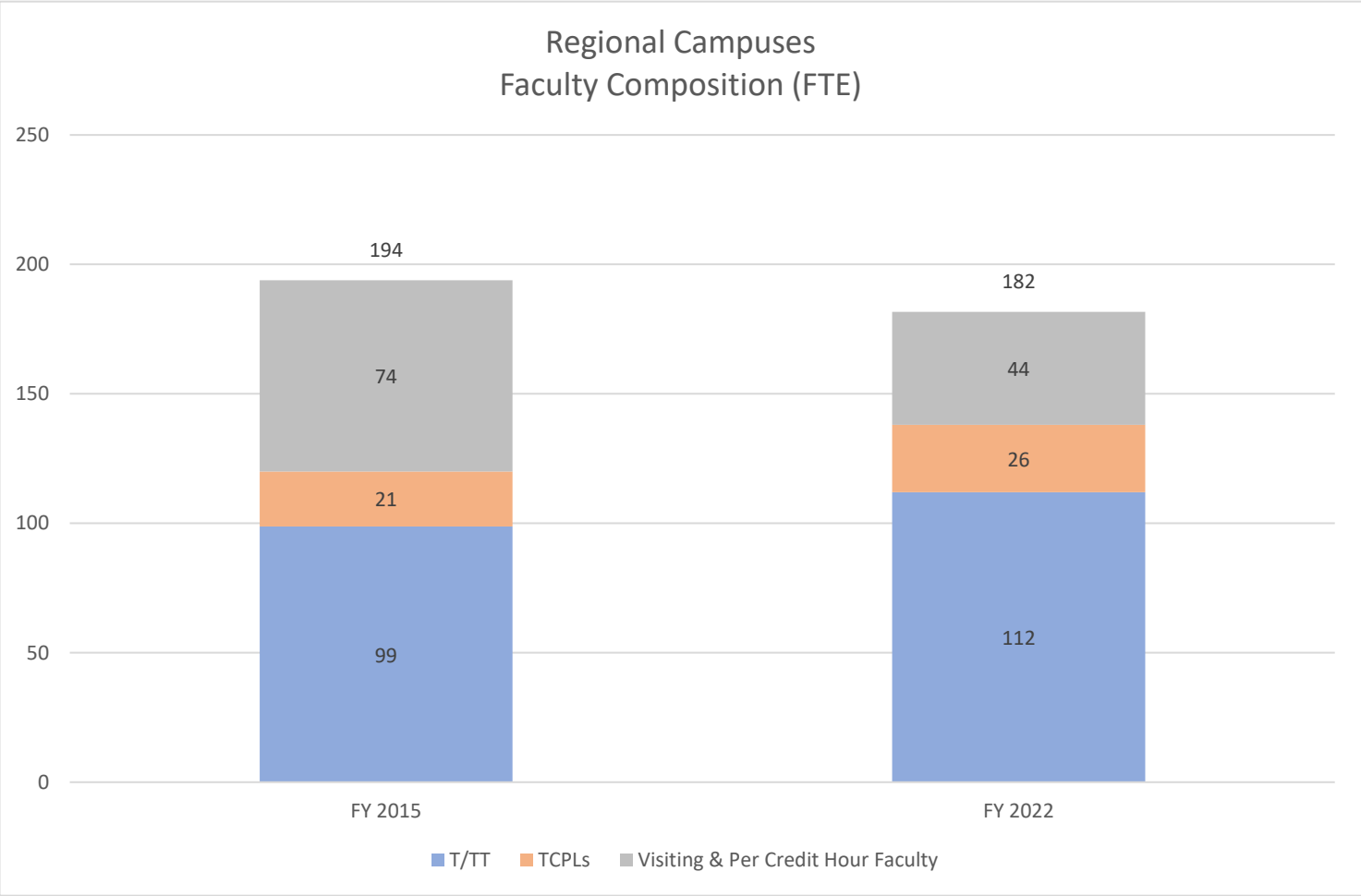
[Regional
Campus Lagging
Part 2](#)

YoY Change in Starting Salary
4.2% ↑



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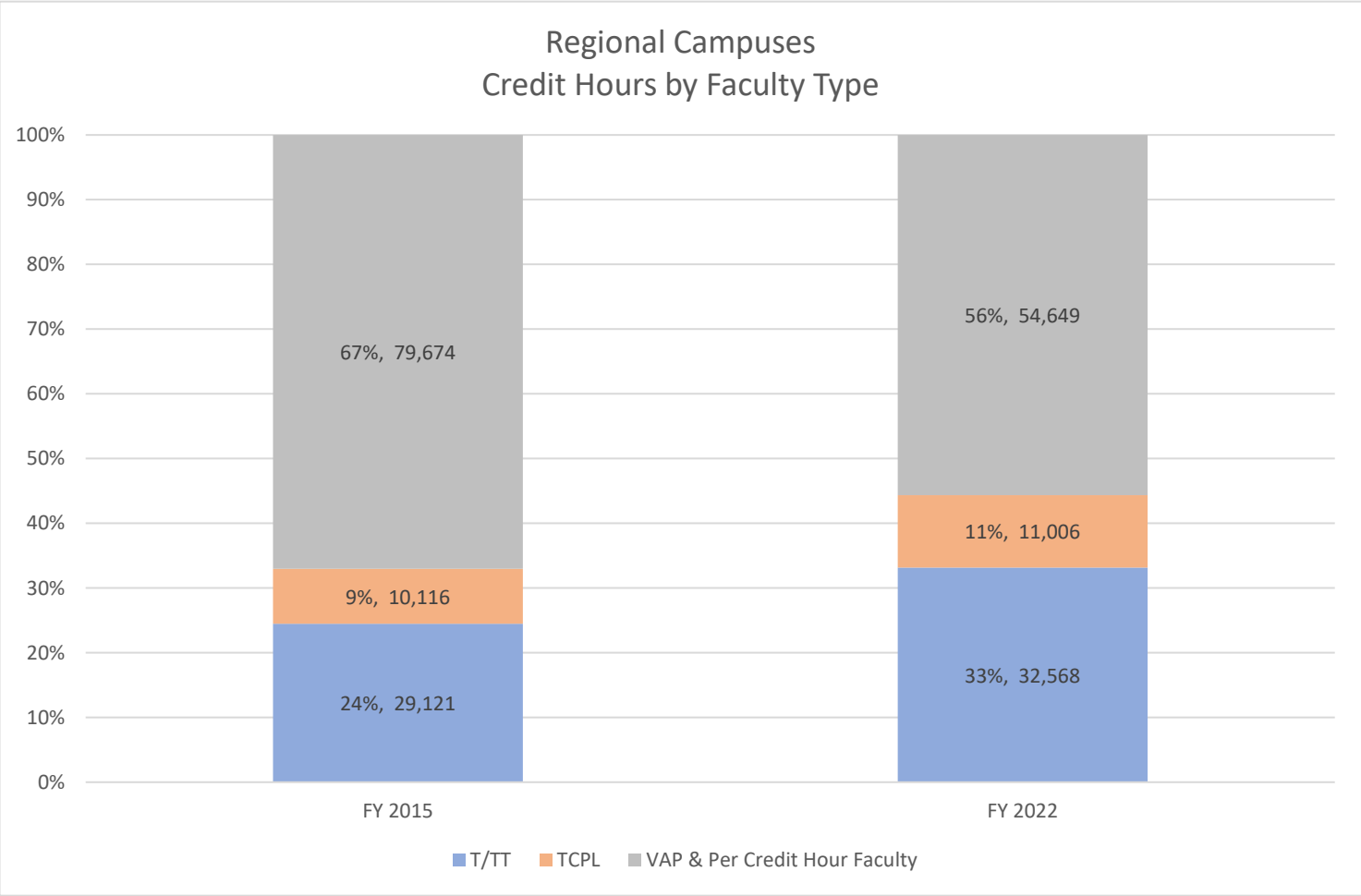
[Regional
Campus Lagging
Part 1](#)



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[Regional Campus
Faculty Resources
Part 1](#)

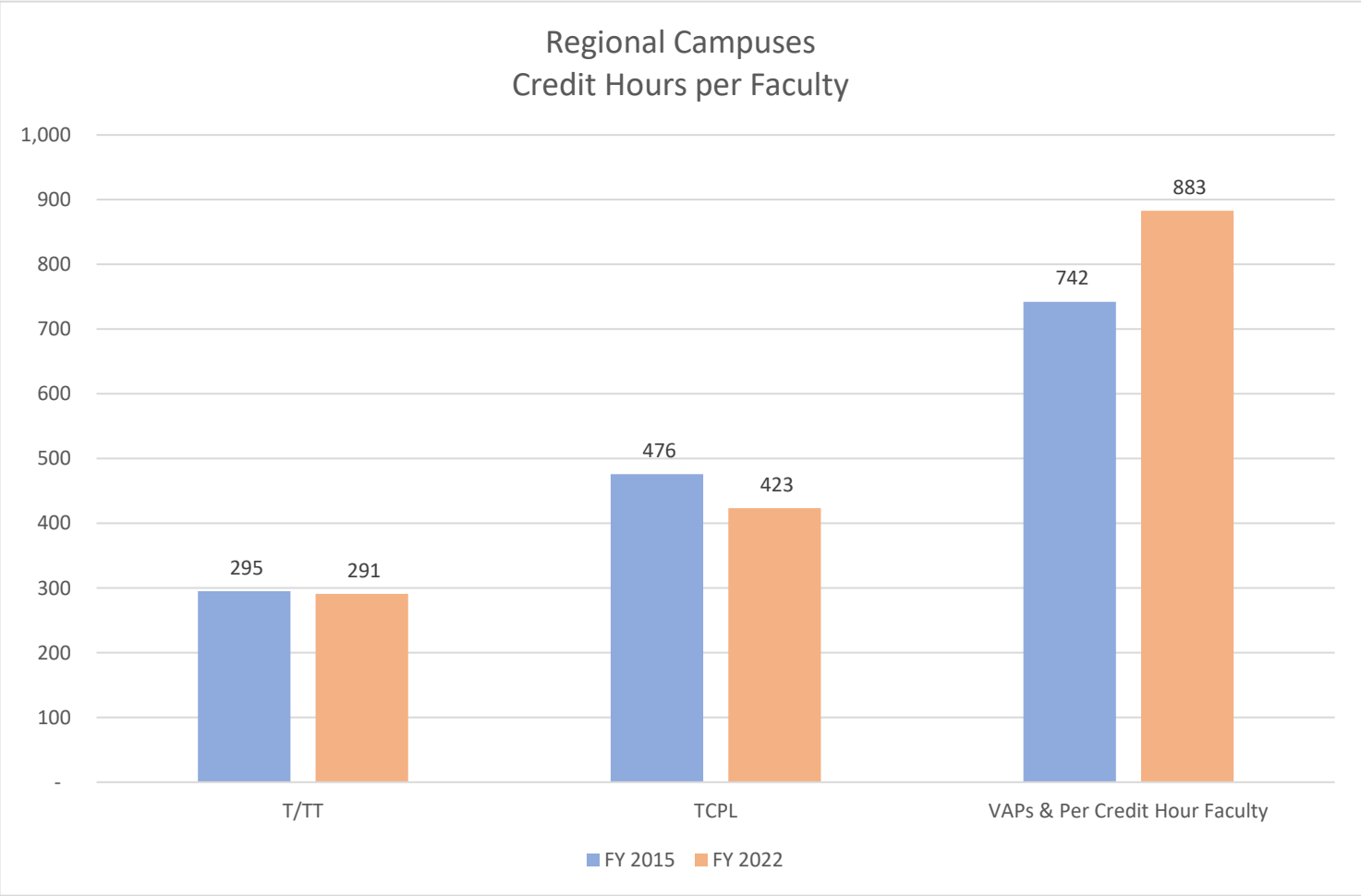
The number and mix of faculty determines the capacity of the university to deliver in academic programs, and fulfill research and service objectives.



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[Regional Campus
Faculty Resources
Part 1](#)

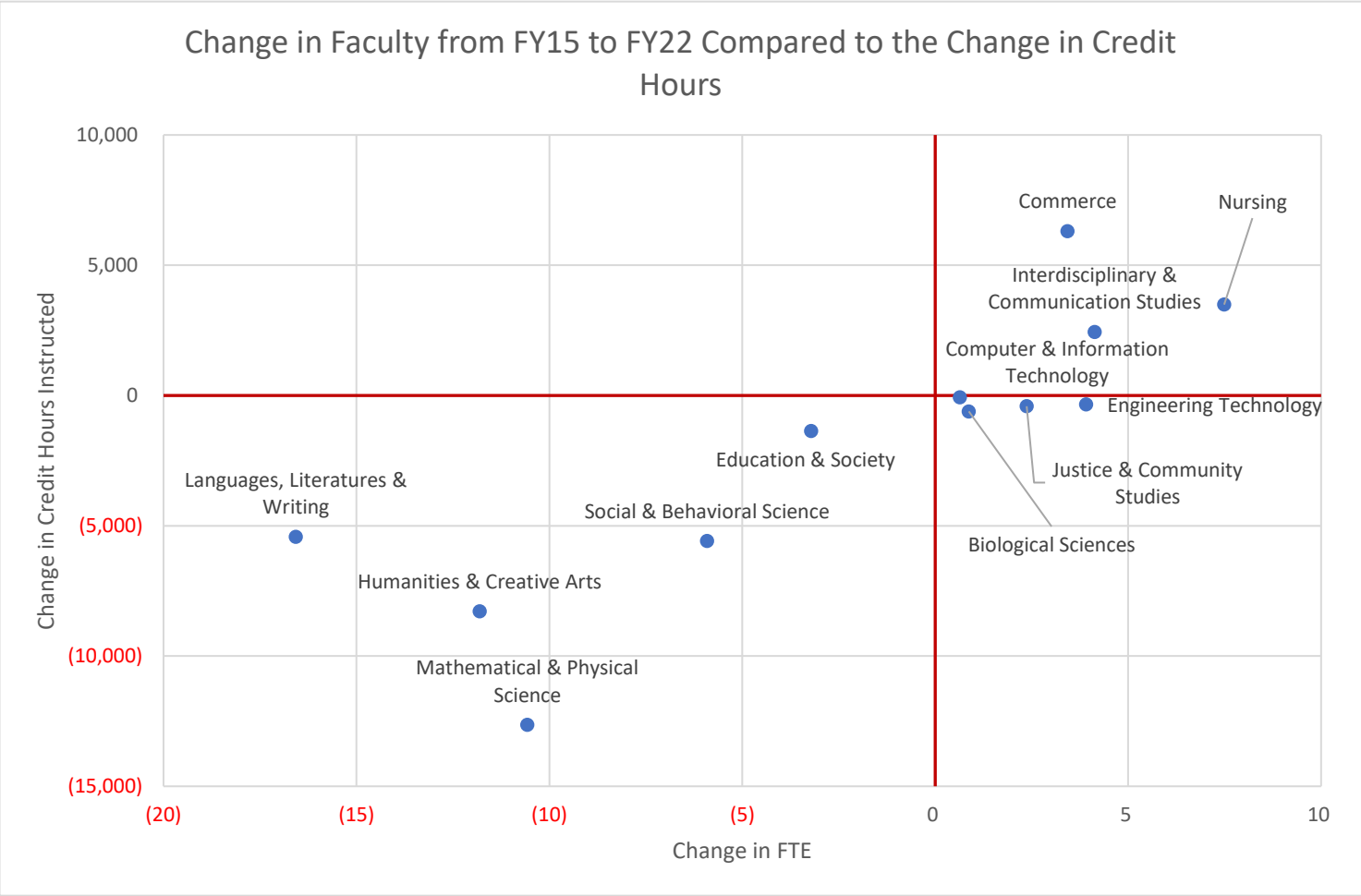
Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.



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[Regional Campus
Faculty Resources
Part 1](#)

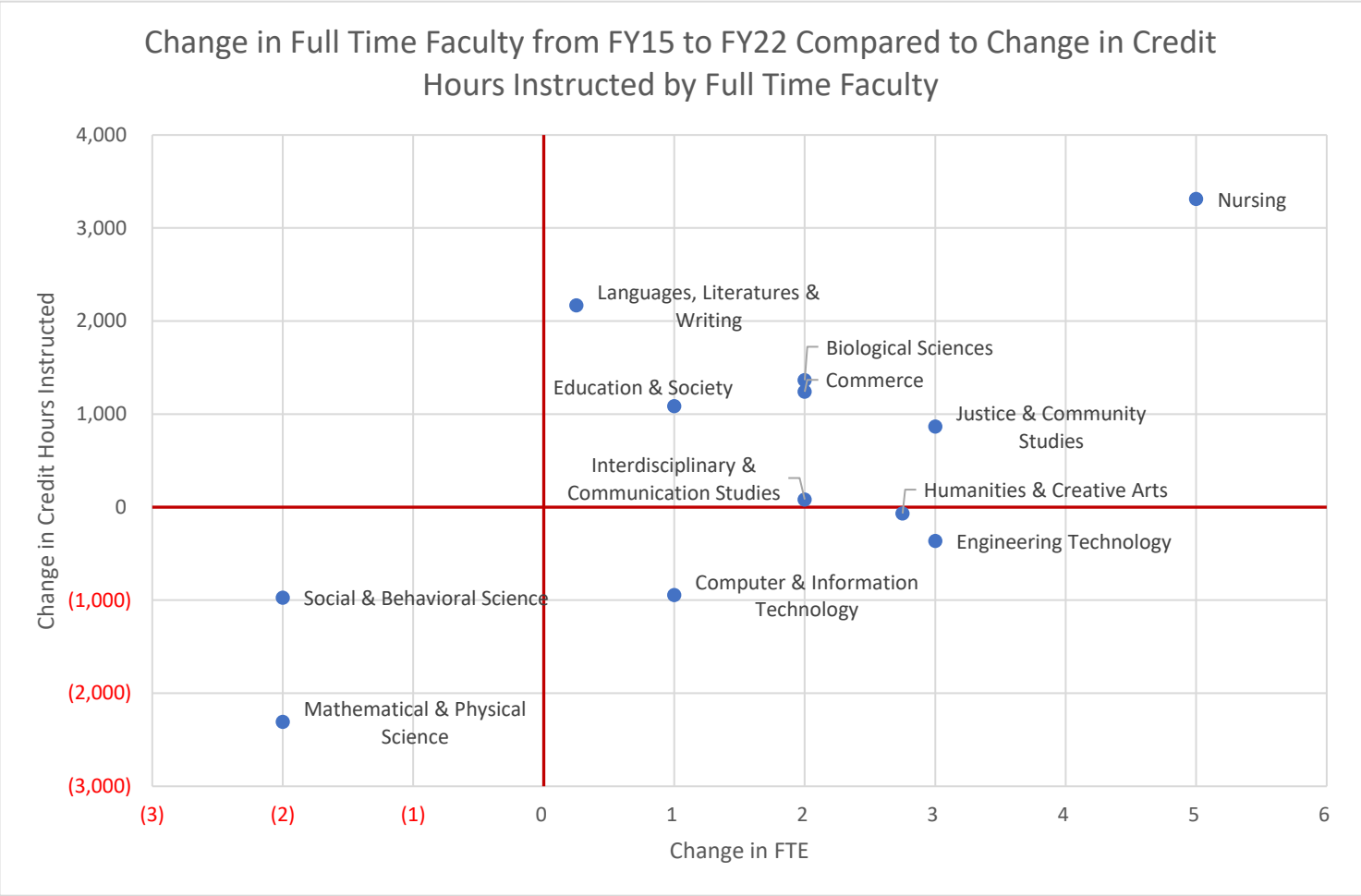
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[Regional Campus
Faculty
Resources Part 2](#)

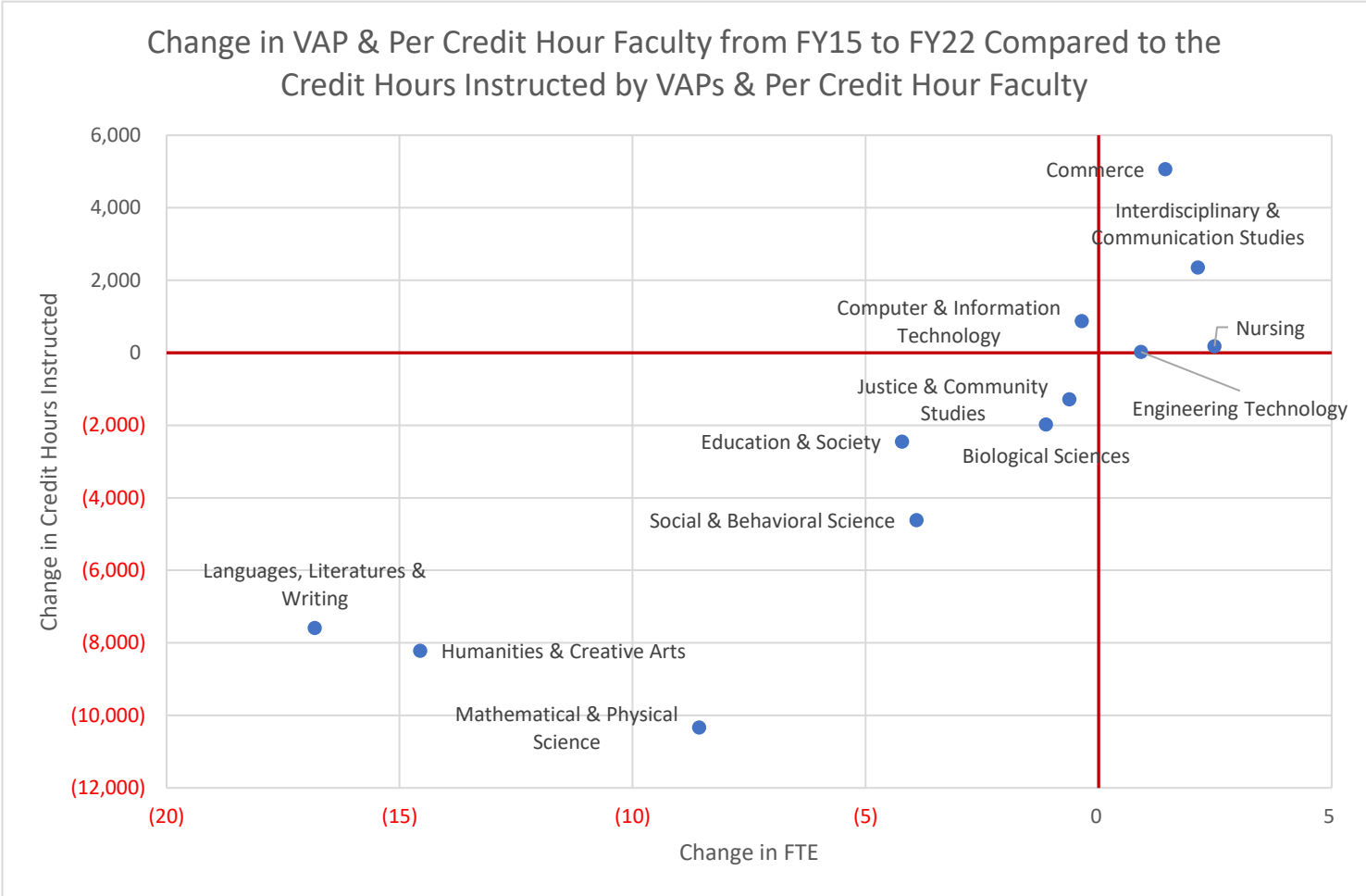
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[Regional Campus
Faculty
Resources Part 2](#)

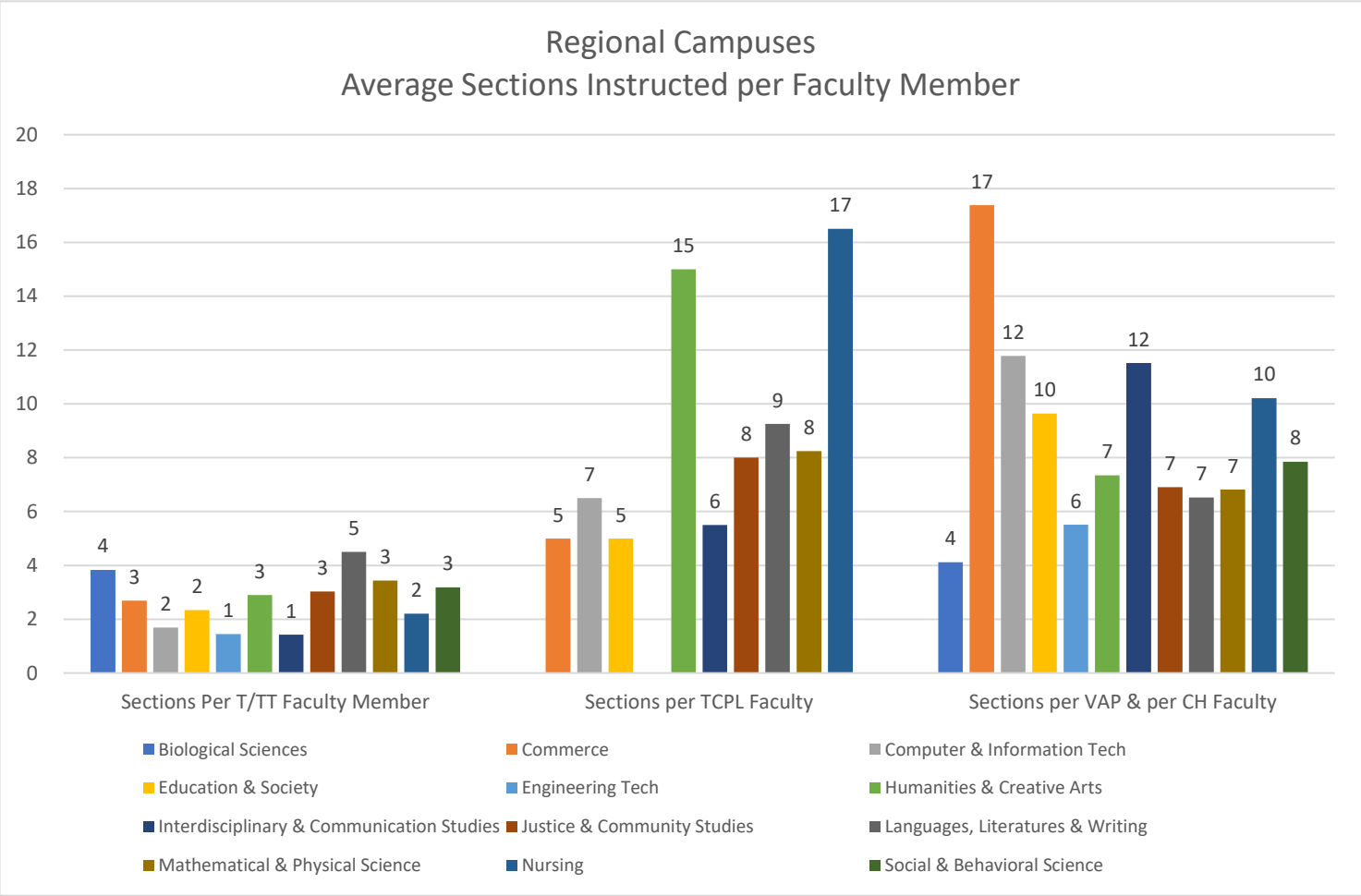
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[Regional Campus
Faculty
Resources Part 2](#)

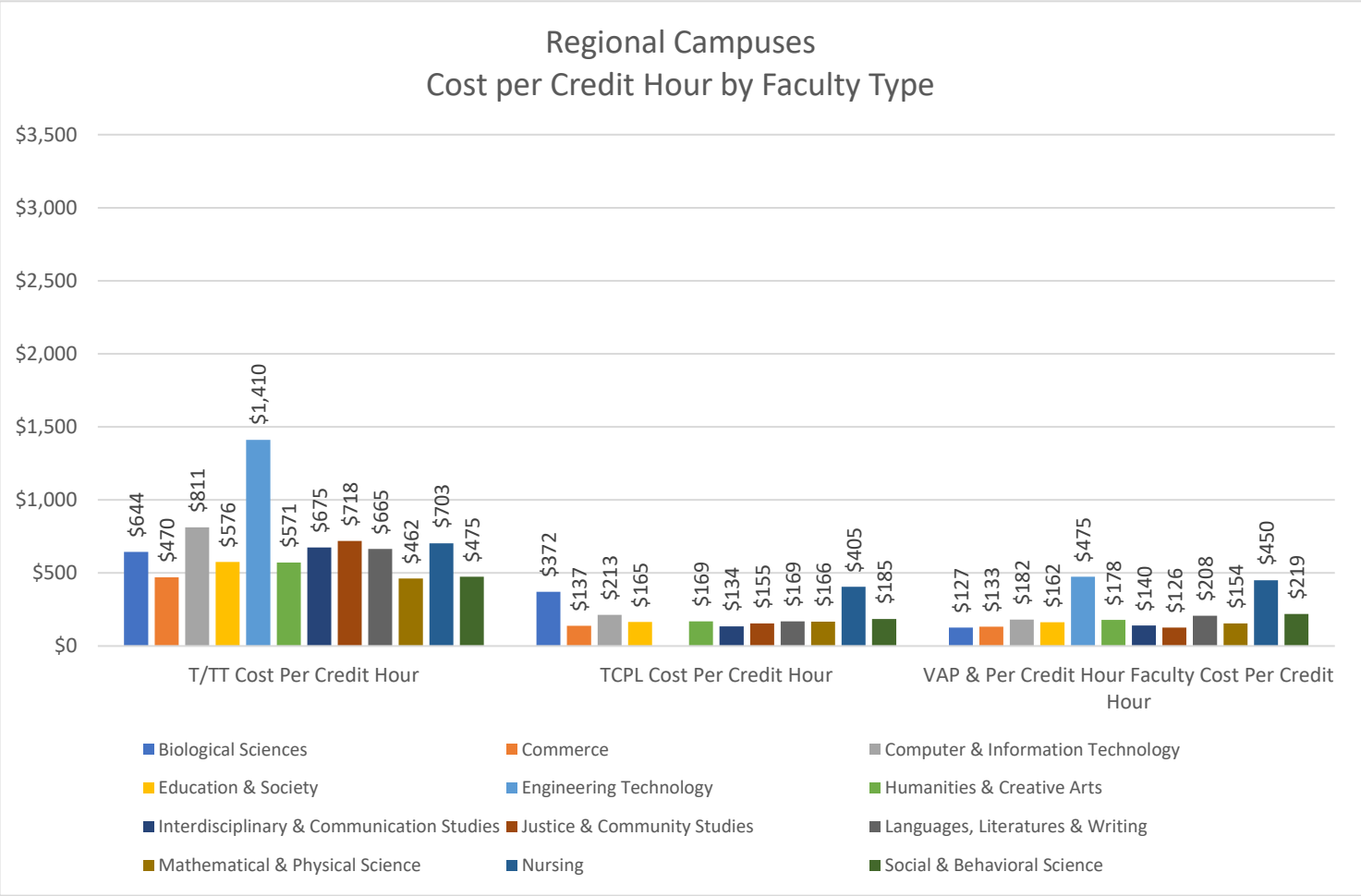
Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.



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[Regional Campuses
Faculty Resources
Part 3](#)

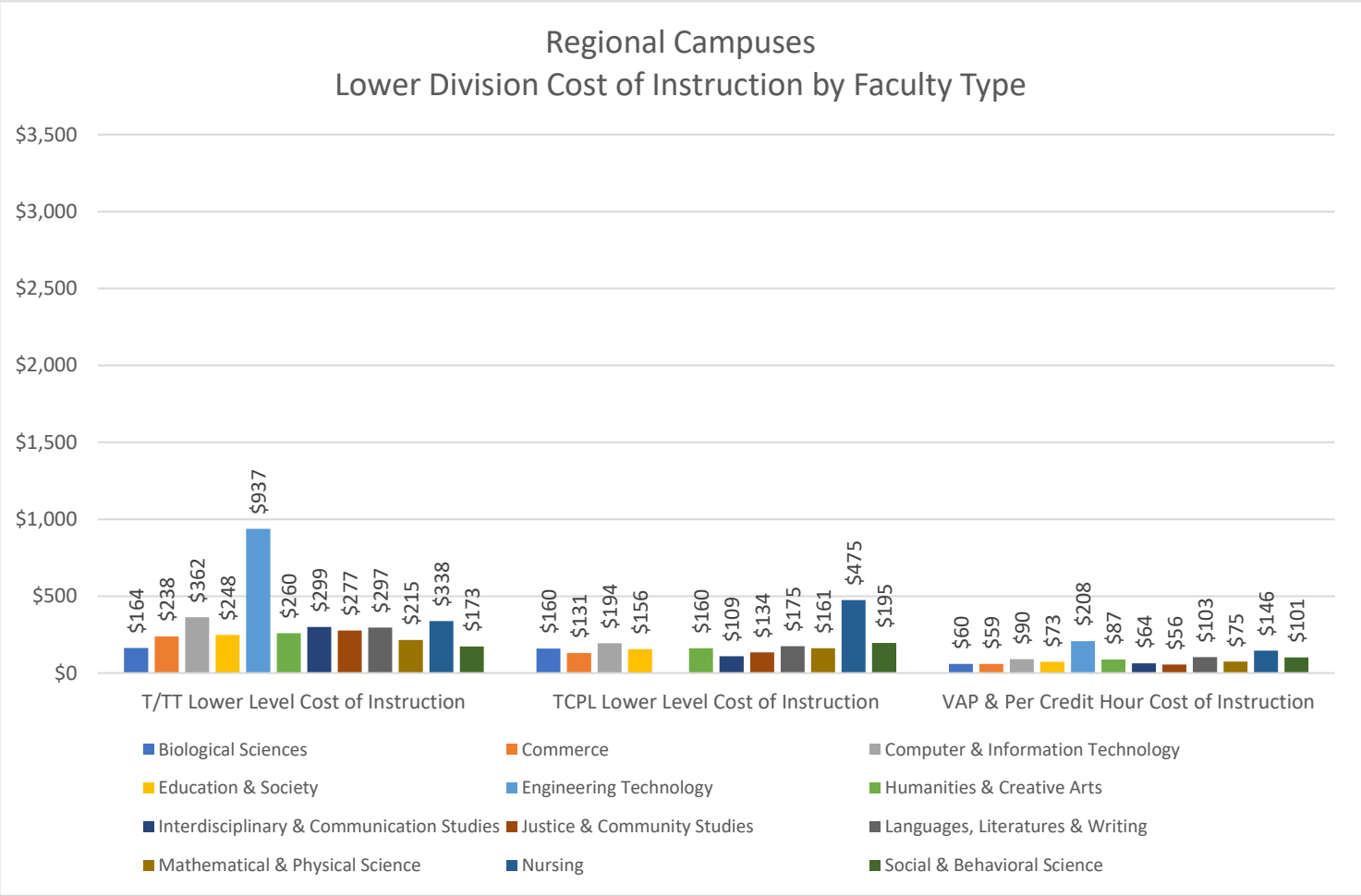
Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.



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[Regional Campuses
Faculty Resources
Part 3](#)

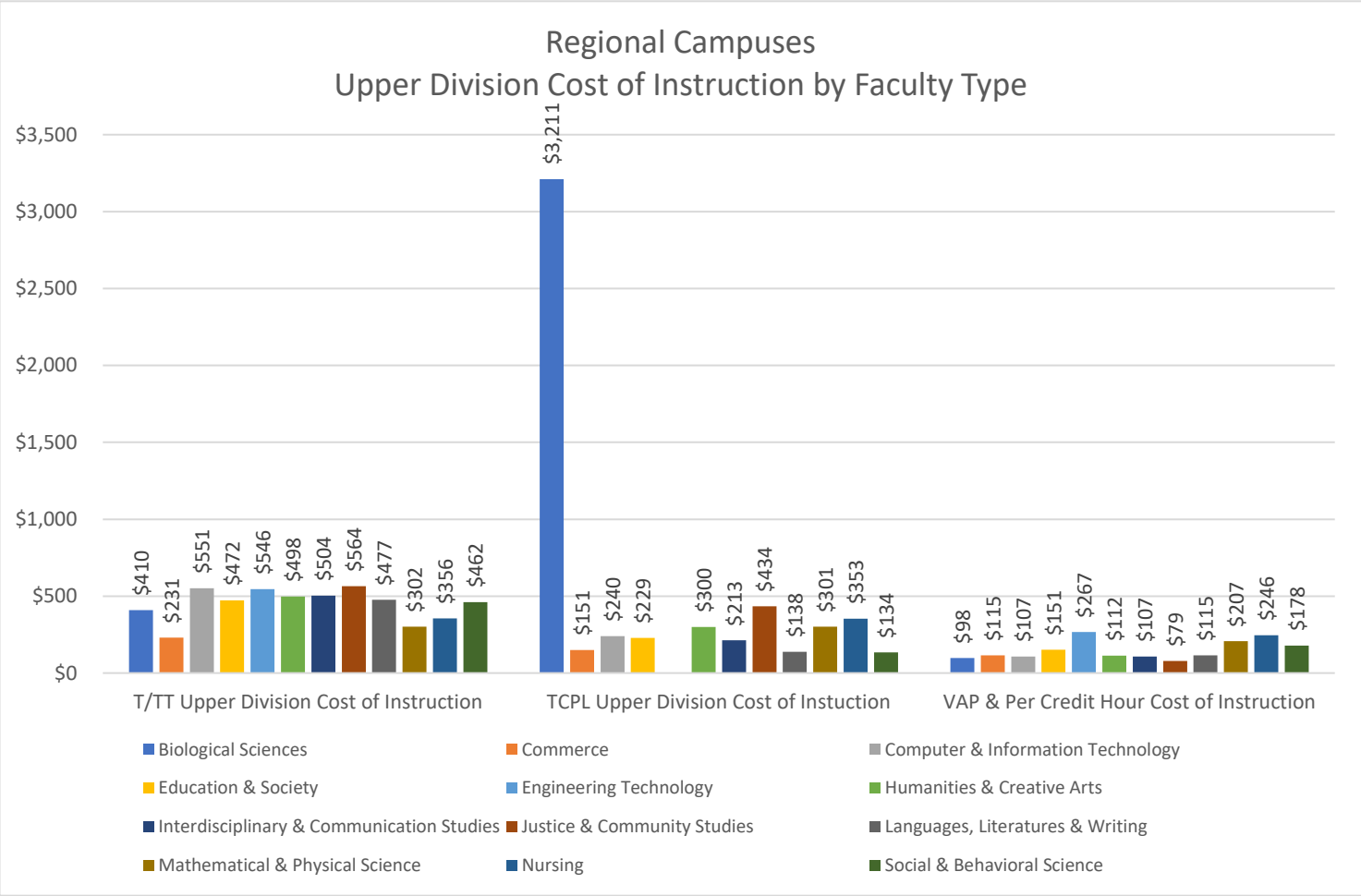
Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.



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[Regional Campuses
Faculty Resources
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Credit hours instructed by faculty type are one measure of instructional load and the allocation of faculty resources. Instructional activity by VAPs & per credit hour faculty have decreased the last to fiscal years. The decrease has been offset by an increase in credit hours delivered by tenure-tenure track faculty.

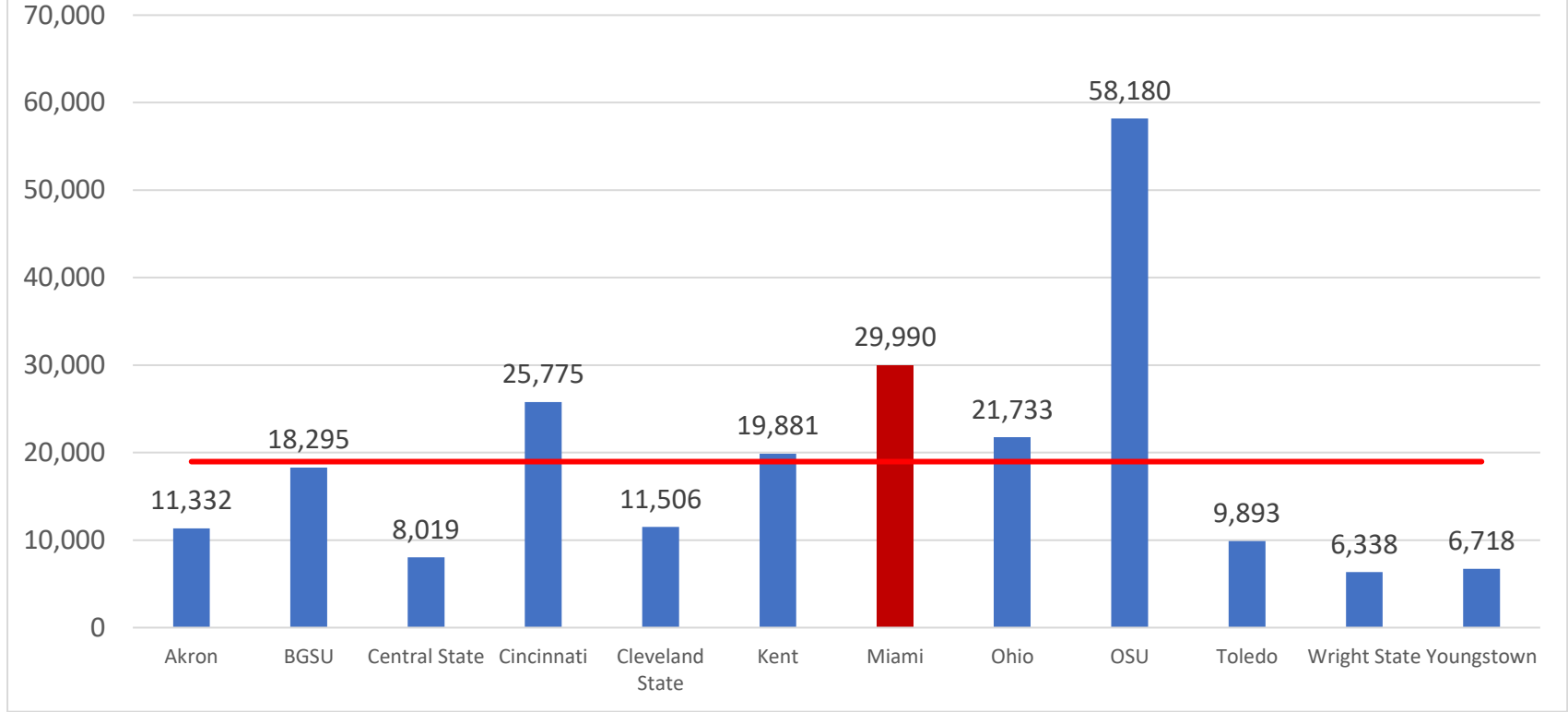


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[Regional Campuses
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Part 3](#)

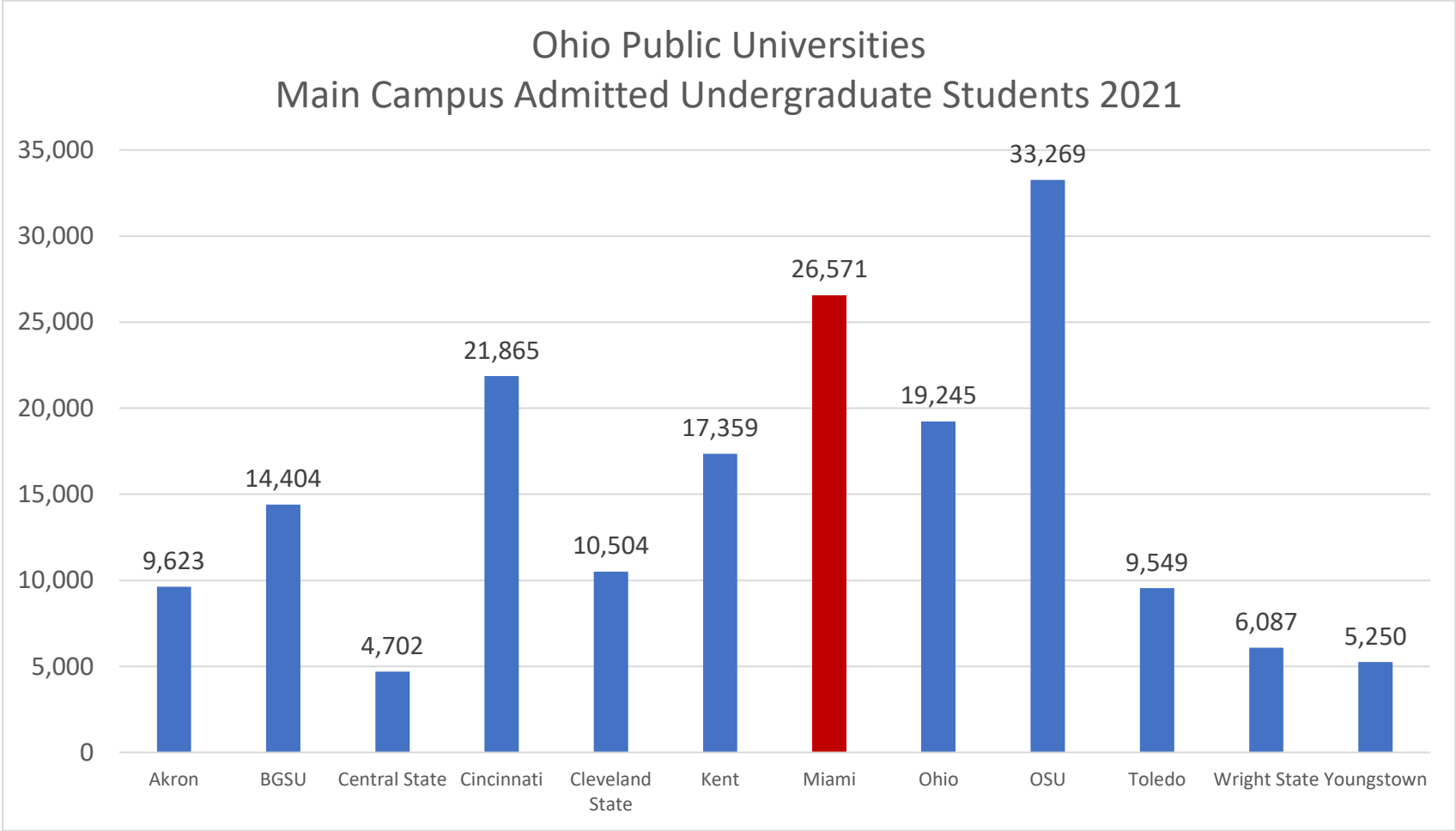
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Ohio Public Universities
Main Campus Undergraduate Applications Fall 2021



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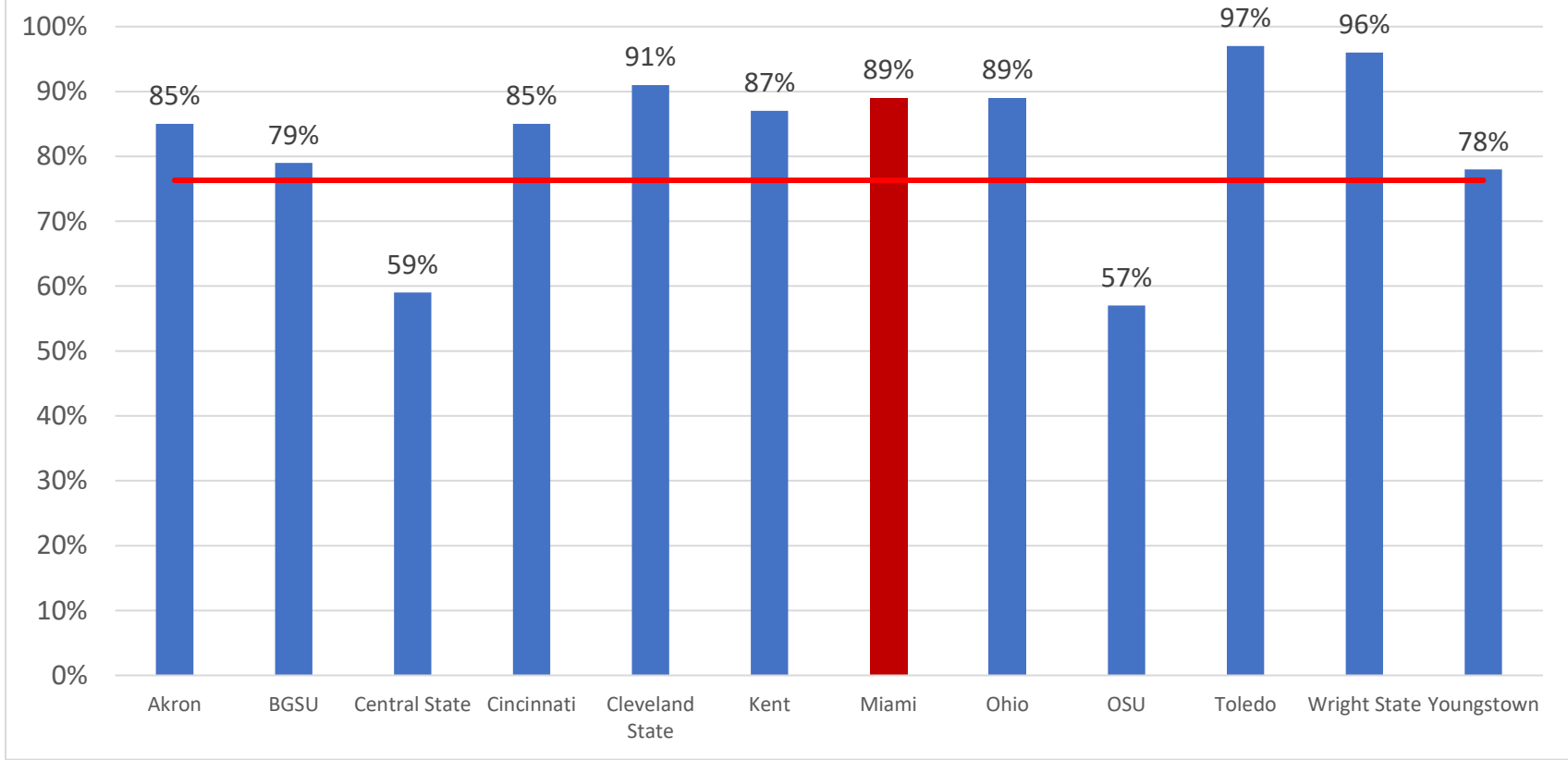
[Ohio Public University
Comparisons Part 1](#)



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[Ohio Public University
Comparisons Part 1](#)

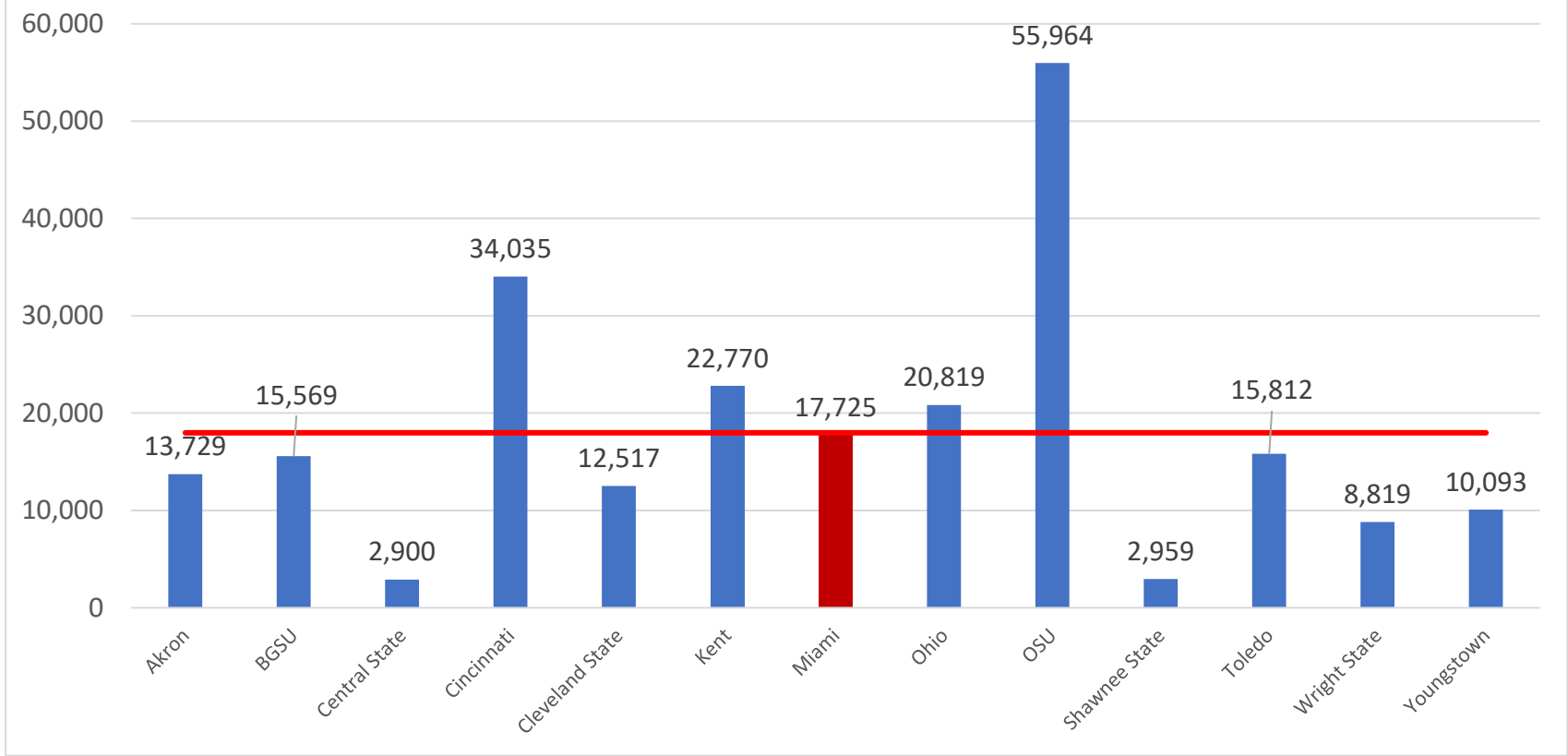
Ohio Public Universities
Main Campus Undergraduate Admission Rate 2021



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Comparisons Part 1](#)

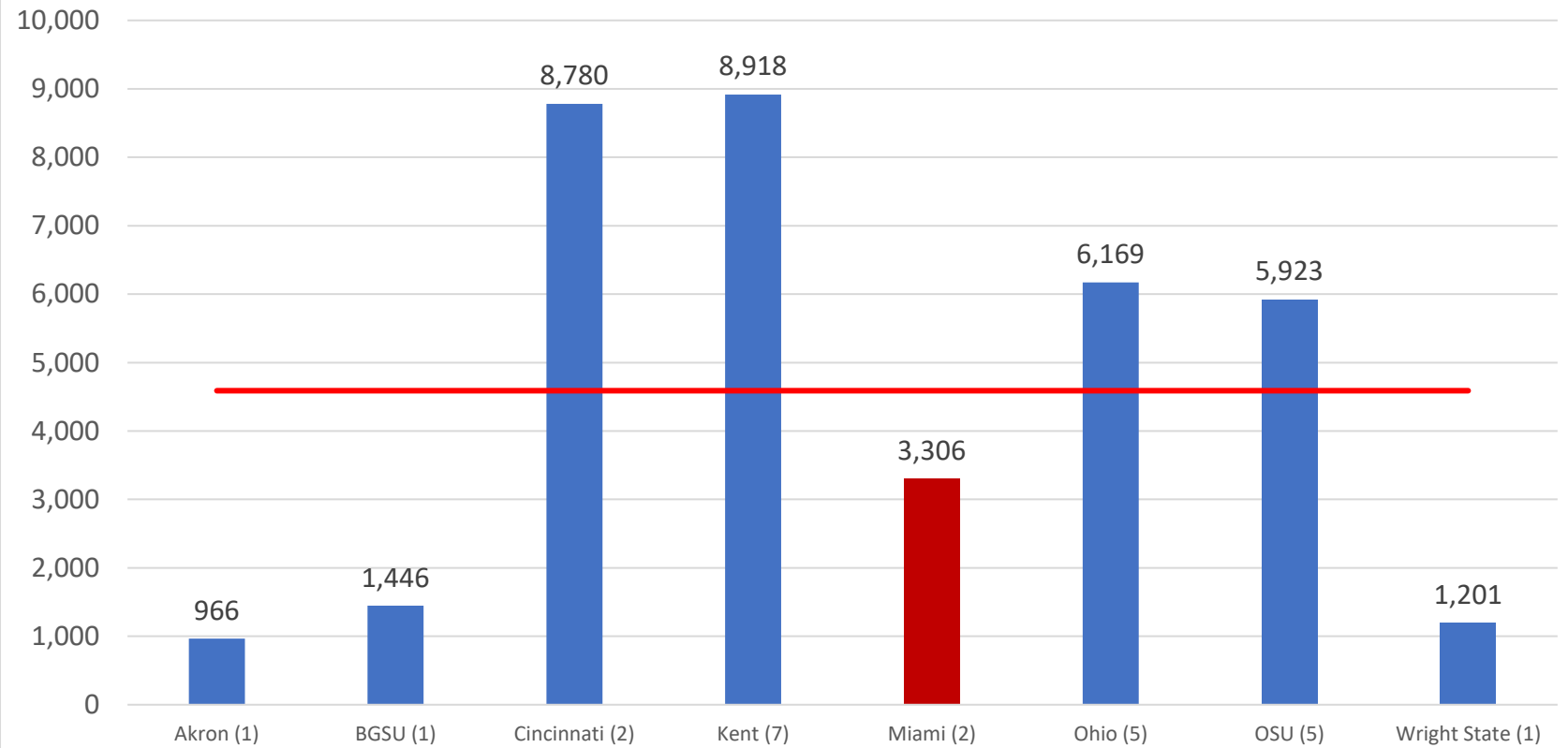
Ohio Public Universities
Main Campus Undergraduate Enrollment (FTE)



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Comparisons Part 1](#)

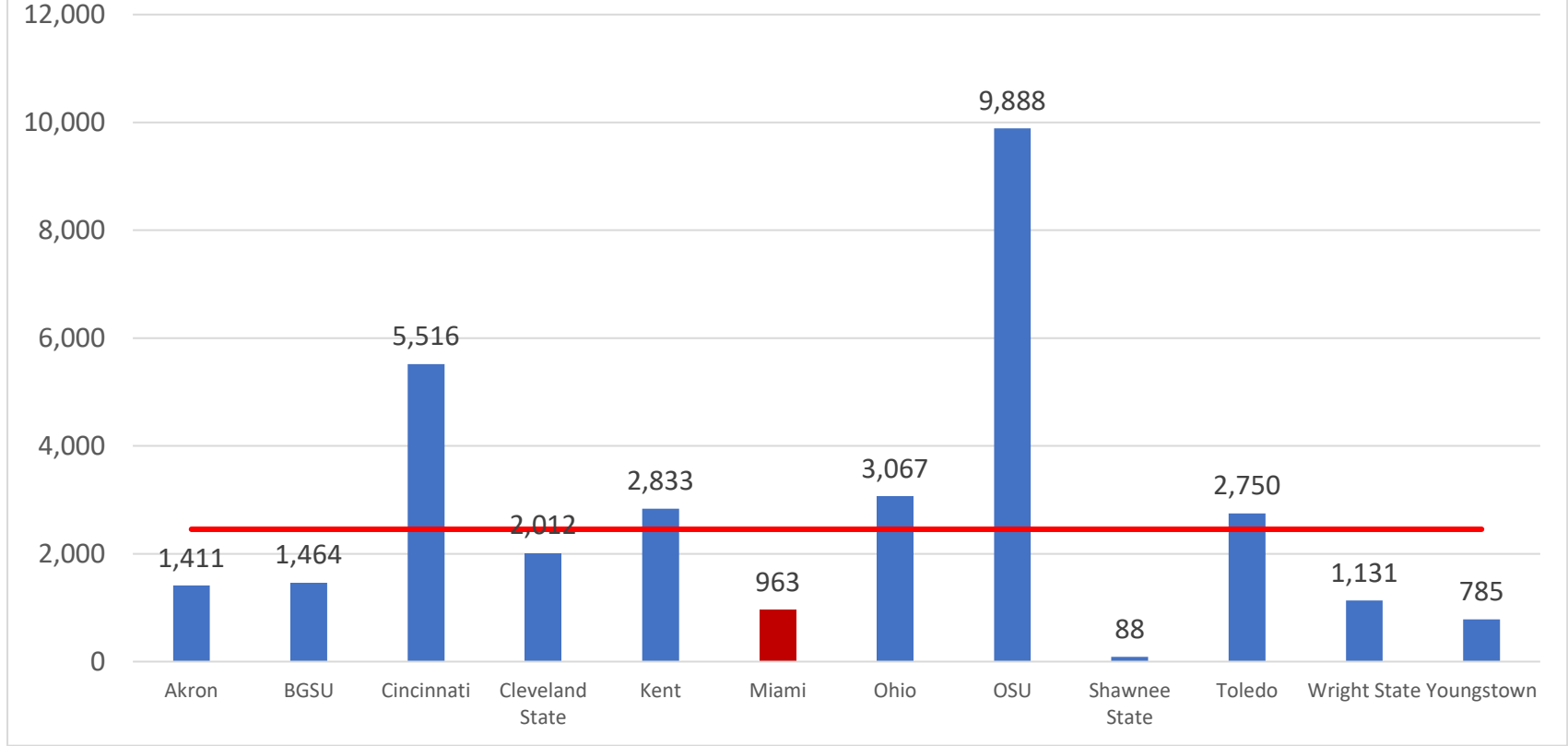
Ohio Public Universities Regional Campus Enrollment (FTE)



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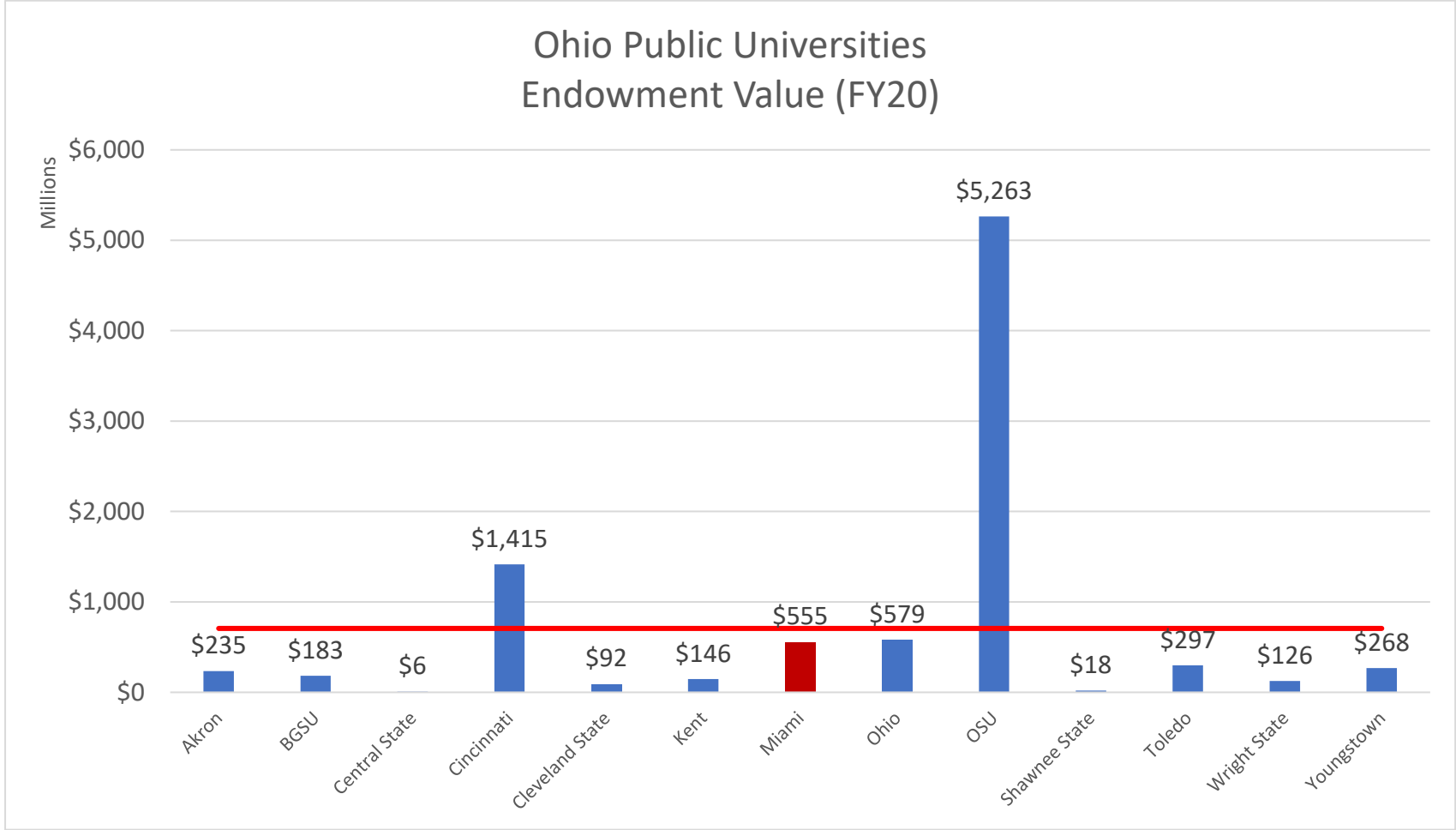
Ohio Public Universities
Graduate Full Time Enrollment (Head Count)



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Comparisons Part 2](#)

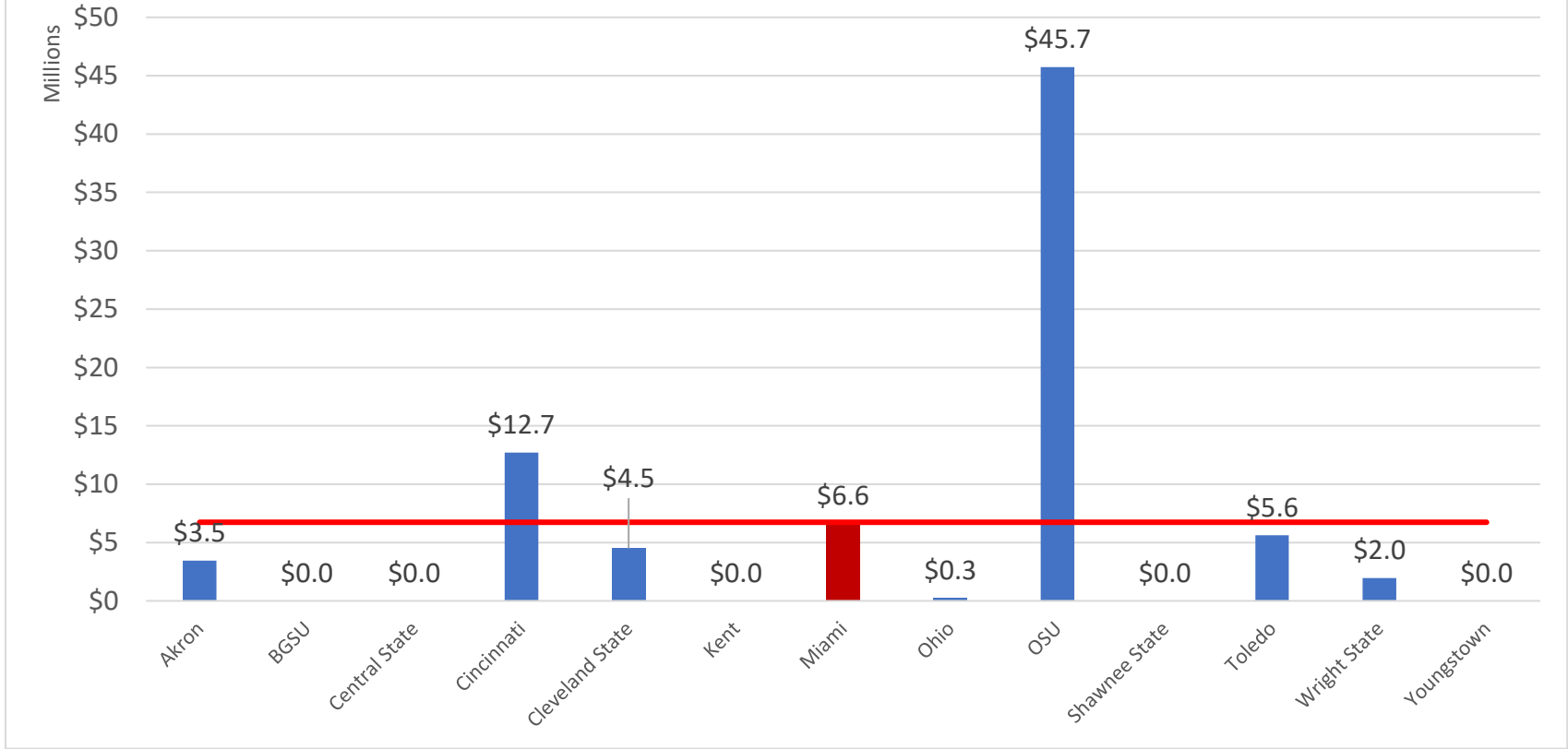
Ohio Public Universities
Endowment Value (FY20)



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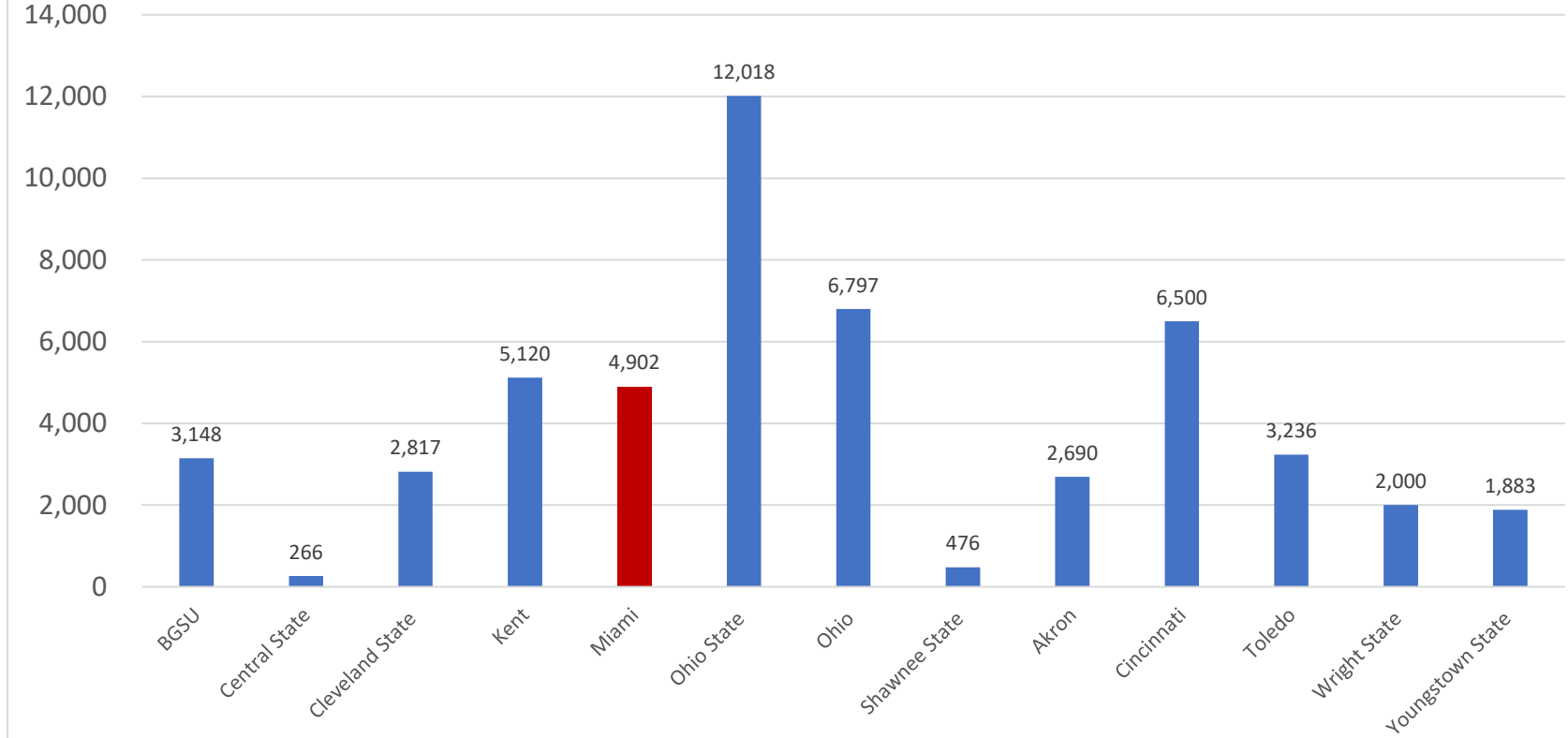
Ohio Public Universities
Scholarship Offset from Endowment (FY20)



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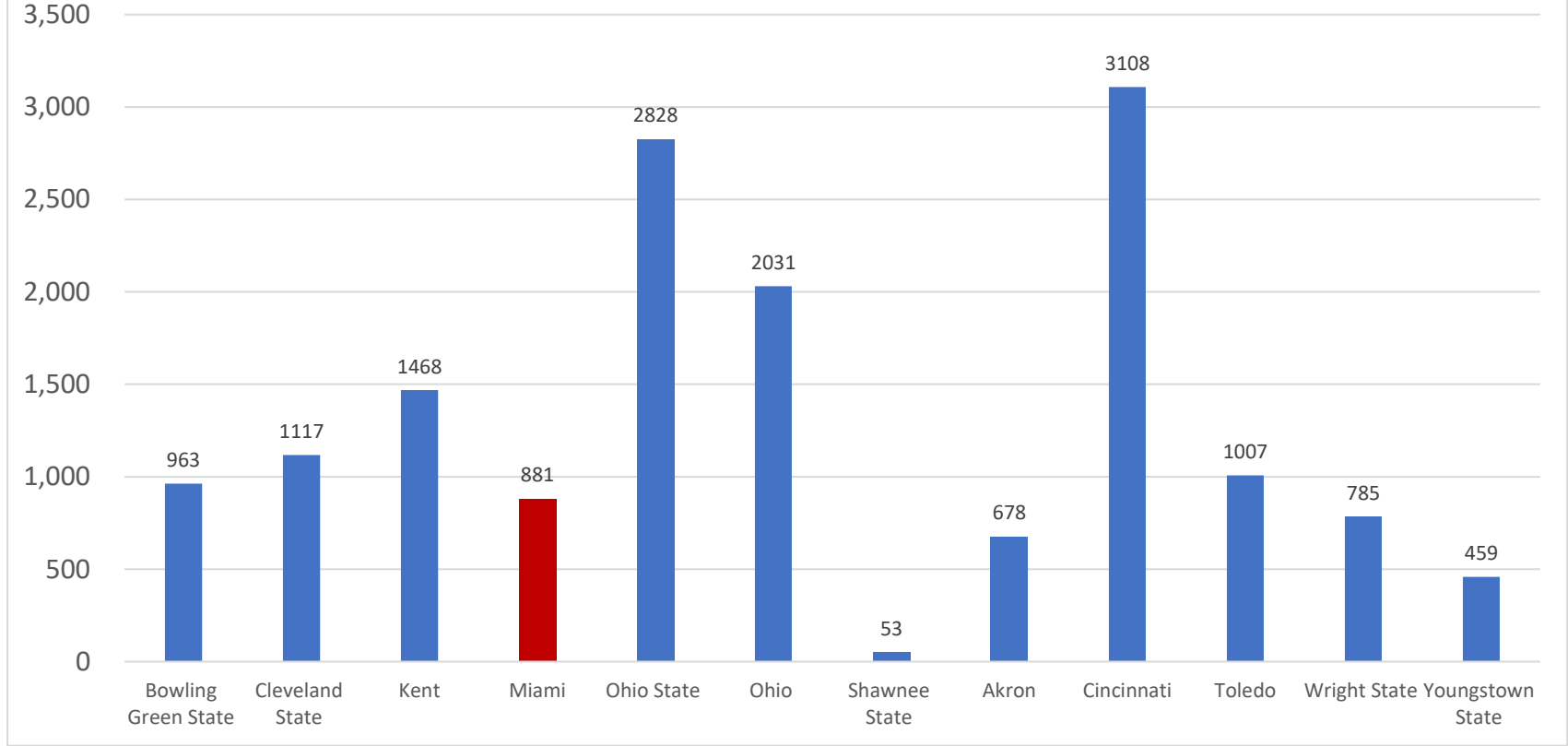
Ohio Public Universities
Bachelor Degrees Awarded (Main & Regional Campuses)



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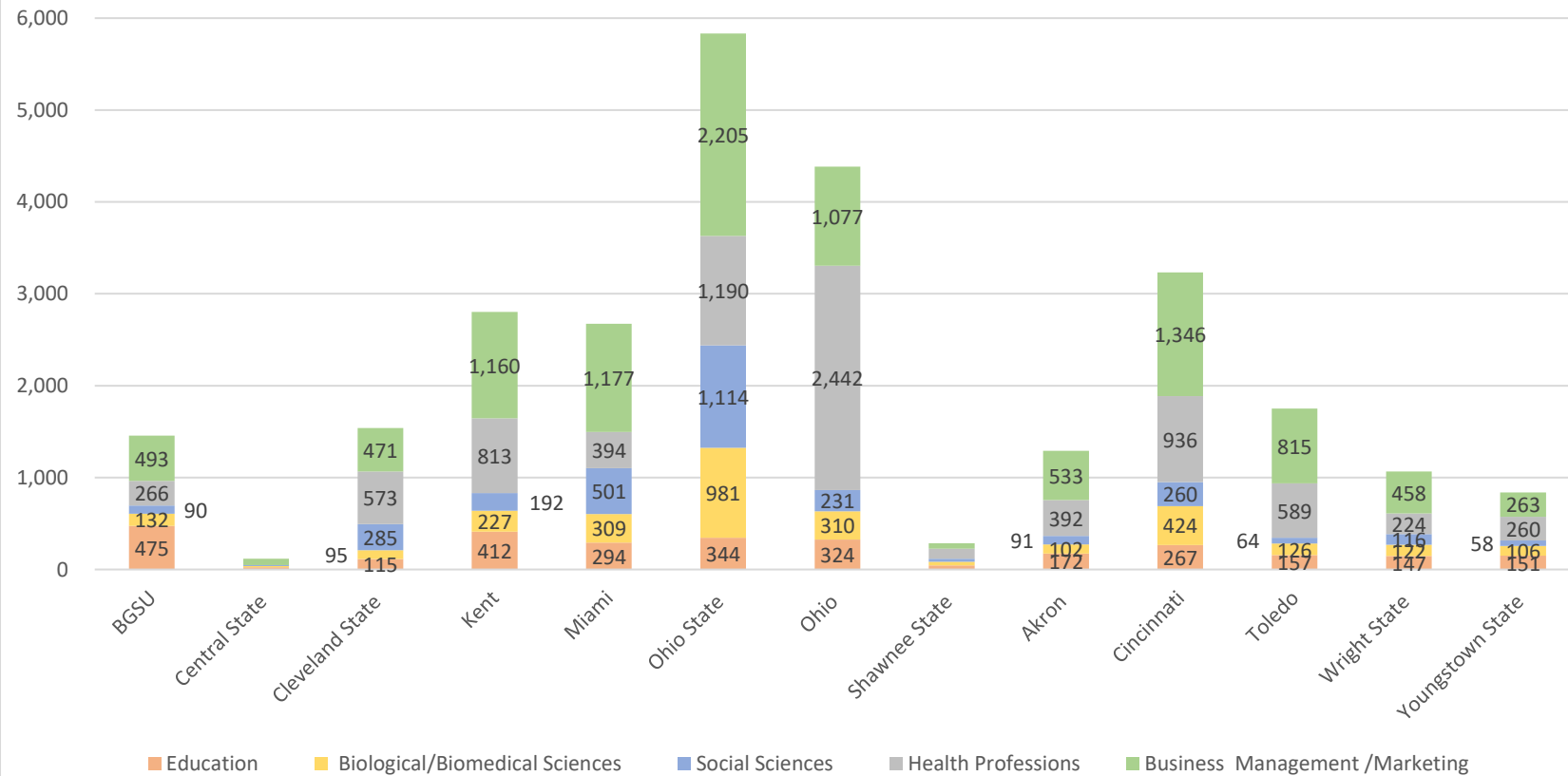
Ohio Public Universities
Master Degrees Awarded



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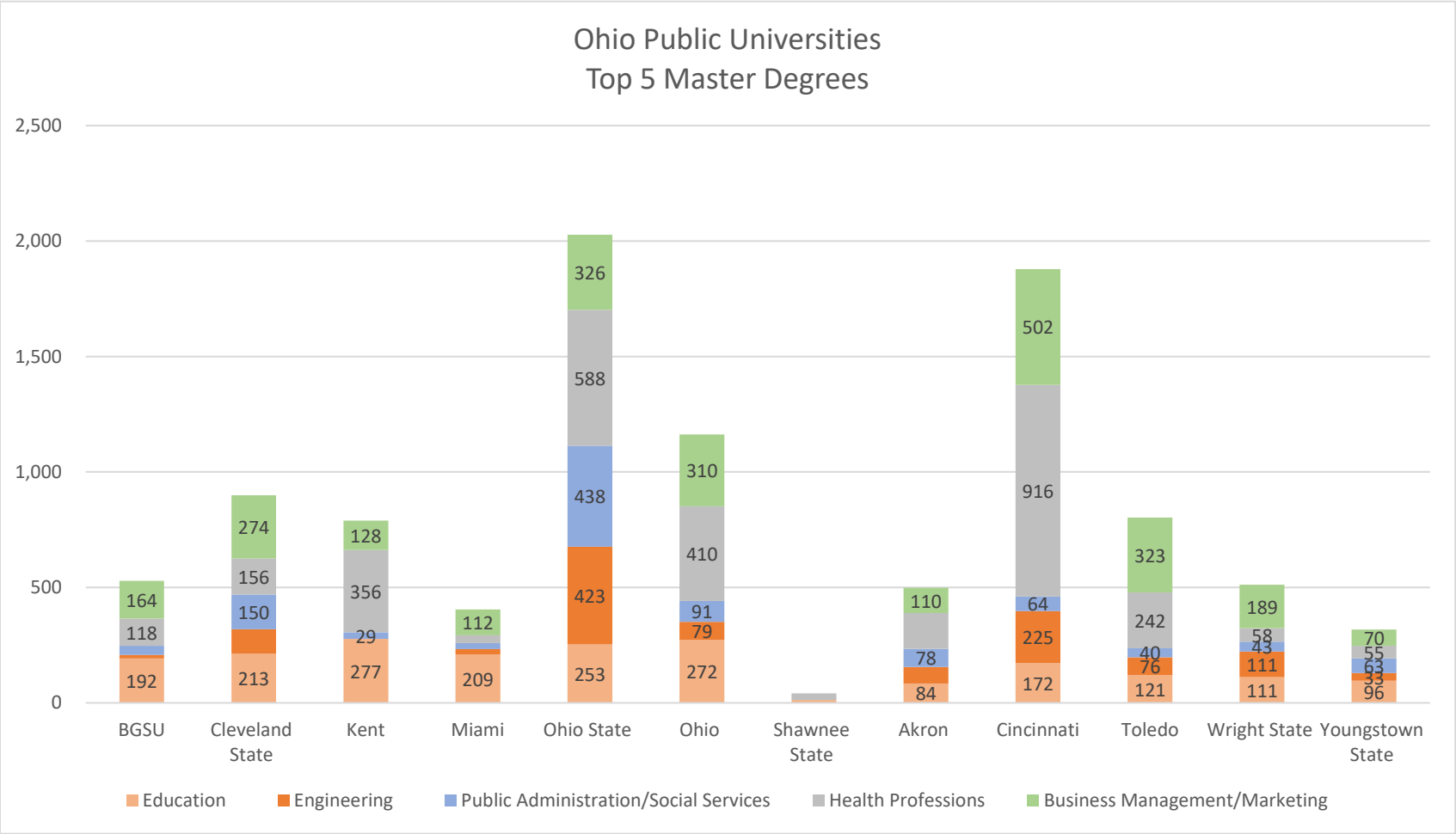
[Ohio Public University Comparisons Part 3](#)

Ohio Public Universities
Top 5 Bachelor Degree Categories



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[Ohio Public University Comparisons Part 3](#)



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[Ohio Public University
Comparisons Part 3](#)



December 8, 2022

Budget

Revised Appropriation Ordinance Oxford Campus Educational and General Fund Budget

	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>
Sources:	\$393,249,453	\$0	\$393,249,453
Uses	<u>422,018,943</u>	<u>0</u>	<u>422,018,943</u>
Budget Variance	(28,769,490)	0	(28,769,490)
Academic Position Vacancy	13,265,866	(4,909,686)	8,356,180
Administrative Position Vacancy	7,440,203		7,440,203
Use of Reserves	<u>8,063,421</u>	<u>4,909,686</u>	<u>12,973,107</u>
Final Budget Variance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



Revised Appropriation Ordinance Oxford Campus

Tailwinds

- Graduation of the fall 2020 class will improve the revenue outlook as larger net tuition cohorts enter the University.

Headwinds

- Academic position budgets are over committed requiring reductions and increased central control.
- Without enrollment and net tuition growth aligning faculty positions with enrollment is going to be very difficult.

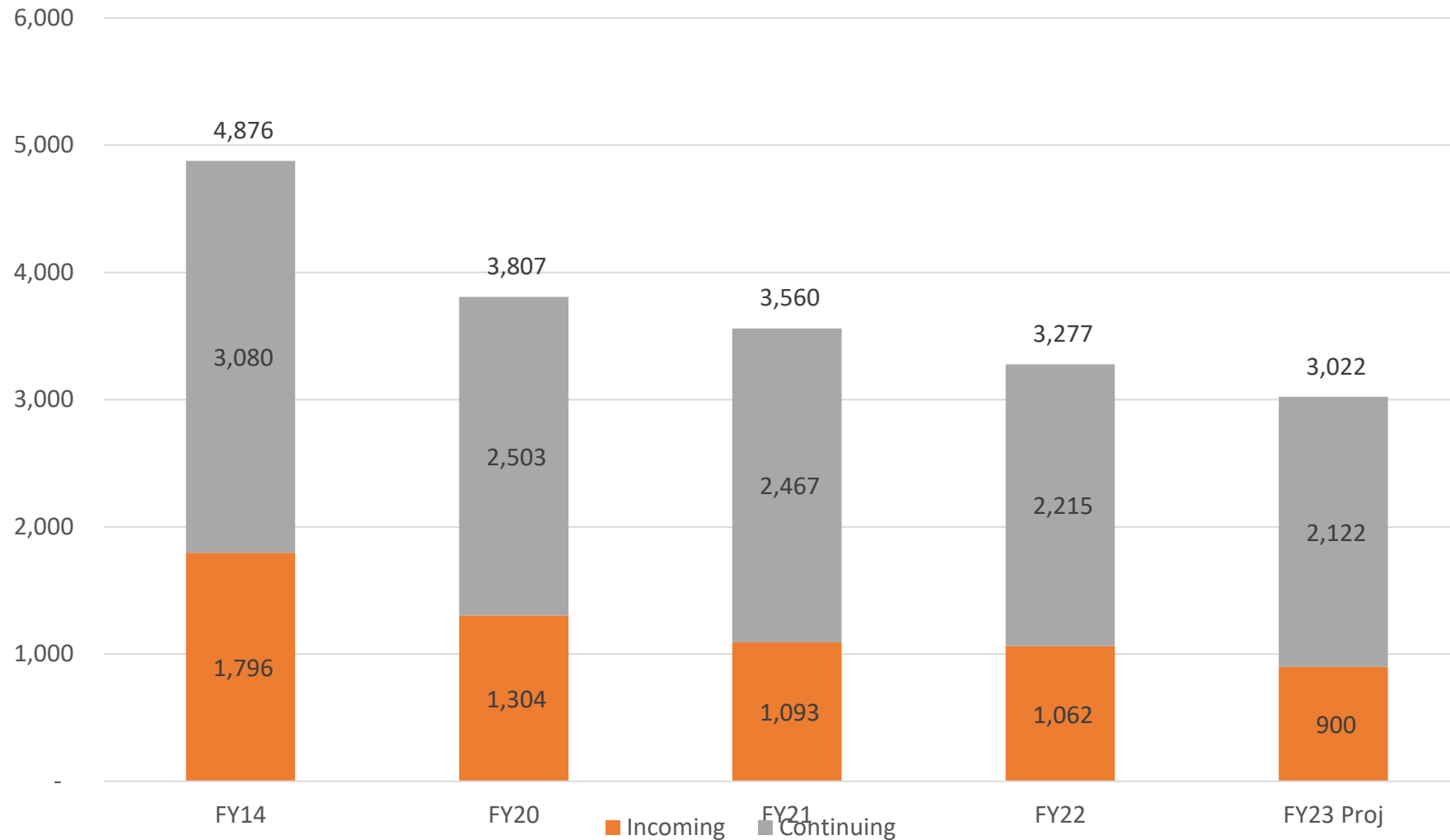


Revised Appropriation Ordinance Regional Campuses Educational and General Fund Budget

	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>
Sources:	\$48,322,875	(\$1,200,658)	\$47,122,217
Uses	54,969,786	97,670	55,067,456
Budget Variance	(\$6,646,911)	(\$1,298,328)	(\$7,945,239)
Position Vacancy	4,673,889		4,673,889
Use of Reserves	<u>1,973,012</u>	<u>1,298,328</u>	<u>3,271,340</u>
Final Budget Variance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



Regional Campus Enrollment (FTE)



Revised Appropriation Ordinance Regional Campuses

Tailwinds

- Tuition and state support from the Oxford nursing program will continue to grow offsetting at least some of the accumulated operating deficit but the deficit has continued to rise even after over \$7.4 million in tuition revenue from Oxford enrollments being redirected to the Regional Campuses.

Headwinds

- Similar to the Oxford Campus, enrollments from China may continue to decline further reducing net tuition revenue.
- Declining high school graduation numbers in combination with full employment in the nation may continue to negatively affect regional campus enrollments.



Changes in Vacancy Assumptions

	Budget
FY22 Forecast of FY23 Vacancy (July through April)	\$13,265,866
Omission in Summer Forecast (Research)	(1,200,000)
Growth in Temporary Administrative Staff Forecast	
Farmer School of Business (Assoc Dir & 2 Asst Dir Temps)	(196,398)
College of Arts & Science (Temp Program Coordinator + Temp Lab Technician)	(107,568)
College of Education, Health, & Society (Temp Research Scientist, Coord MU Teacher Academy/Cinci Public Schools)	(247,399)
College of Creative Arts (Acting Assoc Dean, Project Coordinator)	(250,524)
Growth in Temporary Full Time Faculty Forecast	
College of Arts & Science (9 Full-Time Temp Faculty)	(676,802)
College of Education Health & Society (5 Temp Full Time Faculty)	(467,672)
Growth in Part Time Faculty Forecast	
Farmer School of Business	(309,164)
College of Arts & Science	(78,891)
College of Education, Health, & Society	(38,280)
College of Creative Arts	(142,692)
Growth in Boldy Creative Positions (FY22 vs FY23)	
PA Program (1 Admin Assistant, 4 Clinical Lecturers, 1 Clinical Professor)	(701,516)
eLearning (1 Prof Ed Program Mgr, 1 Assoc Dir, 1 Asst Dir, 1 Fin Asst Counselor)	(244,992)
Cybersecurity (Professor)	(146,810)
Other (Forecasting Error)	(100,978)
Revised Vacancy Forecast	8,356,180
Change in Vacancy Forecast	(\$4,909,686)





December 8, 2022

Review of Fiscal Year 2022 Financial Performance

Miami University

Balance Sheet Highlights

at June 30, 2022

- Cash and investments declined by about \$51 million due to investment losses and spending from bond proceeds for new construction.
- Depreciable capital assets declined due to the absence of completed capital projects.
- Outstanding debt declined by almost \$48 million.
- The almost \$28 million growth in net unrestricted assets exclusively due to the improved financial position for the state administered retirement funds as a result of the lag in recording investment performance.



Miami University

Statement of Revenues, Expenses and Changes in Net Position

For the Period July 1, 2021 to June 30, 2022

- Net tuition and fees declined by about \$1.4 million but has declined by almost \$52 million since 2018 with the cumulative decline in net tuition exceeding \$150 million.
- Auxiliary revenues grew by almost \$76 million as operations were somewhat normal in fiscal year 2022 but auxiliary revenue remains below fiscal year 2019.
- Expenses grew by about \$90 million due to a return to normal operations especially for the auxiliary activities.
- Investment performance declined by almost \$250 million due to investment losses following a year with exceptional investment performance.
- Change in net position declined by almost \$270 million but would have declined more if not for improvement in pension funds.



Miami University

Unrestricted Net Position at June 30, 2022 and 2021

Summary

	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Central Balances & Reserves- Before Pension Liability	\$183,139,965	\$246,374,418	(\$63,234,453)
Ohio Pension Liability	<u>(248,793,381)</u>	<u>(311,764,830)</u>	<u>62,971,449</u>
Central Balances and Investment Reserves - Net	(65,653,416)	(65,390,412)	(263,004)
Carry Forward and Designated - Academic Divisions	204,100,326	206,231,673	(2,131,346)
Carry Forward and Designated - Administrative Divisions	97,072,271	76,080,203	20,992,068
Facility Renewal & Replacement Funds	240,583,280	220,971,351	19,611,929
Quasi-Endowment	<u>141,941,697</u>	<u>152,648,148</u>	<u>(10,706,451)</u>
Total Unrestricted Net Position	<u>\$618,044,158</u>	<u>\$590,540,963</u>	<u>\$27,503,195</u>



Miami University

Unrestricted Net Position at June 30, 2022 and 2021

Oxford General Central Fund Balances & Reserves

	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Unallocated Fund Balance	\$528,018	\$1,788,786	(\$1,260,768)
Reserve for Investment Fluctuations	132,572,984	195,752,650	(63,179,666)
Reserve for Health Care Stabilization	19,855,765	19,855,765	0
Reserve for Financial Aid	8,219,593	8,232,854	(13,261)
Reserve for Litigation	<u>1,547,953</u>	<u>1,547,953</u>	<u>0</u>
Total Oxford Central Fund Balances	<u>\$162,724,313</u>	<u>\$227,178,008</u>	<u>(\$64,453,695)</u>

Regional Campus Central Fund Balances & Reserves

Hamilton	\$13,411,842	\$13,484,602	(\$72,760)
Middletown	325,284	345,933	(20,649)
Voice of America	<u>43,269</u>	<u>40,433</u>	<u>2,836</u>
Total Regional Campus Central Fund Balances	13,780,395	13,870,968	(90,573)
Auxiliary Enterprises	2,981,452	2,182,655	798,797
Encumbrances	<u>3,653,805</u>	<u>3,142,787</u>	<u>511,018</u>
Total All Fund Balances & Reserves	<u>\$183,139,965</u>	<u>\$246,374,418</u>	<u>(\$63,234,453)</u>



Miami University

Unrestricted Net Position at June 30, 2022 and 2021

Academic Affairs Carryforward & Designated Funds

	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Provost	\$133,961,619	\$145,215,948	(\$11,254,329)
Arts & Science	21,950,293	19,090,509	2,859,784
Education, Health & Society	5,662,485	5,568,932	93,552
Farmer School of Business	13,908,327	12,802,683	1,105,644
Engineering & Computer Service	5,241,982	4,333,163	908,818
Creative Arts	1,781,130	1,190,778	590,353
Hamilton Campus	8,505,089	7,190,409	1,314,680
Middletown Campus	12,985,342	10,736,704	2,248,637
Voice of America	<u>104,060</u>	<u>102,546</u>	<u>1,514</u>
Total Academic Divisions	<u>\$204,100,326</u>	<u>\$206,231,673</u>	<u>(\$2,131,346)</u>



Miami University

Unrestricted Net Position at June 30, 2022 and 2021

Administrative Divisions Carryforward & Designated Funds

	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
President	\$5,797,069	\$6,031,873	(\$234,804)
Finance & Business Services	4,640,325	6,247,432	(1,607,108)
Physical Facilities	2,866,709	2,968,266	(101,557)
Enrollment Management & Student Success	6,644,314	4,330,255	2,314,059
Student Life	5,931,420	5,822,403	109,016
University Advancement	30,126,679	25,544,281	4,582,398
IT Services	15,393,614	14,225,724	1,167,890
Central Budget	<u>25,672,141</u>	<u>10,909,967</u>	<u>14,762,174</u>
Total Administrative Divisions	<u>\$97,072,271</u>	<u>\$76,080,203</u>	<u>\$20,992,068</u>



Miami University

Unrestricted Net Position at June 30, 2022 and 2021

Facility Renewal & Replacement Funds

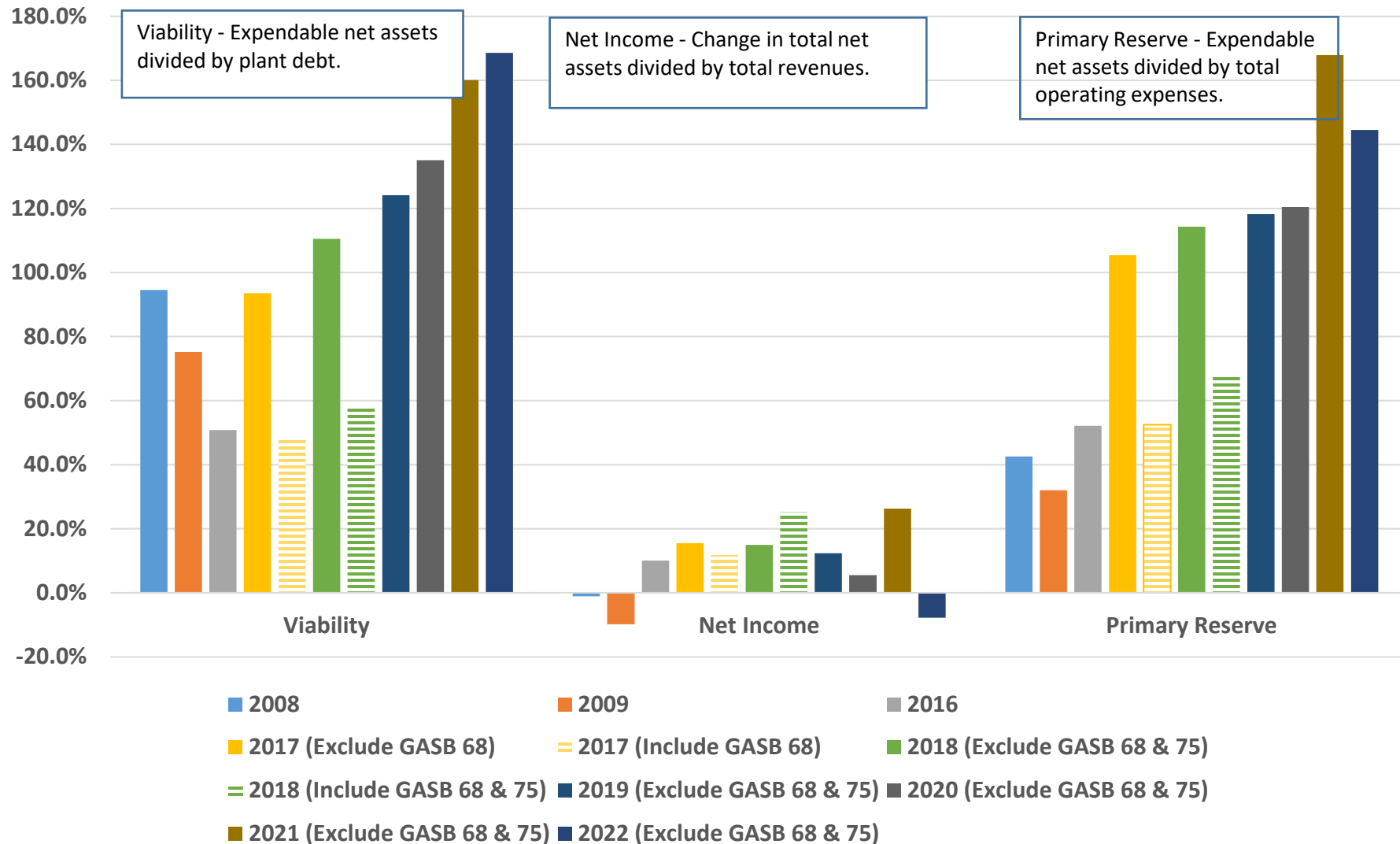
	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Oxford- General	\$60,098,909	\$57,632,176	\$2,466,733
Hamilton Campus	8,649,630	9,372,274	(722,644)
Middletown Campus	2,342,312	2,488,318	(146,006)
Voice of America	545,250	444,129	101,121
Oxford Auxiliary	73,056,207	77,590,645	(4,534,438)
Projects Funded/Not Expended	<u>95,890,972</u>	<u>73,443,809</u>	<u>22,447,163</u>
Total Facility Renewal & Replacement	<u>\$240,583,280</u>	<u>\$220,971,351</u>	<u>\$19,611,929</u>



Miami University Financial Performance

Excludes the Effect of GASB 68 & 75

(FY09, FY16, FY17, FY18, FY19, FY20, FY21 & FY22)





Questions?

Miami University
Finance and Audit Committee
FY 2023 Forecasted Operating Results
Projections Based upon Activity through September 30, 2022

ALL FUNDS

The first schedule shows activity across all unrestricted and restricted funds of the University.

The unrestricted activity presented in the All Funds summary includes the performance of each subsidiary of the unrestricted activity and cumulative totals. The report does not include draws of reserves to provide a better approximation of the University's expected unrestricted net position at the conclusion of the fiscal year. The schedule also shows earnings for non-endowment and endowment income on budget for the fiscal year due to the earnings volatility.

Total forecast for the "Total Unrestricted Funds" is highly influenced by investment performance. Investment performance is much more volatile than other revenues meaning variations are expected each year and the outcome for fiscal year 2023 is impossible to forecast.

The other nuance to consider in this report is the effect of depreciation expense. Depreciation expense is not incorporated in any of the unrestricted budgets. It is offset over time through state capital appropriations, new debt and principal payments, and transfers to renewal and replacement funds that are used for capital projects. One of the consequences of the pandemic is that less funds are available to transfer to renewal and replacement and several capital projects have been delayed.

The second schedule presents the financial performance for all restricted funds. Investment income for the non-endowment and endowment are held on budget. Grants and contracts are forecast above budget primarily due to a federal grant obtained by the Psychology Department.

All Funds
Unrestricted
For July 1, 2022 to June 30, 2023
as of September 30, 2022

Description	Oxford E&G		Regional Campus E&G		Designated Funds All Campuses		Auxiliary Operations All Campuses		Unrestricted Quasi-Endowments	Investment Fluctuation	Total Unrestricted Funds		Net Investment in Capital Assets	Total	
	Budget	Forecast	Budget	Forecast	Budget	Forecast	Budget	Forecast			Budget	Forecast	Forecast	Budget	Forecast
Revenue:															
State Appropriation	\$70,651,582	\$70,651,582	\$12,424,593	\$12,424,593	\$0	\$0	\$0	\$0	\$0	\$0	\$83,076,175	\$83,076,175	\$0	\$83,076,175	\$83,076,175
Tuition (Net)	\$298,527,403	\$301,510,402	\$31,361,420	\$31,361,420	\$0	\$0	\$0	\$0	\$0	\$0	\$329,888,823	\$332,871,823	\$0	\$329,888,823	\$332,871,823
Room, Board and Fees	\$2,596,500	\$2,428,171	\$274,200	\$274,200	\$20,672,776	\$21,296,736	\$119,759,401	\$114,802,212	\$0	\$0	\$143,302,877	\$138,801,319	\$0	\$143,302,877	\$138,801,319
Sales	\$0	\$0	\$0	\$0	\$3,587,061	\$3,010,875	\$26,722,071	\$25,696,933	\$0	\$0	\$30,309,132	\$28,707,808	\$0	\$30,309,132	\$28,707,808
Investment Income (Net)	\$14,900,000	\$14,900,000	\$100,000	\$100,000	\$2,275,700	\$2,275,700	\$168,758	\$168,758	\$0	\$0	\$17,444,458	\$17,444,458	\$0	\$17,444,458	\$17,444,458
Other Revenue	<u>\$1,572,405</u>	<u>\$1,572,405</u>	<u>\$89,902</u>	<u>\$89,902</u>	\$11,417,238	<u>\$12,770,508</u>	<u>\$9,197,092</u>	<u>\$9,500,540</u>	<u>\$0</u>	<u>\$0</u>	<u>\$22,276,637</u>	<u>\$23,933,354</u>	<u>\$0</u>	<u>\$22,276,637</u>	<u>\$23,933,354</u>
Total Revenue	\$388,247,890	\$391,062,560	\$44,250,115	\$44,250,115	\$37,952,775	\$39,353,819	\$155,847,321	\$150,168,442	\$0	\$0	\$626,298,101	\$624,834,937	\$0	\$626,298,101	\$624,834,937
Expenses:															
Salaries and Wages	\$196,646,688	\$192,685,830	\$24,583,516	\$24,166,513	\$17,404,879	\$17,919,101	\$33,939,216	\$29,468,295	\$0	\$0	\$272,574,298	\$264,239,739	\$0	\$272,574,298	\$264,239,739
Benefits	\$68,986,136	\$67,566,858	\$8,553,302	\$8,294,497	\$6,675,909	\$6,898,854	\$11,109,841	\$9,443,252	\$0	\$0	\$95,325,189	\$92,203,461	\$0	\$95,325,189	\$92,203,461
Support Expenses	\$82,480,768	\$79,649,612	\$6,852,609	\$6,852,609	\$20,035,993	\$23,652,500	\$63,889,191	\$64,839,127	\$0	\$0	\$173,258,562	\$174,993,848	\$0	\$173,258,562	\$174,993,848
Equipment	\$1,991,752	\$1,991,752	\$2,500	\$2,500	\$0	\$586,444	\$987,552	\$917,552	\$0	\$0	\$2,981,804	\$3,498,248	\$0	\$2,981,804	\$3,498,248
Interest on Debt	\$4,869,613	\$4,869,613	\$1,432,132	\$1,432,132	\$0	\$0	\$18,808,515	\$18,808,515	\$0	\$0	\$25,110,261	\$25,110,261	\$0	\$25,110,261	\$25,110,261
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,800,000	\$0	\$73,800,000
Other	<u>(\$13,765,790)</u>	<u>(\$13,765,790)</u>	\$5,041,109	<u>\$5,041,109</u>	\$0	<u>\$0</u>	<u>\$8,724,681</u>	<u>\$8,724,681</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenses	\$341,209,168	\$332,997,875	\$46,465,168	\$45,789,360	\$44,116,781	\$49,056,899	\$137,458,997	\$132,201,423	\$0	\$0	\$569,250,113	\$560,045,557	\$73,800,000	\$569,250,113	\$633,845,557
Net Before Transfers	\$47,038,722	\$58,064,685	(\$2,215,053)	(\$1,539,245)	(\$6,164,006)	(\$9,703,080)	\$18,388,325	\$17,967,020	\$0	\$0	\$57,047,988	\$64,789,380	(\$73,800,000)	\$57,047,988	(\$9,010,620)
Transfers:															
Transfer for Principal on Debt	\$7,817,660	\$7,817,660	\$965,056	\$965,056	\$0	\$0	\$28,714,329	\$28,714,329	\$0	\$0	\$37,497,045	\$37,497,045	\$0	\$37,497,045	\$37,497,045
General Fee	\$48,599,321	\$48,563,546	\$418,058	\$418,058	<u>(\$6,279,205)</u>	<u>(\$6,279,205)</u>	<u>(\$34,997,385)</u>	<u>(\$34,997,383)</u>	\$0	\$0	\$7,740,789	\$7,705,016	\$0	\$7,740,789	\$7,705,016
Capital Projects & Other	<u>\$3,594,847</u>	<u>\$3,594,847</u>	<u>(\$326,826)</u>	<u>(\$326,826)</u>	<u>\$115,199</u>	<u>(\$1,938,331)</u>	<u>\$24,671,381</u>	<u>\$24,327,130</u>	<u>\$0</u>	<u>\$0</u>	<u>\$28,054,601</u>	<u>\$25,656,820</u>	<u>(\$27,526,418)</u>	<u>\$28,054,601</u>	<u>(\$1,869,598)</u>
Total Transfers	\$60,011,828	\$59,976,053	\$1,056,288	\$1,056,288	(\$6,164,006)	(\$8,217,536)	\$18,388,324	\$18,044,076	\$0	\$0	\$73,292,434	\$70,858,880	(\$27,526,418)	\$73,292,434	\$43,332,462
Net After Transfers	(\$12,973,107)	(\$1,911,368)	(\$3,271,340)	(\$2,595,532)	\$0	(\$1,485,544)	\$0	(\$77,056)	\$0	\$0	(\$16,244,446)	(\$6,069,500)	(\$46,273,582)	(\$16,244,446)	(\$52,343,082)

Miami University
Finance and Audit Committee
FY 2023 Forecasted Operating Results
Projections Based upon Activity through September 30, 2022

ALL FUNDS

The first schedule shows activity across all unrestricted and restricted funds of the University.

The unrestricted activity presented in the All Funds summary includes the performance of each subsidiary of the unrestricted activity and cumulative totals. The report does not include draws of reserves to provide a better approximation of the University's expected unrestricted net position at the conclusion of the fiscal year. The schedule also shows earnings for non-endowment and endowment income on budget for the fiscal year due to the earnings volatility.

Total forecast for the "Total Unrestricted Funds" is highly influenced by investment performance. Investment performance is much more volatile than other revenues meaning variations are expected each year and the outcome for fiscal year 2023 is impossible to forecast.

The other nuance to consider in this report is the effect of depreciation expense. Depreciation expense is not incorporated in any of the unrestricted budgets. It is offset over time through state capital appropriations, new debt and principal payments, and transfers to renewal and replacement funds that are used for capital projects. One of the consequences of the pandemic is that less funds are available to transfer to renewal and replacement and several capital projects have been delayed.

The second schedule presents the financial performance for all restricted funds. Investment income for the non-endowment and endowment are held on budget. Grants and contracts are forecast above budget primarily due to a federal grant obtained by the Psychology Department.

OXFORD

The projection for the Oxford General Fund through September is a surplus of approximately \$4.9 million. Details of the specific items are highlighted below. The budget in the report reflects the revised budget to be adopted by the Board of Trustees at the December meetings. The revision increases the appropriations for salaries and benefits due to higher than anticipated compensation costs in Academic Affairs. The higher labor costs are offset by a \$4.9 million increase in draws from carryforward reserves.

Revenues

The Oxford campus student fee revenues (instructional, general out-of-state, and other) are forecast to be approximately \$2.8 above the \$301.1 million budget. Net instructional revenue (including the out of state surcharge) is forecast to be \$3.0 million over budget. The general fee is forecast to be slightly below the \$48.1 million budget. Net instructional revenue and the out of state surcharge revenue are forecast to be over budget by \$1.2 million and cohort financial aid being below the \$148.1 million budget by \$1.0 million. The forecast includes fall revenues and a preliminary spring forecast. Winter and Summer terms are held on budget.

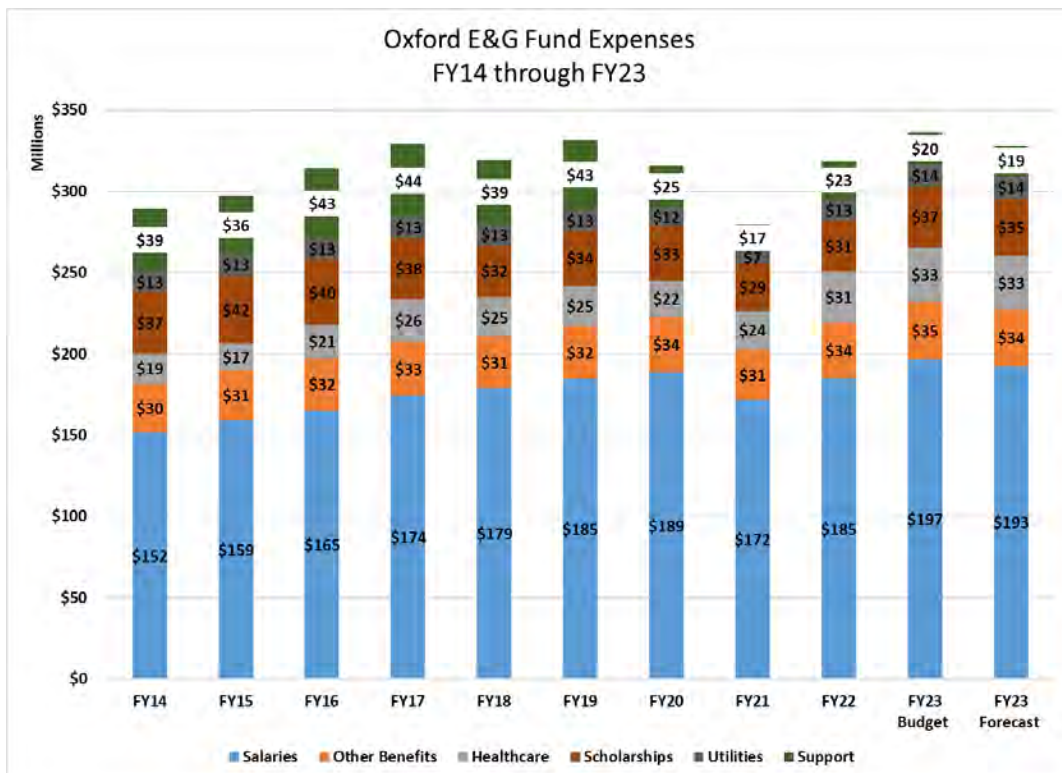
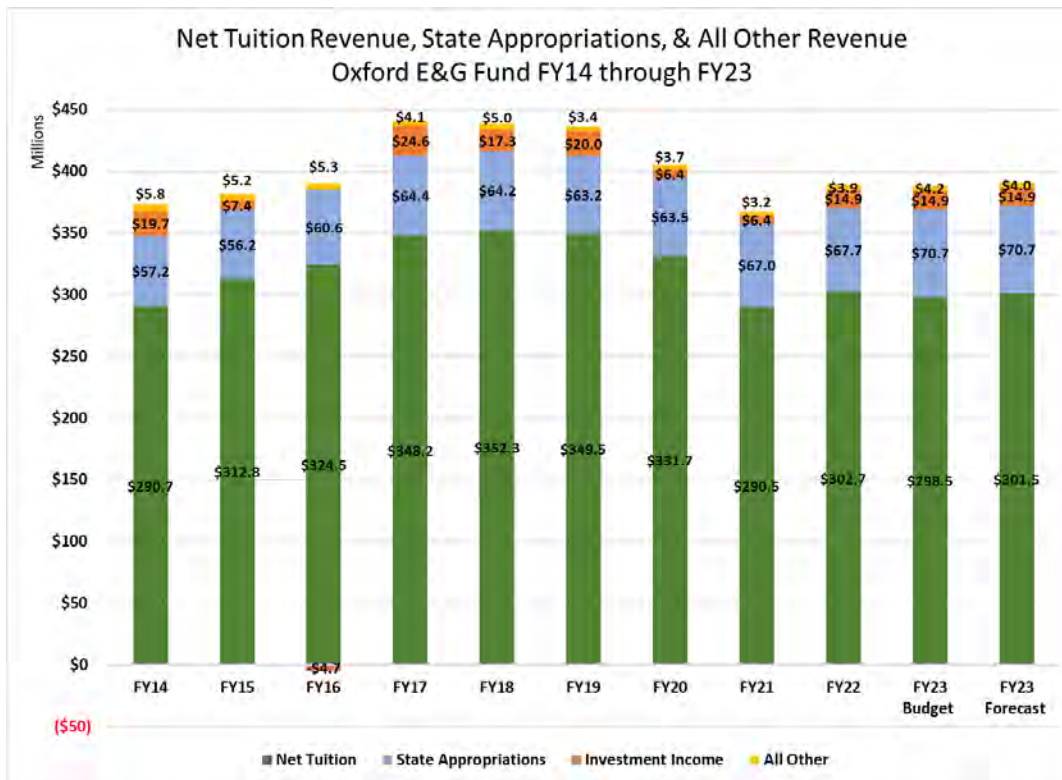
The state appropriation for the Oxford campus of \$70.7 million is based on the Ohio Department of Higher Education subsidy payment schedule. The subsidy reflects the net impact of activity across all of the institutions in the University System of Ohio.

Investment income is shown at the amount budgeted and does not include a forecast for June 30, 2021. As a reminder, any investment income amount above or below the amount budgeted will be allocated to the investment fluctuation reserve.

Other revenue categories are also projected as budgeted.

Expenditures and Transfers

Employee salaries and staff benefits are projected to be \$4.0 million below the revised budget. The underspending is attributable to more vacant administrative positions than budgeted. Through the first three months of the fiscal year, health care claims were lower than budgeted due to position vacancy and lower utilization. However, medical claims costs are higher than assumed in the budget through the first quarter. Healthcare expense for the rest of the year is difficult to estimate due to the volatility of high cost claims. Graduate fee waiver expenses are below budget by \$1.9 million.



HAMILTON & MIDDLETOWN

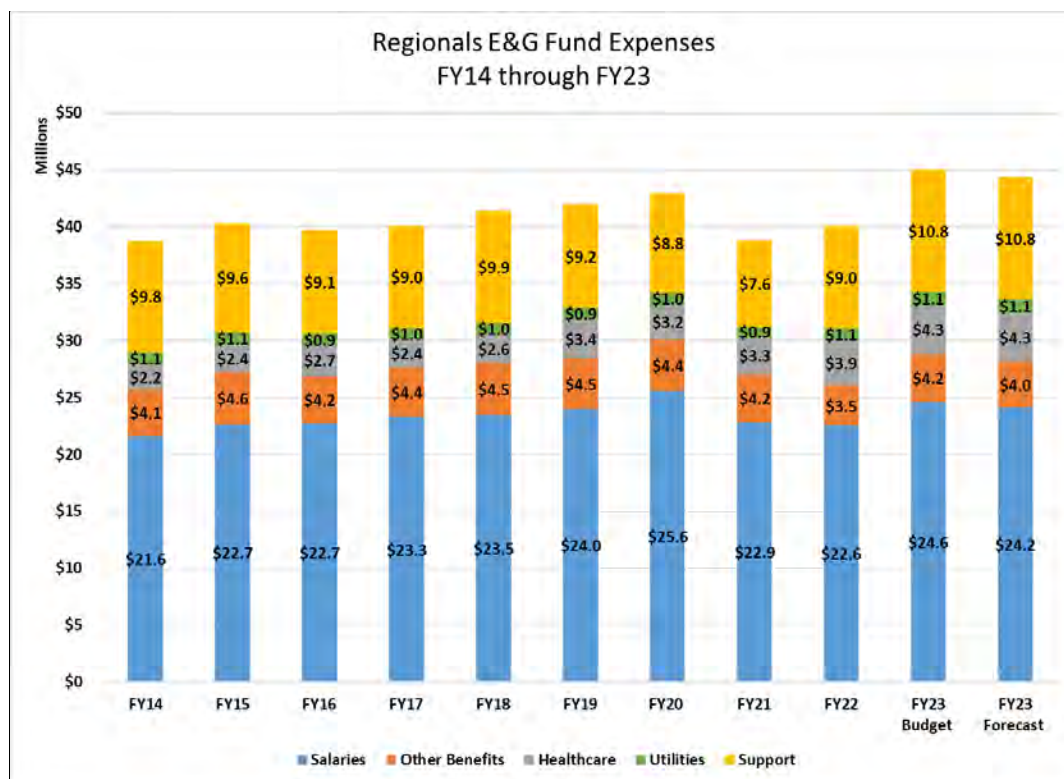
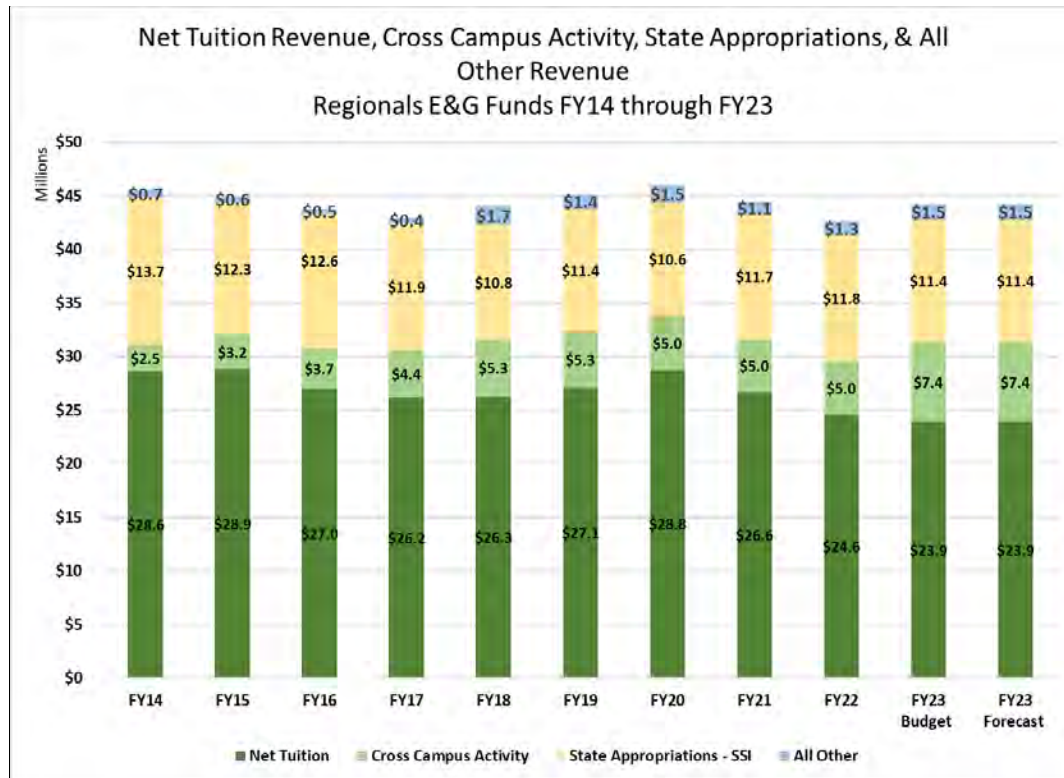
The Hamilton and Middletown campus student fee revenue (instructional, general and out-of-state) are shown on budget due to the revisions to the budget. The revised revenues forecast reflect lower enrollments than assumed in the budget adopted by the Board of Trustees at the June meeting. State subsidy (SSI) reflect the subsidy payment schedule reflecting actual course and degree completions made available by the Ohio Department of Higher Education. Other revenues are on budget. The decreased revenues are offset by a \$1.3 million increase in draws on carryforward reserves.

Expenditures on personnel and benefit costs are \$0.7 million below budget on the Hamilton campus and on budget on the Middletown campus.

Overall, the General Fund for Hamilton and Middletown is projected to end the fiscal year on budget as a result of the revisions noted above.

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.



**All Funds
Restricted
For July 1, 2022 to June 30, 2023
as of September 30, 2022**

	Restricted Gifts All Campuses		University Endowment	Grants & Contracts All Campuses		Total Restricted Funds	
Description	Budget	Forecast		Budget	Forecast	Budget	Forecast
Revenue:							
State Appropriation	\$0	\$0	\$0	\$866,000	\$866,000	\$866,000	\$866,000
Tuition (Net)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Room, Board and Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales	\$558,000	\$77,583	\$0	\$0	\$0	\$558,000	\$77,583
Investment Income (Net)	\$3,785,817	\$3,785,817	\$0	\$0	\$0	\$3,785,817	\$3,785,817
Other Revenue	<u>\$20,036,919</u>	<u>\$30,174,668</u>	<u>\$0</u>	\$34,574,000	\$40,745,260	<u>\$54,610,919</u>	<u>\$70,919,928</u>
Total Revenue	\$24,380,736	\$34,038,068	\$0	\$35,440,000	\$41,611,260	\$59,820,736	\$75,649,328
Expenses:							
Salaries and Wages	\$3,562,354	\$5,199,797	\$0	\$4,000,000	\$8,694,841	\$7,562,354	\$13,894,638
Benefits	\$1,442,226	\$1,688,284	\$0	\$1,540,000	\$1,697,895	\$2,982,226	\$3,386,179
Support Expenses	\$19,376,156	\$20,735,669	\$0	\$29,900,000	\$30,326,123	\$49,276,156	\$51,061,792
Equipment	\$0	\$38,695	\$0	\$0	\$112,617	\$0	\$151,312
Interest on Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenses	<u>\$24,380,736</u>	<u>\$27,662,444</u>	<u>\$0</u>	<u>\$35,440,000</u>	<u>\$40,831,477</u>	<u>\$59,820,736</u>	<u>\$68,493,920</u>
Net Before Transfers	\$0	\$6,375,624	\$0	\$0	\$779,784	\$0	\$7,155,408
Transfers:							
Transfer for Principal on Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Projects & Other	<u>\$0</u>	<u>\$4,611,034</u>	<u>\$0</u>	<u>\$0</u>	<u>\$779,783</u>	\$0	\$5,390,817
Total Transfers	<u>\$0</u>	<u>\$4,611,034</u>	<u>\$0</u>	<u>\$0</u>	<u>\$779,783</u>	<u>\$0</u>	<u>\$5,390,817</u>
Net After Transfers	\$0	\$1,764,591	\$0	\$0	\$0	\$0	\$1,764,591

MIAMI UNIVERSITY
FY2023 Forecast
Oxford General Fund Only
As of September 30, 2022

	Revised <u>Budget</u>	September End-of-Year <u>Forecast</u>	Budget to <u>Projection</u>
REVENUES:			
Instructional & OOS Surcharge	\$ 397,496,831	\$ 399,493,518	\$ 1,996,687
Less Cohort Financial Aid Discount	148,058,617	147,036,529	(1,022,088)
Net Instructional Fee & Out-of-State Surcharge	249,438,214	252,456,989	3,018,775
General	49,089,188	49,053,413	\$ (35,775)
Other Student Revenue	2,596,500	2,428,171	(168,329)
<i>Tuition, Fees and Other Student Charges</i>	<i>301,123,903</i>	<i>303,938,573</i>	<i>2,814,671</i>
State Appropriations	70,651,582	70,651,582	\$ -
Investment Income	14,900,000	14,900,000	\$ -
Other Revenue	1,572,405	1,572,405	\$ -
Total Revenues	\$ 388,247,890	\$ 391,062,560	\$ 2,814,671
EXPENDITURES:			
Salaries	196,646,688	192,685,830	(3,960,858)
Benefits	35,495,227	34,459,098	(1,036,130)
Healthcare Expense	33,490,909	33,107,760	(383,149)
Graduate Assistant, Fellowships & Fee Waivers	21,998,300	20,123,931	(1,874,369)
Undergraduate Scholarships & Student Waivers	15,073,303	15,073,303	-
Utilities	14,004,735	14,004,735	-
Departmental Support Expenditures	15,997,229	15,040,442	(956,787)
Multi-year Expenditures	3,633,163	3,633,163	-
Total Expenditures	\$ 336,339,555	\$ 328,128,262	\$ (8,211,293)
DEBT SERVICE AND TRANSFERS:			
General Fee	(48,599,321)	(48,563,546)	35,775
Capital, Renewal & Replacement	(6,476,400)	(6,476,400)	-
Debt Service	(12,687,273)	(12,687,273)	-
Support for VOALC (50%)	(427,532)	(427,532)	-
Other Miscellaneous Operational Transfers	(1,692,478)	(1,692,478)	-
Other Transfers (net)	5,001,563	5,001,563	-
Total Debt Service and Transfers	\$ (64,881,442)	\$ (64,845,667)	\$ 35,775
<i>Net Revenues/(Expenditures) Before Adjustments</i>	<i>\$ (12,973,107)</i>	<i>\$ (1,911,368)</i>	<i>\$ 11,061,739</i>
ADJUSTMENTS:			
Departmental Budgetary Carryforward		(1,471,419)	(1,471,419)
Reserve for Carry Forward	12,973,107	12,973,107	(0)
Divisional Revenue Carry Forward		(4,724,816)	(4,724,816)
Reserve for Investment Fluctuations			-
Reserve for Encumbrances			-
Reserve for Health Care Stabilizaiton			
Net Increase/(Decrease) in Fund Balance	\$ 1	\$ 4,865,504	\$ 4,865,503

MIAMI UNIVERSITY
FY2023 Forecast
Hamilton General Fund Only
As of September 30, 2022

	Revised <u>Budget</u>	September End-of-Year <u>Forecast</u>	Budget to <u>Projection</u>
REVENUES:			
Instructional & OOS Surcharge - Regional Students	\$ 15,273,273	\$ 15,273,273	\$ -
Instructional & OOS Surcharge - Cross Campus	5,842,465	5,842,465	-
Less Continuing & New Scholarships	766,206	766,206	-
Net Instructional Fee & Out-of-State Surcharge	20,349,533	20,349,533	-
General	1,031,947	1,031,947	-
Other Student Revenue	193,500	193,500	-
<i>Tuition, Fees and Other Student Charges</i>	<i>21,574,980</i>	<i>21,574,980</i>	<i>-</i>
State Appropriations - SSI	7,401,512	7,401,512	-
State Appropriations - CCP	446,620	446,620	-
Investment Income	50,000	50,000	-
Other Revenue	79,500	79,500	-
Total Revenues	\$ 29,552,612	\$ 29,552,612	\$ -
EXPENDITURES:			
Salaries	16,610,696	16,610,696	-
Allowance for Unspent Salaries	(1,198,099)	(1,575,804)	(377,705)
Benefits	3,418,345	3,418,345	-
Allowance for Unspent Benefits	(327,667)	(622,122)	(294,456)
Healthcare Expense	2,439,102	2,439,102	-
Anticipated Benefit Recovery	(68,914)	(68,914)	-
Graduate Assistant Fee Waivers	-	-	-
Utilities	694,000	694,000	-
Departmental Support Expenditures	6,446,725	6,446,725	-
Multi-year Expenditures	-	-	-
Total Expenditures	\$ 28,014,188	\$ 27,342,028	\$ (672,160)
DEBT SERVICE AND TRANSFERS:			
General Fee	(342,636)	(342,636)	-
Capital, Renewal & Replacement	-	-	-
Debt Service	(1,906,512)	(1,906,512)	-
Support for VOALC (25%)	(213,766)	(213,766)	-
Other Transfers Out	(2,017,037)	(2,017,037)	-
Other Transfers In	-	-	-
Total Debt Service and Transfers	\$ (4,479,950)	\$ (4,479,950)	\$ -
<i>Net Revenues/(Expenditures) Before Adjustments</i>	<i>\$ (2,941,526)</i>	<i>\$ (2,269,366)</i>	<i>\$ 672,160</i>
ADJUSTMENTS:			
Departmental Budgetary Carryforward	-	-	-
Divisional Budgetary Carryforward	-	(672,160)	(672,160)
Strategic Investment Funding - Divisional Carryforward	-	-	-
Reserve for Carry Forward	2,941,526	2,941,526	-
Transfer from Fund Balance	-	-	-
Reserve for Encumbrances	-	-	-
Reserve for Investment Fluctuations	-	-	-
Reserve for Future Budgets	-	-	-
Net Increase/(Decrease) in Fund Balance	\$ ¹⁰ (0)	\$ (0)	\$ 0

MIAMI UNIVERSITY
FY2023 Forecast
Middletown General Fund Only
As of September 30, 2022

	Revised <u>Budget</u>	September End-of-Year <u>Forecast</u>	Budget to <u>Projection</u>
REVENUES:			
Instructional & OOS Surcharge - Regional Students	\$ 9,005,359	\$ 9,005,359	\$ -
Instructional & OOS Surcharge - Cross Campus	1,574,890	1,574,890	-
Less Continuing & New Scholarships	1,108,903	1,108,903	-
Net Instructional Fee & Out-of-State Surcharge	9,471,346	9,471,346	-
General	508,595	508,595	-
Other Student Revenue	80,700	80,700	-
<i>Tuition, Fees and Other Student Charges</i>	<i>10,060,641</i>	<i>10,060,641</i>	-
State Appropriations - SSI	3,998,875	3,998,875	0
State Appropriations - CCP	577,585	577,585	-
Investment Income	50,000	50,000	-
Other Revenue	10,402	10,402	-
Total Revenues	\$ 14,697,503	\$ 14,697,503	\$ 0
EXPENDITURES:			
Salaries	11,442,522	11,442,522	-
Allowance for Unspent Salaries	(2,271,603)	(2,310,901)	(39,298)
Benefits	1,891,020	1,891,020	-
Allowance for Unspent Benefits	(757,887)	(722,237)	35,650
Healthcare Expense	2,009,041	2,009,041	-
Anticipated Benefit Recovery	(49,738)	(49,738)	-
Graduate Assistant Fee Waivers	-	-	-
Utilities	396,000	396,000	-
Departmental Support Expenditures	4,034,454	4,034,454	-
Multi-year Expenditures	-	-	-
Total Expenditures	\$ 16,693,809	\$ 16,690,161	\$ (3,648)
DEBT SERVICE AND TRANSFERS:			
General Fee	(75,422)	(75,422)	-
Capital, Renewal & Replacement	-	-	-
Debt Service	(61,357)	(61,357)	-
Support for VOALC (25%)	(213,766)	(213,766)	-
Other Transfers Out	-	-	-
Other Transfers In	2,017,037	2,017,037	-
Total Debt Service and Transfers	\$ 1,666,492	\$ 1,666,492	\$ -
<i>Net Revenues/(Expenditures) Before Adjustments</i>	<i>\$ (329,814)</i>	<i>\$ (326,166)</i>	<i>\$ 3,648</i>
ADJUSTMENTS:			
Departmental Budgetary Carryforward			-
Divisional Budgetary Carryforward		(3,648)	(3,648)
Strategic Investment Funding - Divisional Carryforward			-
Reserve for Carry Forward	329,814	329,814	-
Transfer from Fund Balance			-
Reserve for Encumbrances			-
Reserve for Investment Fluctuations			-
Reserve for Future Budgets			-
Net Increase/(Decrease) in Fund Balance	\$¹¹ 0	\$ 0	\$ 0

MIAMI UNIVERSITY
 FY2023 Forecast
Voice of America Learning Center General Fund Only
As of September 30, 2022

	<u>Revised Budget</u>	<u>September End-of-Year Forecast</u>	<u>Budget to Projection</u>
REVENUES:			
Instructional & OOS Surcharge - Regional Students			\$ -
Instructional & OOS Surcharge - Cross Campus			-
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 - SSI			-
State Appropriations - CCP			-
Investment Income			-
Other Revenue			-
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES:			
Salaries			-
Allowance for Unspent Salaries			-
Benefits			-
Allowance for Unspent Benefits			-
Healthcare Expense			-
Anticipated Benefit Recovery			-
Graduate Assistant Fee Waivers			-
Utilities	50,319	50,319	-
Departmental Support Expenditures	274,720	274,720	-
Multi-year Expenditures			-
Total Expenditures	\$ 325,039	\$ 325,039	\$ -
DEBT SERVICE AND TRANSFERS:			
General Fee			-
Capital, Renewal & Replacement	(100,706)	(100,706)	-
Debt Service	(429,319)	(429,319)	-
Support for VOALC	855,064	855,064	-
Other Miscellaneous Operational Transfers			-
Total Debt Service and Transfers	\$ 325,039	\$ 325,039	\$ -
<i>Net Revenues/(Expenditures) Before Adjustments</i>	\$ -	\$ -	\$ -
ADJUSTMENTS:			
Departmental Budgetary Carryforward			-
Divisional Budgetary Carryforward			-
Strategic Investment Funding - Divisional Carryforward			-
Reserve for Carry Forward			-
Transfer from Fund Balance			-
Reserve for Encumbrances			-
Reserve for Investment Fluctuations			-
Reserve for Future Budgets			-
Net Increase/(Decrease) in Fund Balance	\$ -	\$ -	\$ -

MIAMI UNIVERSITY
Financial Analysis by Operational Unit (Oxford Campus)

	Year End Actual		Budget	Through Sep 30			% of 23	% Change
	FY2021	FY2022	FY2023	FY2023	FY2022	FY2021	Budget	from 22 YTD
<u>College of Arts & Sciences</u>								
Salaries	\$51,375,701	\$51,411,592	\$51,438,840	\$8,034,938	\$8,111,790	\$8,178,435	16%	-1%
Benefits	\$15,308,407	\$13,988,625	\$16,975,290	\$2,567,535	\$2,599,172	\$2,597,073	15%	-1%
Scholarships & Fellowships	\$7,986,380	\$8,071,299	\$9,878,710	\$4,451,825	\$4,559,733	\$220,176	45%	-2%
Departmental Support Expenses	\$2,838,681	\$3,080,480	\$3,809,426	\$754,217	\$822,463	\$660,053	20%	-8%
College of Arts & Sciences Total	\$77,509,169	\$76,551,996	\$82,102,266	\$15,808,515	\$16,093,158	\$11,655,737	19%	-2%
<u>College of Education, Health, and Society</u>								
Salaries	\$13,832,683	\$14,454,698	\$12,858,851	\$2,498,861	\$2,373,069	\$2,296,652	19%	5%
Benefits	\$4,164,181	\$4,038,592	\$4,454,461	\$801,282	\$761,110	\$748,707	18%	5%
Scholarships & Fellowships	\$1,289,780	\$1,731,687	\$2,053,094	\$857,038	\$1,033,586	\$131,947	42%	-17%
Departmental Support Expenses	\$614,042	\$854,481	\$1,095,200	\$149,237	\$141,696	\$109,115	14%	5%
College of Education, Health, and Society Total	\$19,900,686	\$21,079,458	\$20,461,605	\$4,306,419	\$4,309,462	\$3,286,421	21%	0%
<u>College of Engineering and Computing</u>								
Salaries	\$9,707,579	\$10,366,286	\$9,432,509	\$1,913,366	\$1,721,251	\$1,663,707	20%	11%
Benefits	\$3,090,248	\$3,151,523	\$3,375,845	\$627,050	\$584,698	\$575,325	19%	7%
Scholarships & Fellowships	\$497,166	\$777,871	\$1,022,863	\$423,998	\$387,959	\$4,354	41%	9%
Departmental Support Expenses	\$457,566	\$642,272	\$1,262,809	\$205,971	\$144,840	\$76,158	16%	42%
College of Engineering and Computing Total	\$13,752,559	\$14,937,952	\$15,094,025	\$3,170,386	\$2,838,748	\$2,319,544	21%	12%
<u>Farmer School of Business</u>								
Salaries	\$20,588,109	\$21,172,449	\$18,318,573	\$3,674,655	\$3,651,424	\$3,537,731	20%	1%
Benefits	\$6,577,227	\$6,968,776	\$7,006,217	\$1,259,367	\$1,273,064	\$1,264,288	18%	-1%
Scholarships & Fellowships	\$376,905	\$250,067	\$619,102	\$129,788	\$124,775	\$37,036	21%	4%
Departmental Support Expenses	\$196,323	\$196,711	\$6,000	\$33,109	\$29,988	\$76,959	552%	10%
Farmer School of Business Total	\$27,738,563	\$28,588,003	\$25,949,892	\$5,096,919	\$5,079,251	\$4,916,013	20%	0%
<u>College of Creative Arts</u>								
Salaries	\$10,970,517	\$10,945,982	\$9,836,969	\$1,734,087	\$1,740,742	\$1,729,820	18%	0%
Benefits	\$3,470,200	\$2,939,235	\$3,570,997	\$595,068	\$614,614	\$600,082	17%	-3%
Scholarships & Fellowships	\$1,288,719	\$1,109,572	\$1,372,790	\$609,526	\$550,986	\$161,575	44%	11%
Departmental Support Expenses	\$419,348	\$820,663	\$727,057	\$210,736	\$287,428	\$95,335	29%	-27%
College of Creative Arts Total	\$16,148,784	\$15,815,453	\$15,507,813	\$3,149,417	\$3,193,770	\$2,586,812	20%	-1%
<u>Dolibois European Center - Luxemburg</u>								
Salaries	\$952,161	\$1,113,772	\$1,259,158	\$181,139	\$210,402	\$198,426	14%	-14%
Benefits	\$137,624	\$177,262	\$428,482	\$30,228	\$28,872	\$29,704	7%	5%
Scholarships & Fellowships	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Departmental Support Expenses	\$179,092	\$218,984	\$286,477	\$32,422	\$54,487	\$50,513	11%	-40%
Dolibois European Center - Luxemburg Total	\$1,268,877	\$1,510,017	\$1,974,116	\$243,789	\$293,761	\$278,643	12%	-17%

MIAMI UNIVERSITY
Financial Analysis by Operational Unit (Oxford Campus)

	Year End Actual		Budget	Through Sep 30			% of 23	% Change
	FY2021	FY2022	FY2023	FY2023	FY2022	FY2021	Budget	from 22 YTD
<u>Graduate School</u>								
Salaries	\$2,980,540	\$2,694,706	\$3,333,742	\$571,059	\$615,361	\$712,988	17%	-7%
Benefits	\$652,482	\$552,799	\$792,779	\$197,216	\$177,841	\$216,527	25%	11%
Scholarships & Fellowships	\$3,550,511	\$3,815,616	\$4,231,022	\$1,219,254	\$1,420,074	\$7,016,185	29%	-14%
Departmental Support Expenses	\$195,052	\$164,427	\$661,246	\$44,569	\$26,036	\$98,141	7%	71%
Graduate School Total	\$7,378,586	\$7,227,548	\$9,018,789	\$2,032,098	\$2,239,313	\$8,043,841	23%	-9%
<u>Other Provost Departments</u>								
Salaries	\$10,523,860	\$11,645,888	\$14,549,598	\$3,262,077	\$2,659,803	\$2,615,850	22%	23%
Benefits	\$3,958,012	\$3,868,810	\$7,951,992	\$1,255,937	\$1,015,773	\$995,079	16%	24%
Scholarships & Fellowships	\$531,512	\$1,488,123	\$1,503,063	\$6,101	\$346,609	\$113,212	0%	-98%
Departmental Support Expenses	\$6,143,067	\$6,820,930	\$6,414,161	\$4,549,680	\$4,155,627	\$3,955,109	71%	9%
Other Provost Departments Total	\$21,156,450	\$23,823,751	\$30,418,814	\$9,073,796	\$8,177,812	\$7,679,250	30%	11%
<u>Academic Affairs</u>								
Salaries	\$120,931,150	\$123,805,373	\$121,028,239	\$21,870,183	\$21,083,842	\$20,933,608	18%	4%
Benefits	\$37,358,381	\$35,685,622	\$44,556,062	\$7,333,683	\$7,055,145	\$7,026,785	16%	4%
Scholarships & Fellowships	\$15,520,973	\$17,244,234	\$20,680,644	\$7,697,529	\$8,423,724	\$7,684,485	37%	-9%
Departmental Support Expenses	\$11,043,170	\$12,798,948	\$14,262,376	\$5,979,942	\$5,662,564	\$5,121,384	42%	6%
Academic Affairs Total	\$184,853,674	\$189,534,178	\$200,527,321	\$42,881,337	\$42,225,274	\$40,766,262	21%	2%
<u>Physical Facilities</u>								
Salaries	\$13,283,604	\$13,513,539	\$15,379,415	\$3,455,443	\$3,091,875	\$2,977,728	22%	12%
Benefits	\$4,707,871	\$4,549,772	\$5,894,960	\$1,323,968	\$1,185,490	\$1,140,664	22%	12%
Scholarships & Fellowships	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Departmental Support Expenses	(\$4,552,450)	(\$3,682,328)	(\$3,903,041)	(\$1,148,049)	(\$1,106,366)	(\$847,277)	29%	4%
Physical Facilities Total	\$13,439,024	\$14,380,983	\$17,371,334	\$3,631,362	\$3,170,999	\$3,271,115	21%	15%
<u>Other Finance & Business Services Departments</u>								
Salaries	\$6,275,729	\$8,865,468	\$9,653,523	\$2,252,113	\$2,146,652	\$2,192,710	23%	5%
Benefits	\$2,111,817	\$3,044,056	\$3,702,416	\$859,367	\$814,623	\$835,893	23%	5%
Scholarships & Fellowships	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Departmental Support Expenses	\$1,157,106	\$1,355,539	\$1,455,691	\$733,298	\$804,461	\$561,711	50%	-9%
Other Finance & Business Services Departments Total	\$9,544,652	\$13,265,063	\$14,811,630	\$3,844,778	\$3,765,736	\$3,590,314	26%	2%
<u>Enrollment Management & Student Success</u>								
Salaries	\$6,706,625	\$6,894,441	\$8,190,668	\$1,749,368	\$1,674,678	\$1,672,049	21%	4%
Benefits	\$2,304,792	\$2,350,021	\$3,132,581	\$672,540	\$642,488	\$643,704	21%	5%
Scholarships & Fellowships	\$143,809,468	\$150,675,643	\$164,026,408	\$82,795,159	\$76,776,757	\$78,513,168	50%	8%
Departmental Support Expenses	\$3,182,372	\$4,779,457	\$5,635,684	\$1,570,858	\$1,824,812	\$1,157,604	28%	-14%
Enrollment Management & Student Success Total	\$156,003,257	\$164,699,563	\$180,985,341	\$86,787,926	\$80,918,734	\$81,986,526	48%	7%

MIAMI UNIVERSITY
Financial Analysis by Operational Unit (Oxford Campus)

	Year End Actual		Budget	Through Sep 30			% of 23	% Change
	FY2021	FY2022	FY2023	FY2023	FY2022	FY2021	Budget	from 22 YTD
<u>President</u>								
Salaries	\$4,880,309	\$5,688,193	\$6,750,879	\$1,633,306	\$1,352,066	\$1,193,988	24%	21%
Benefits	\$1,795,397	\$2,129,112	\$2,590,077	\$627,141	\$517,243	\$458,427	24%	21%
Scholarships & Fellowships	\$1,000	\$578	\$0	\$0	\$578	\$0	0%	-100%
Departmental Support Expenses	\$3,053,059	\$4,791,669	\$4,945,795	\$1,309,282	\$876,144	\$571,547	26%	49%
President Total	\$9,729,765	\$12,609,551	\$14,286,751	\$3,569,728	\$2,746,031	\$2,223,962	25%	30%
<u>Student Life</u>								
Salaries	\$5,278,479	\$5,977,085	\$6,726,800	\$1,559,259	\$1,522,011	\$1,484,263	23%	2%
Benefits	\$1,782,238	\$6,557,486	\$2,491,035	\$582,766	\$562,891	\$553,589	23%	4%
Scholarships & Fellowships	\$484,222	\$351,617	\$423,168	\$220,831	\$204,060	\$35,774	52%	8%
Departmental Support Expenses	(\$3,047,131)	(\$1,990,937)	(\$1,769,743)	(\$592,427)	(\$662,143)	(\$1,096,742)	33%	-11%
Student Life Total	\$4,497,807	\$10,895,252	\$7,871,260	\$1,770,429	\$1,626,818	\$976,883	22%	9%
<u>University Advancement</u>								
Salaries	\$7,849,003	\$7,455,071	\$8,297,463	\$1,852,861	\$1,768,178	\$1,951,156	22%	5%
Benefits	\$2,667,423	\$2,581,121	\$3,193,907	\$710,303	\$678,756	\$743,924	22%	5%
Scholarships & Fellowships	\$14,596	\$29,674	\$0	\$14,837	\$13,458	\$6,439	0%	10%
Departmental Support Expenses	\$842,009	\$815,355	\$1,102,912	\$445,166	\$292,411	\$263,082	40%	52%
University Advancement Total	\$11,373,031	\$10,881,221	\$12,594,281	\$3,023,167	\$2,752,802	\$2,964,602	24%	10%
<u>Information Technology</u>								
Salaries	\$6,482,427	\$7,213,296	\$9,469,531	\$1,962,417	\$1,841,370	\$1,755,936	21%	7%
Benefits	\$2,325,904	\$2,498,056	\$3,645,769	\$747,833	\$706,920	\$674,410	21%	6%
Scholarships & Fellowships	\$0	\$0	\$0	\$0	\$0	\$0	0%	0%
Departmental Support Expenses	\$2,045,366	\$1,797,214	\$1,846,560	\$1,245,662	\$1,563,804	\$1,846,472	67%	-20%
Information Technology Total	\$10,853,697	\$11,508,567	\$14,961,860	\$3,955,913	\$4,112,093	\$4,276,818	26%	-4%
<u>Centrally Budgeted Funds</u>								
Departmental Support Expenses	\$2,711,913	\$4,115,576	\$5,547,142	\$3,111,282	\$2,398,309	\$1,961,593	56%	30%
<u>Grand Total</u>								
Salaries	\$171,707,223	\$179,480,182	\$185,060,665	\$36,336,886	\$34,476,530	\$34,161,438	20%	5%
Benefits	\$55,089,611	\$59,444,000	\$68,986,137	\$12,870,671	\$12,176,326	\$12,080,257	19%	6%
Scholarships & Fellowships	\$159,830,259	\$168,301,747	\$185,130,220	\$90,728,356	\$85,418,576	\$86,239,866	49%	6%
Utilities	\$11,741,296	\$13,170,226	\$13,962,855	\$2,867,528	\$3,204,806	\$2,152,223	21%	-11%
Departmental Support Expenses	\$16,379,729	\$24,664,025	\$29,779,899	\$12,640,011	\$11,645,363	\$9,536,513	42%	9%
Admin Service Charge	(\$3,170,690)	(\$9,912,368)	(\$13,740,790)	(\$3,416,447)	(\$2,459,342)	(\$773,923)	25%	39%
Multi Year Accounts	\$769,122	\$3,275,665	\$3,633,163	\$652,415	\$380,542	\$22,090	18%	71%
Total Expenses	\$412,346,549	\$438,423,478	\$472,812,148	\$152,679,420	\$144,842,802	\$143,418,464	32%	5%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2023/FY2022/FY2021

	FY2021 Actual	FY2022 Actual	FY2023 Budget	Through September YTD			FY23 Budget to Actual	% of '23 Budget	% Change from '22 YTD
	FY2023	FY2022	FY2021						
Residence & Dining Halls									
Revenue	60,963,849	125,993,187	133,077,803	50,813,737	48,611,685	15,276,338	(82,264,066)	38%	4%
General Fee Support	-	-	-	-	-	-	-	0%	0%
Total Sources	60,963,849	125,993,187	133,077,803	50,813,737	48,611,685	15,276,338	(82,264,066)	38%	4%
Salary	12,106,863	13,864,212	18,025,908	2,835,314	2,803,880	2,381,969	(15,190,594)	16%	1%
Benefits	3,923,349	4,289,347	5,968,600	1,024,006	1,015,796	909,580	(4,944,594)	17%	1%
Utilites	5,668,749	6,672,862	7,521,784	1,420,488	1,499,119	977,881	(6,101,296)	19%	-6%
Charge Outs	(286,360)	(593,642)	(374,678)	(218,834)	243,991	-	155,844	58%	211%
Operating Expenses	21,953,068	38,383,949	43,765,097	7,687,422	8,999,940	5,841,910	(36,077,675)	18%	-17%
Inventory Purchases	2,008,633	4,697,435	4,737,643	361,429	936,318	260,704	(4,376,214)	8%	-159%
Debt Service	38,730,990	39,719,433	39,250,129	14,058,671	10,282,606	10,288,302	(25,191,458)	36%	27%
Total Uses	84,105,292	107,033,596	118,894,483	27,168,496	25,781,650	20,660,346	(91,725,987)	23%	5%
Net Before Non-Mandatory Transfers	(23,141,443)	18,959,591	14,183,320	23,645,241	22,830,035	(5,384,008)	9,461,921	167%	3%
Net Transfers	(428,273)	5,025,585	8,310	(3,395,032)	(15,765)	-	(3,403,342)	-40855%	100%
CR&R Transfers	(340,128)	(7,204,266)	(14,191,630)	-	(1,730,548)	(60,995)	14,191,630	0%	0%
Net Total	(23,909,844)	16,780,910	-	20,250,209	21,083,722	(5,445,003)	20,250,209		-4%
Shriver Center									
Revenue	5,712,089	6,871,809	6,478,700	2,254,826	2,561,424	2,184,046	(4,223,874)	35%	-14%
General Fee Support	507,855	796,526	848,790	212,198	199,132	143,894	(636,592)	25%	6%
Total Sources	6,219,944	7,668,335	7,327,490	2,467,024	2,760,556	2,327,940	(4,860,466)	34%	-12%
Salary	1,188,131	893,043	1,029,890	217,996	186,563	279,867	(811,894)	21%	14%
Benefits	339,025	295,263	346,627	78,566	70,009	104,519	(268,061)	23%	11%
Utilities	154,167	200,291	234,307	45,898	49,332	51,152	(188,409)	20%	-7%
Charge Outs	(471,059)	(655,650)	(500,000)	(402,173)	(401,168)	(440,648)	97,827	80%	0%
Operating Expenses	826,716	747,626	632,580	178,422	219,775	148,184	(454,158)	28%	-23%
Inventory Purchases	4,865,900	5,200,201	5,027,000	1,735,605	2,097,000	1,876,317	(3,291,395)	35%	-21%
Debt Service	44,248	45,861	32,714	8,335	11,711	11,902	(24,379)	25%	-41%
Total Uses	6,947,128	6,726,635	6,803,118	1,862,649	2,233,222	2,031,293	(4,940,469)	27%	-20%
Net Before Non-Mandatory Transfers	(727,184)	941,700	524,372	604,375	527,334	296,647	80,003	115%	13%
Net Transfers	222,604	208,168	201,385	100,000	195,772	100,000	(101,385)	50%	-96%
CR&R Transfers	(406,029)	(1,011,708)	(725,757)	(207,573)	(251,052)	(101,507)	518,184	29%	-21%
Net Total	(910,609)	138,160	-	496,802	472,054	295,140	496,802		5%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2023/FY2022/FY2021

	FY2021 Actual	FY2022 Actual	FY2023 Budget	Through September YTD			FY23 Budget to Actual	% of '23 Budget	% Change from '22 YTD
				FY2023	FY2022	FY2021			
<u>Marcum Conference Center</u>									
Revenue	59,587	1,293,327	1,434,007	374,013	318,444	-	(1,059,994)	26%	15%
General Fee Support	-	-	-	-	-	-	-	0%	0%
Total Sources	59,587	1,293,327	1,434,007	374,013	318,444	-	(1,059,994)	26%	15%
Salary	119,322	237,252	328,364	64,383	53,452	37,014	(263,981)	20%	17%
Benefits	42,800	76,311	103,572	19,072	17,686	12,762	(84,500)	18%	7%
Utilities	123,699	150,841	194,460	34,701	40,805	22,988	(159,759)	18%	-18%
Charge Outs	-	-	-	-	-	-	-	0%	0%
Operating Expenses	188,490	574,426	775,168	182,276	121,897	15,750	(592,892)	24%	33%
Inventory Purchases	2,524	7,017	7,950	4,733	2,474	-	(3,217)	60%	48%
Debt Service	-	-	-	-	-	-	-	0%	0%
Total Uses	476,835	1,045,847	1,409,514	305,165	236,314	88,514	(1,104,349)	22%	23%
Net Before Non-Mandatory Transfers	(417,248)	247,480	24,493	68,848	82,130	(88,514)	44,355	281%	-19%
Net Transfers	(1,715)	171,986	-	-	2,306	-	-	0%	0%
CR&R Transfers	-	(7,593)	(24,493)	(6,123)	(1,898)	-	18,370	25%	69%
Net Total	(418,963)	411,873	-	62,725	82,538	(88,514)	62,725		-32%
<u>Intercollegiate Athletics</u>									
Revenue	3,222,302	6,911,592	8,109,176	911,643	423,169	(259,785)	(7,197,533)	11%	54%
General Fee Support	11,064,469	17,096,904	17,621,949	4,405,487	4,217,405	3,134,959	(13,216,462)	25%	4%
Designated Revenue	-	870,251	739,100	587,788	155,946	20,921	(151,312)	80%	73%
Restricted Revenue	-	1,386,574	2,113,857	448,950	264,111	223,602	(1,664,907)	21%	41%
Total Sources	14,286,771	26,265,321	28,584,082	6,353,868	5,060,631	3,119,697	(22,230,214)	22%	20%
Salary	7,861,215	9,038,758	9,061,137	2,210,371	2,113,848	2,023,930	(6,850,766)	24%	4%
Benefits	2,589,050	3,077,684	2,971,463	817,454	799,439	762,498	(2,154,009)	28%	2%
Utilities	157	4,734	2,550	-	97	-	(2,550)	0%	0%
Charge Outs	(39,531)	(120,777)	-	10,500	-	-	10,500	0%	100%
Operating Expenses	9,658,935	13,199,404	13,645,975	5,831,901	5,376,127	4,156,980	(7,814,074)	43%	8%
Inventory Purchases	10	-	-	-	-	-	-	0%	0%
Debt Service	-	-	-	-	-	-	-	0%	0%
Designated Expense	-	621,702	739,100	234,368	21,231	8,056	(504,732)	32%	91%
Restricted Expense	-	1,460,893	2,113,857	472,109	165,810	362,706	(1,641,748)	22%	65%
Total Uses	20,069,836	27,282,398	28,534,082	9,576,703	8,476,552	7,314,170	(18,957,379)	34%	11%
Net Before Non-Mandatory Transfers	(5,783,065)	(1,017,077)	50,000	(3,222,835)	(3,415,921)	(4,194,473)	(3,272,835)	-6446%	-6%
Net Transfers	107,065	1,211,403	(50,000)	(12,500)	(36,902)	(12,500)	37,500	25%	-195%
CR&R Transfers	-	-	-	-	-	-	-	0%	0%
Net Total	(5,676,000)	194,326	-	(3,235,335)	(3,452,823)	(4,206,973)	(3,235,335)		-7%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2023/FY2022/FY2021

	FY2021 Actual	FY2022 Actual	FY2023 Budget	Through September YTD			FY23 Budget to Actual	% of '23 Budget	% Change from '22 YTD
				FY2023	FY2022	FY2021			
Recreation Center									
Revenue	1,123,771	2,184,981	2,492,995	697,804	618,207	213,552	(1,795,191)	28%	11%
General Fee Support	2,061,328	3,199,744	3,281,957	820,489	799,936	584,048	(2,461,468)	25%	3%
Total Sources	3,185,099	5,384,725	5,774,952	1,518,293	1,418,143	797,600	(4,256,659)	26%	7%
Salary	1,562,466	1,645,597	1,906,096	443,403	371,086	347,529	(1,462,693)	23%	16%
Benefits	396,559	446,328	558,560	118,686	108,153	121,189	(439,874)	21%	9%
Utilities	676,124	778,782	903,652	175,890	186,441	134,533	(727,762)	19%	-6%
Charge Outs	(1,928)	(11,805)	(20,000)	-	(400)	-	20,000	0%	0%
Operating Expenses	1,196,799	1,824,446	1,719,525	460,122	354,965	291,992	(1,259,403)	27%	23%
Inventory Purchases	90,797	187,249	176,400	50,466	27,783	8,766	(125,934)	29%	45%
Debt Service	-	-	-	-	-	-	-	0%	0%
Total Uses	3,920,817	4,870,597	5,244,233	1,248,567	1,048,028	904,009	(3,995,666)	24%	16%
Net Before Non-Mandatory Transfers	(735,718)	514,128	530,719	269,726	370,115	(106,409)	(260,993)	51%	-37%
Net Transfers	(30,989)	(49,804)	(48,000)	(12,500)	(22,105)	(12,500)	35,500	26%	-77%
CR&R Transfers	333,670	(647,396)	(482,719)	(120,680)	(161,810)	84,455	362,039	25%	-34%
Net Total	(433,037)	(183,072)	-	136,546	186,200	(34,454)	136,546		-36%
Goggin Ice Arena									
Revenue	1,174,260	1,653,617	1,594,000	403,639	430,555	165,662	(1,190,361)	25%	-7%
General Fee Support	3,287,969	4,242,279	4,343,068	1,085,767	1,060,570	870,171	(3,257,301)	25%	2%
Total Sources	4,462,229	5,895,896	5,937,068	1,489,406	1,491,125	1,035,833	(4,447,662)	25%	0%
Salary	929,815	1,048,359	1,118,630	258,540	256,913	202,483	(860,090)	23%	1%
Benefits	292,606	280,724	370,278	90,644	83,023	75,484	(279,634)	24%	8%
Utilities	824,789	932,794	1,090,570	224,043	246,663	156,593	(866,527)	21%	-10%
Charge Outs	(83,711)	(157,449)	(130,000)	(42,844)	(33,272)	-	87,156	33%	22%
Operating Expenses	670,179	874,885	797,279	254,450	204,873	94,492	(542,829)	32%	19%
Inventory Purchases	64,882	144,600	185,000	54,544	49,350	4,608	(130,456)	29%	10%
Debt Service	1,836,458	1,842,272	1,815,694	458,348	465,380	465,187	(1,357,346)	25%	-2%
Total Uses	4,535,018	4,966,185	5,247,451	1,297,725	1,272,930	998,847	(3,949,726)	25%	2%
Net Before Non-Mandatory Transfers	(72,789)	929,711	689,617	191,681	218,195	36,986	(497,936)	28%	-14%
Net Transfers	(37,147)	(40,410)	22,000	21,250	(14,422)	(12,500)	(750)	97%	168%
CR&R Transfers	3,601	(1,003,030)	(711,617)	(177,904)	(250,758)	737	533,713	25%	-41%
Net Total	(106,335)	(113,729)	-	35,027	(46,985)	25,223	35,027		234%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2023/FY2022/FY2021

	FY2021 Actual	FY2022 Actual	FY2023 Budget	Through September YTD			FY23 Budget to Actual	% of '23 Budget	% Change from '22 YTD
				FY2023	FY2022	FY2021			
<u>Student Health Services</u>									
Revenue	236,234	-	-	-	-	-	-	0%	0%
General Fee Support	-	-	-	-	-	-	-	0%	0%
Total Sources	236,234	-	-	-	-	-	-	0%	0%
Salary	(36,156)	-	-	-	-	111,428	-	0%	0%
Benefits	(53,863)	-	-	-	-	41,223	-	0%	0%
Utilities	-	-	-	-	-	-	-	0%	0%
Charge Outs	-	-	-	-	-	-	-	0%	0%
Operating Expenses	478,951	-	-	-	-	104,970	-	0%	0%
Inventory Purchases	20,706	-	-	-	-	-	-	0%	0%
Debt Service	-	-	-	-	-	-	-	0%	0%
Total Uses	409,638	-	-	-	-	257,621	-	0%	0%
Net Before Non-Mandatory Transfers	(173,404)	-	-	-	-	(257,621)	-	0%	0%
Net Transfers	-	-	-	-	-	-	-	0%	0%
CR&R Transfers	-	-	-	-	-	-	-	0%	0%
Net Total	(173,404)	-	-	-	-	(257,621)	-		0%
<u>Transportation Services</u>									
Revenue	927,108	2,731,428	2,390,000	1,110,689	1,024,890	170,815	(1,279,311)	46%	8%
General Fee Support	2,164,773	2,658,198	2,719,116	679,779	664,550	562,227	(2,039,337)	25%	2%
Total Sources	3,091,881	5,389,626	5,109,116	1,790,468	1,689,440	733,042	(3,318,648)	35%	6%
Salary	188,841	165,631	233,165	43,613	38,155	41,773	(189,552)	19%	13%
Benefits	66,021	58,184	83,620	16,747	14,690	16,025	(66,873)	20%	12%
Utilities	-	-	-	-	-	-	-	0%	0%
Charge Outs	(33,734)	(44,677)	(20,000)	(18,977)	(30,554)	(85)	1,023	95%	-61%
Operating Expenses	2,236,414	894,932	2,770,042	675,582	222,279	620,856	(2,094,460)	24%	67%
Inventory Purchases	-	-	-	-	-	-	-	0%	0%
Debt Service	1,530,698	1,535,296	1,521,735	385,063	388,553	387,928	(1,136,672)	25%	-1%
Total Uses	3,988,240	2,609,366	4,588,562	1,102,028	633,123	1,066,497	(3,486,534)	24%	43%
Net Before Non-Mandatory Transfers	(896,359)	2,780,260	520,554	688,440	1,056,317	(333,455)	167,886	132%	-53%
Net Transfers	525,382	(1,141,504)	550,000	130,192	130,192	130,192	(419,808)	24%	0%
CR&R Transfers	7,299	(945,816)	(1,070,554)	(267,638)	(236,454)	1,922	802,916	25%	12%
Net Total	(363,678)	692,940	-	550,994	950,055	(201,341)	550,994		-72%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2023/FY2022/FY2021

	FY2021 Actual	FY2022 Actual	FY2023 Budget	Through September YTD			FY23 Budget to Actual	% of '23 Budget	% Change from '22 YTD
				FY2023	FY2022	FY2021			
Utility Enterprise									
Revenue	-	-	-	-	-	-	-	0%	0%
General Fee Support	-	-	-	-	-	-	-	0%	0%
Total Sources	-	-	-	-	-	-	-	0%	0%
Salary	1,167,980	1,289,531	1,540,362	367,596	264,656	343,775	(1,172,766)	24%	28%
Benefits	406,068	477,929	585,032	141,216	101,979	131,968	(443,816)	24%	28%
Utilities	6,906,737	11,372,641	12,740,190	1,980,563	2,270,030	1,138,672	(10,759,627)	16%	-15%
Charge Outs	(6,273)	(47,931)	(38,000)	(4,760)	(8,257)	(1,547)	33,240	13%	-73%
Expense Recovery	(20,310,191)	(23,193,863)	(25,621,136)	(5,340,083)	(5,791,837)	(3,900,774)	20,281,053	21%	-8%
Operating Expenses	1,876,619	1,572,437	2,023,444	475,534	261,538	511,586	(1,547,910)	24%	45%
Inventory Purchases	897	2,426	-	-	-	165	-	0%	0%
Debt Service	2,257,382	2,299,758	2,131,560	542,409	587,646	586,754	(1,589,151)	25%	-8%
Total Uses	(7,700,781)	(6,227,071)	(6,638,548)	(1,837,525)	(2,314,245)	(1,189,401)	4,801,023	28%	-26%
Net Before Non-Mandatory Transfers	7,700,781	6,227,071	6,638,548	1,837,525	2,314,245	1,189,401	(4,801,023)	28%	-26%
Net Transfers	(4,423,141)	(4,359,908)	(4,443,900)	(1,092,275)	(769)	-	3,351,625	25%	100%
CR&R Transfers	(52,607)	(2,180,541)	(2,194,648)	(548,662)	(545,135)	-	1,645,986	25%	1%
Net Total	3,225,033	(313,378)	-	196,588	1,768,341	1,189,401	196,588		-800%
Armstrong - Student Affairs									
Revenue	26,201	164,930	162,640	32,767	46,501	1,626	(129,873)	20%	-42%
General Fee Support	4,681,533	5,798,049	5,861,491	2,192,555	2,160,818	1,860,221	(3,668,936)	37%	1%
Total Sources	4,707,734	5,962,979	6,024,131	2,225,322	2,207,319	1,861,847	(3,798,809)	37%	1%
Salary	440,247	513,534	695,664	146,622	113,777	83,229	(549,042)	21%	22%
Benefits	104,336	104,722	122,089	36,350	28,151	26,908	(85,739)	30%	23%
Utilities	283,311	313,853	328,344	75,002	81,333	50,872	(253,342)	23%	-8%
Charge Outs	-	-	-	-	-	-	-	0%	0%
Operating Expenses	637,395	730,829	849,015	466,008	456,715	446,141	(383,007)	55%	2%
Inventory Purchases	-	-	-	-	-	-	-	0%	0%
Debt Service	2,450,000	2,450,000	2,449,999	612,500	612,501	612,501	(1,837,499)	25%	0%
Total Uses	3,915,289	4,112,938	4,445,111	1,336,482	1,292,477	1,219,651	(3,108,629)	30%	3%
Net Before Non-Mandatory Transfers	792,445	1,850,041	1,579,020	888,840	914,842	642,196	(690,180)	56%	-3%
Net Transfers	(134,297)	3,442	(141,160)	-	588	-	141,160	0%	0%
CR&R Transfers	(547,232)	(1,484,905)	(1,437,860)	(902,167)	(906,453)	(661,808)	535,693	63%	0%
Net Total	110,916	368,578	-	(13,327)	8,977	(19,612)	(13,327)		167%

MIAMI UNIVERSITY
Financial Analysis - Auxiliary Units (Oxford Campus)
FY2023/FY2022/FY2021

	FY2021 Actual	FY2022 Actual	FY2023 Budget	Through September YTD			FY23 Budget to Actual	% of '23 Budget	% Change from '22 YTD
	FY2023	FY2022	FY2021						
Miscellaneous Facilities									
Revenue	63,757	12,452	108,000	38,000	12,226	2,123	(70,000)	35%	68%
General Fee Support	228,973	308,681	321,014	321,012	308,681	228,973	(2)	100%	4%
Total Sources	292,730	321,133	429,014	359,012	320,907	231,096	(70,002)	84%	11%
Salary	-	-	-	-	-	-	-	0%	0%
Benefits	-	-	-	-	-	-	-	0%	0%
Utilities	-	-	-	-	-	-	-	0%	0%
Charge Outs	-	-	-	-	-	-	-	0%	0%
Operating Expenses	69,252	105,862	177,263	30,763	14,876	5,433	(146,500)	17%	52%
Inventory Purchases	-	-	-	-	-	-	-	0%	0%
Debt Service	308,268	309,149	321,013	81,060	78,201	78,398	(239,953)	25%	4%
Total Uses	377,520	415,011	498,276	111,823	93,077	83,831	(386,453)	22%	17%
Net Before Non-Mandatory Transfers	(84,790)	(93,878)	(69,262)	247,189	227,830	147,265	316,451	-357%	8%
Net Transfers	(22,974)	-	-	-	-	-	-	0%	0%
CR&R Transfers	71,290	-	69,262	-	-	17,823	(69,262)	0%	0%
Net Total	(36,474)	(93,878)	-	247,189	227,830	165,088	247,189		8%
Total Auxiliary									
Revenue	73,509,158	147,817,323	155,847,321	56,637,118	54,047,101	17,754,377	(99,210,203)	36%	5%
General Fee Support	23,996,900	34,100,381	34,997,385	9,717,287	9,411,092	7,384,493	(25,280,098)	28%	3%
Designated Revenue	-	870,251	739,100	587,788	155,946	20,921	(151,312)	80%	73%
Restricted Revenue	-	1,386,574	2,113,857	448,950	264,111	223,602	(1,664,907)	21%	41%
Total Sources	97,506,058	184,174,529	193,697,663	67,391,143	63,878,250	25,383,393	(126,306,520)	35%	5%
Salary	25,528,724	28,695,917	33,939,216	6,587,838	6,202,330	5,852,997	(27,351,378)	19%	6%
Benefits	8,105,951	9,106,492	11,109,841	2,342,741	2,238,926	2,202,156	(8,767,100)	21%	4%
Utilities	14,637,733	20,426,798	23,015,857	3,956,585	4,373,820	2,532,691	(19,059,272)	17%	-11%
Charge Outs	(922,596)	(1,631,931)	(1,082,678)	(677,088)	(229,660)	(442,280)	405,590	63%	66%
Expense Recovery	(20,310,191)	(23,193,863)	(25,621,136)	(5,340,083)	(5,791,837)	(3,900,774)	20,281,053	21%	-8%
Operating Expenses	39,792,818	58,908,796	67,155,388	16,242,480	16,232,985	12,238,294	(50,912,908)	24%	0%
Inventory Purchases	7,054,349	10,238,928	10,133,993	2,206,777	3,112,925	2,150,560	(7,927,216)	22%	-41%
Debt Service	47,158,044	48,201,769	47,522,844	16,146,386	12,426,598	12,430,972	(31,376,458)	34%	23%
Designated Expense	-	621,702	739,100	234,368	21,231	8,056	(504,732)	32%	91%
Restricted Expense	-	1,460,893	2,113,857	472,109	165,810	362,706	(1,641,748)	22%	65%
Total Uses	121,044,832	152,835,501	169,026,282	42,172,113	38,753,128	33,435,378	(126,854,169)	25%	8%
Net Before Non-Mandatory Transfers	(23,538,774)	31,339,028	24,671,381	25,219,030	25,125,122	(8,051,985)	547,649	102%	0%
Net Transfers	(4,223,485)	1,028,958	(3,901,365)	(4,260,865)	238,895	192,692	(359,500)	109%	106%
CR&R Transfers	(930,136)	(14,485,255)	(20,770,016)	(2,230,747)	(4,084,108)	(719,373)	18,539,269	11%	-83%
Net Total	(28,692,395)	17,882,731	-	18,727,418	21,279,909	(8,578,666)	18,727,418		-14%

REVISED APPROPRIATION ORDINANCE 2022

WHEREAS, compensation expenses in the academic units on the Oxford Campus are higher than anticipated in the original budget; and

WHEREAS, instructional revenues for the Regional Campuses were less than budgeted due lower enrollments; and

AND, WHEREAS, the Oxford Campus will draw an additional \$4.9 million from carry forward reserves than anticipated in the original budget and the Regional Campuses will draw an additional \$1.3 million from carry forward reserves than anticipated in the original budget; and

NOW, THEREFORE, BE IT ORDAINED: by the Board of Trustees that the Operating Budget for Fiscal Year 2022-23 be revised, as presented at this meeting, and be it hereby enacted with the following current expenditures and transfers for the major purposes as follows:

	FY2023 Original	Change	FY2023 Revised
General Fund Expenditures			
Salaries	\$217,204,466	\$4,025,738	\$221,230,204
Staff Benefits	\$76,650,490	\$883,948	\$77,534,438
Scholarships, Fellowships & Fee Waivers	\$186,864,498	\$0	\$186,864,498
Less Financial Aid Discount	(\$149,792,895)	\$0	(\$149,792,895)
Utilities	\$15,145,054	\$0	\$15,145,054
Support Expense	<u>\$30,391,291</u>	<u>\$0</u>	<u>\$30,391,291</u>
Sub-Total General Fund Expenditures	\$376,462,904	\$4,909,686	\$381,372,590
General Fund Transfers			
Debt Service (Mandatory)	\$15,084,463	\$0	\$15,084,463
General Fee & Other (Non-Mandatory)	<u>\$60,061,393</u>	<u>\$96,670</u>	<u>\$60,159,063</u>
Total General Fund	\$451,608,760	\$5,007,356	\$456,616,116
Designated Funds	\$53,161,409	\$0	\$53,161,409
Restricted Funds	\$62,242,736	\$0	\$62,242,736
Auxiliary Enterprises:			
Expenditures	\$118,650,482	\$0	\$118,650,482
Debt Service (Mandatory)	\$47,522,844	\$0	\$47,522,844
Other Transfers	<u>\$25,684,372</u>	<u>\$0</u>	<u>\$25,684,372</u>
Total Auxiliaries	<u>\$191,857,699</u>	<u>\$0</u>	<u>\$191,857,699</u>
TOTAL AUTHORIZED SPENDING	\$758,870,604	\$5,007,356	\$763,877,960
TOTAL REVENUE	\$748,834,171	(\$1,200,658)	\$747,633,513
TRANSFER IN FROM RESERVES	<u>\$10,036,433</u>	<u>\$6,208,014</u>	<u>\$16,244,447</u>
ENDING BALANCE	\$0	\$0	\$0

BE IT FURTHER ORDAINED: that the Senior Vice President for Finance and Business Services and Treasurer, with the approval of the President, may make such adjustments as are necessary in the

operating budget within the limits of available funds or within the limits of additional income received for a specific purpose ("restricted funds"); and

BE IT FURTHER ORDAINED: that the appropriation for fiscal year 2023 includes funding for a 4% increment pool consisting of a standard 3% pool for employees whose performance meets expectation and a 1% meritorious pool for employees whose performance exceeds expectations to be awarded as determined by the President of the University.

December 9, 2022

Miami University Preliminary & Unaudited 2022 Operating Results



Statement of Net Position
June 30, 2022

	Miami University		University Foundation	
	2022	2021	2022	2021
Assets				
Current assets:				
Cash and cash equivalents	\$ 151,434,460	\$ 209,247,055	\$ 22,350,711	\$ 24,835,067
Investments	760,423,631	732,560,716	-	-
Accounts, pledges and notes receivable, net	56,605,513	74,950,208	5,126,600	5,645,825
Inventories	2,663,331	1,946,124	-	-
Prepaid expenses	5,884,056	7,129,760	-	-
Total current assets	977,010,991	1,025,833,863	27,477,311	30,480,892
Noncurrent assets:				
Restricted cash and cash equivalents	-	-	9,716,799	30,387,985
Investments	261,704,489	282,732,022	663,603,390	683,988,570
Pledges and notes receivable, net	25,005,402	19,534,712	23,776,426	23,528,937
Net pension asset	2,676,326	2,053,449	-	-
Net OPEB asset	32,907,791	24,632,161	-	-
Nondepreciable capital assets	132,450,083	47,004,145	-	-
Depreciable capital assets, net	1,199,838,378	1,303,253,099	-	-
Right to Use assets, net	2,656,036	-	-	-
Total noncurrent assets	1,657,238,505	1,679,209,588	697,096,615	737,905,492
Total assets	2,634,249,496	2,705,043,451	724,573,926	768,386,384
Deferred outflows of resources:				
Deferred loss on debt refunding	179,876	452,721	-	-
Pensions	52,343,162	40,400,068	-	-
OPEB	1,407,609	10,087,011	-	-
Total deferred outflows of resources	53,930,647	50,939,800	-	-
Total assets and deferred outflows of resources	\$ 2,688,180,143	\$ 2,755,983,251	\$ 724,573,926	\$ 768,386,384
Liabilities				
Current liabilities:				
Accounts payable	\$ 39,617,201	\$ 32,881,533	\$ 19,999,547	\$ 18,554,028
Accrued salaries and wages	16,378,536	19,697,546	-	-
Accrued compensated absences	1,810,286	1,366,579	-	-
Unearned revenue	13,603,089	14,483,591	-	-
Deposits	11,005,621	9,274,113	-	-
Current portion of long-term debt	39,285,778	37,772,029	-	-
Other current liabilities	550,000	640,000	551,377	719,677
Total current liabilities	122,250,511	116,115,391	20,550,924	19,273,705
Noncurrent liabilities:				
Accrued compensated absences	16,619,703	18,342,140	-	-
Bonds payable, net	626,582,346	673,809,573	-	-
Lease liability	2,101,040	3,109,004	-	-
Notes payable	1,519,065	-	-	-
Federal Perkins loan program	340,061	1,319,208	-	-
Net pension liability	136,868,035	275,718,096	-	-
Net OPEB liability	-	-	-	-
Other noncurrent liabilities	-	-	265,485,438	287,414,853
Total noncurrent liabilities	784,030,250	972,298,021	265,485,438	287,414,853
Total liabilities	906,280,761	1,088,413,412	286,036,362	306,688,558
Deferred inflows of resources:				
Deferred gains on debt refunding	11,274,072	5,771,218	-	-
Beneficial interest in perpetual trust	2,259,867	2,259,867	-	-
Pensions	163,180,019	55,775,564	-	-
OPEB	38,080,215	57,443,859	-	-
Right to use	8,322,296	-	-	-
Total deferred inflows of resources	223,116,469	121,250,508	-	-
Net position:				
Net investment in capital assets	716,592,140	737,246,512	-	-
Restricted:				
Nonexpendable - permanent endowments	105,803,131	114,233,220	291,251,683	276,128,576
Expendable - gift and grant programs	118,343,484	104,298,636	142,981,379	180,643,777
Unrestricted	618,044,158	590,540,963	4,304,502	4,925,473
Total net position	1,558,782,913	1,546,319,331	438,537,564	461,697,826
Total liabilities, deferred inflows and net position	\$ 2,688,180,143	\$ 2,755,983,251	\$ 724,573,926	\$ 768,386,384

See notes to financial statements.

Miami University
Preliminary & Unaudited
**Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2022**

	Miami University		University Foundation	
	2022	2021	2022	2021
Operating revenues:				
Tuition, fees, and other student charges	\$ 494,293,698	\$ 476,155,034	\$ -	\$ -
Less allowance for student scholarships	(161,473,768)	(141,958,280)	-	-
Net tuition, fees, and other student charges	332,819,930	334,196,754	-	-
Sales and services of auxiliary enterprises	149,401,310	73,775,516	-	-
Less allowance for student scholarships	(5,566,915)	(5,158,019)	-	-
Net sales and services of auxiliary enterprises	143,834,395	68,617,497	-	-
Federal grants	17,963,097	12,298,475		
Gifts	-	-	3,126,762	(4,312,685)
Sales and services of educational activities	1,728,992	864,988	-	-
Private grants	4,777,329	4,210,488	-	-
State grants	3,228,565	2,576,337	-	-
Local grants	192,683	82,791	-	-
Other	11,285,118	8,962,511	-	-
Total operating revenues	515,830,109	431,809,841	3,126,762	(4,312,685)
Operating expenses:				
Education and general:				
Instruction and departmental research	193,928,329	193,715,065	-	-
Separately budgeted research	16,115,317	11,607,762	-	-
Public service	6,406,048	6,280,887	-	-
Academic support	60,904,252	52,537,768	-	-
Student services	35,150,189	22,760,204	-	-
Institutional support	72,963,966	61,796,076	-	-
Operation and maintenance of plant	30,769,978	27,229,577	-	-
Scholarships and fellowships	42,456,140	43,707,704	-	-
Auxiliary enterprises	107,836,756	70,738,545	-	-
Depreciation and amortization	80,224,093	73,794,228	-	-
Pension and other postemployment benefit (revenue) expense	(62,971,449)	(68,866,573)	-	-
Other	9,852,004	7,822,989	-	-
Total operating expenses	593,635,623	503,124,232	-	-
Net operating (loss) income	(77,805,514)	(71,314,391)	3,126,762	(4,312,685)
Non-operating revenues (expenses):				
State appropriations	81,096,760	80,405,127	-	-
Gifts, including those from the University Foundation	32,160,512	47,240,324	-	-
Federal grants	44,716,548	64,220,694	-	-
Net investment income (loss), net of investment expense of \$_____ for the University and \$_____ for the Foundation in FY 22 \$2,261 for the University and \$2,911 for the Foundation in FY 21	(63,939,651)	184,017,427	(23,737,152)	93,890,500
State grants	2,464,421	2,028,914	-	-
Interest on debt	(25,184,878)	(27,665,491)	-	-
Payments to Miami University	-	-	(17,894,968)	(15,883,574)
Other non-operating revenues (expenses)	(5,551,511)	1,060,519	(1,650,985)	2,043,202
Net non-operating revenues (expenses)	65,762,201	351,307,514	(43,283,105)	80,050,128
Income (loss) before other revenues, expenses, gains or losses	(12,043,313)	279,993,123	(40,156,343)	75,737,443
Other revenues, expenses, gains or losses:				
State capital appropriation	21,651,809	247,384	-	-
Capital grants and gifts	1,807,221	1,578,311	-	-
Additions to permanent endowments	1,799,033	690,088	16,996,081	30,448,652
Total other revenues, expenses, gains or losses	25,258,063	2,515,783	16,996,081	30,448,652
Change in net position	13,214,750	282,508,906	(23,160,262)	106,186,095
Total net position at beginning of year, as restated	1,545,568,163	1,263,810,425	461,697,826	355,511,731
Total net position at end of year	\$ 1,558,782,913	\$ 1,546,319,331	\$ 438,537,564	\$ 461,697,826

See notes to financial statements.

Review of Net Position, Carry Forward Balances, and Other Financial Results



Miami University– Preliminary & Unaudited Unrestricted Net Position at June 30, 2022 and 2021

Summary			
	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Fund Balances & Reserves- Before Pension Liability	\$183,139,965	\$246,374,418	(\$63,234,453)
Ohio Pension Liability	(248,793,381)	(311,764,830)	62,971,449
Fund Balances and Reserves - Net	(65,653,416)	(65,390,412)	(263,004)
Carry Forward and Designated - Academic Divisions	204,100,326	206,231,673	(2,131,346)
Carry Forward and Designated - Administrative Divisions	97,072,271	76,080,203	20,992,068
Facility Renewal & Replacement Funds	240,583,280	220,971,351	19,611,929
Quasi-Endowment	141,941,697	152,648,148	(10,706,451)
Total Unrestricted Net Position	<u>\$618,044,158</u>	<u>\$590,540,963</u>	<u>\$27,503,195</u>



Miami University– Preliminary & Unaudited Unrestricted Net Position at June 30, 2022 and 2021

Oxford General Central Fund Balances & Reserves			
	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Unallocated Fund Balance	\$528,018	\$1,788,786	(\$1,260,768)
Reserve for Future Budgets	0	0	0
Reserve for Investment Fluctuations	132,572,984	195,752,650	(63,179,666)
Reserve for Health Care Stabilization	19,855,765	19,855,765	0
Reserve for Financial Aid	8,219,593	8,232,854	(13,261)
Reserve for Litigation	<u>1,547,953</u>	<u>1,547,953</u>	<u>0</u>
Total Oxford Central Fund Balances	<u>\$162,724,313</u>	<u>\$227,178,008</u>	<u>(\$64,453,695)</u>
Regional Campus Central Fund Balances & Reserves			
Hamilton	\$13,411,842	\$13,484,602	(\$72,760)
Middletown	325,284	345,933	(20,649)
Voice of America	<u>43,269</u>	<u>40,433</u>	<u>2,836</u>
Total Regional Campus Central Fund Balances	13,780,395	13,870,968	(90,573)
Auxiliary Enterprises	2,981,452	2,182,655	798,797
Encumbrances	<u>3,653,805</u>	<u>3,142,787</u>	<u>511,018</u>
Total All Fund Balances & Reserves	<u>\$183,139,965</u>	<u>\$246,374,418</u>	<u>(\$63,234,453)</u>



Miami University– Preliminary & Unaudited Unrestricted Net Position at June 30, 2022 and 2021

Academic Affairs			
Carryforward & Designated Funds			
	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Provost	\$133,961,619	\$145,215,948	(\$11,254,329)
Arts & Science	21,950,293	19,090,509	2,859,784
Education, Health & Society	5,662,485	5,568,932	93,552
Farmer School of Business	13,908,327	12,802,683	1,105,644
Engineering & Computer Service	5,241,982	4,333,163	908,818
Creative Arts	1,781,130	1,190,778	590,353
Hamilton Campus	8,505,089	7,190,409	1,314,680
Middletown Campus	12,985,342	10,736,704	2,248,637
Voice of America	<u>104,060</u>	<u>102,546</u>	<u>1,514</u>
Total Academic Divisions	<u>\$204,100,326</u>	<u>\$206,231,673</u>	<u>(\$2,131,346)</u>



Miami University– Preliminary & Unaudited Unrestricted Net Position at June 30, 2022 and 2021

Administrative Divisions			
Carryforward & Designated Funds			
	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
President	\$5,797,069	\$6,031,873	(\$234,804)
Finance & Business Services	4,640,325	6,247,432	(1,607,108)
Physical Facilities	2,866,709	2,968,266	(101,557)
Enrollment Management & Student Success	6,644,314	4,330,255	2,314,059
Student Life	5,931,420	5,822,403	109,016
University Advancement	30,126,679	25,544,281	4,582,398
IT Services	15,393,614	14,225,724	1,167,890
Central Budget	<u>25,672,141</u>	<u>10,909,967</u>	<u>14,762,174</u>
Total Administrative Divisions	<u>\$97,072,271</u>	<u>\$76,080,203</u>	<u>\$20,992,068</u>



Miami University– Preliminary & Unaudited Unrestricted Net Position at June 30, 2022 and 2021

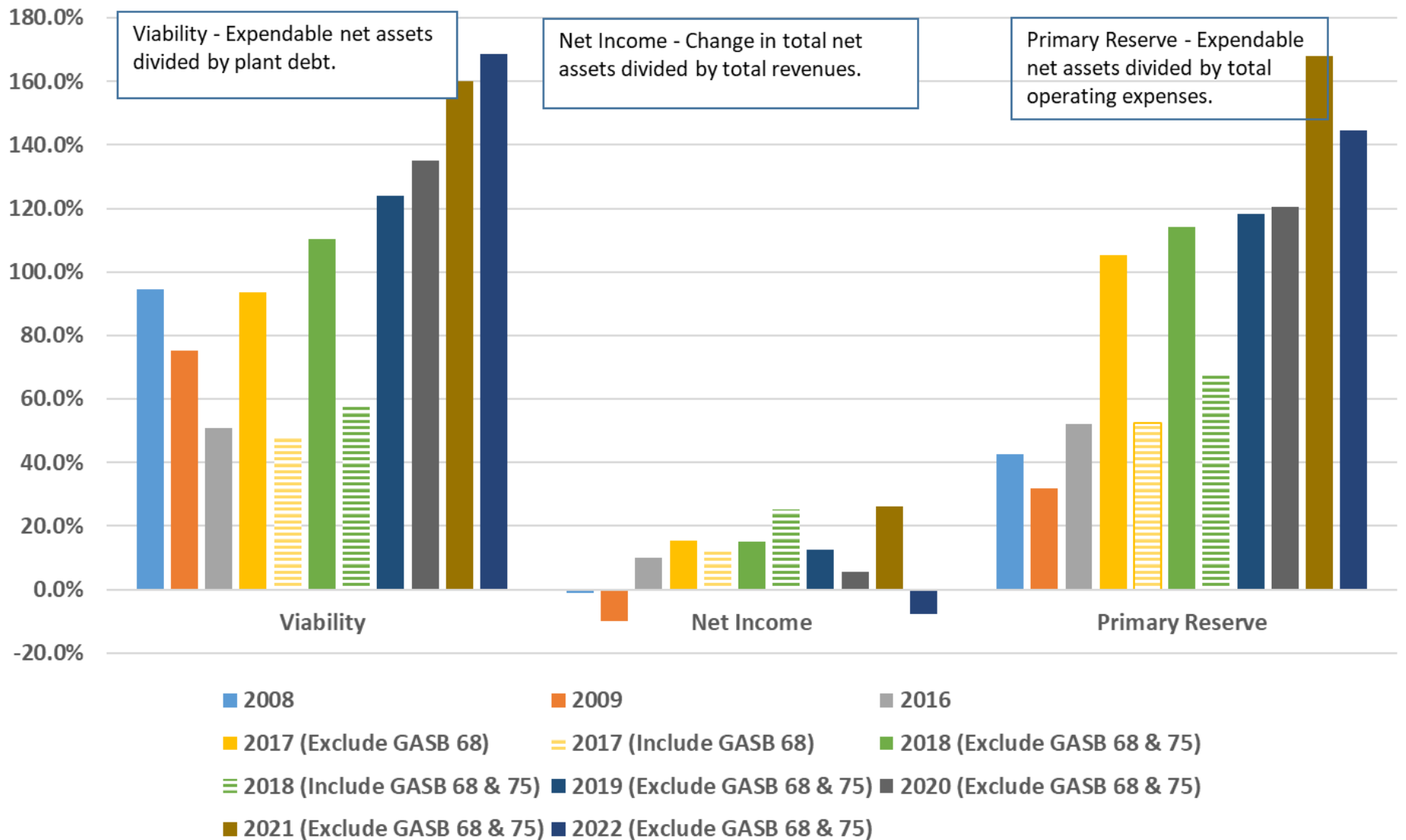
Facility Renewal & Replacement Funds			
	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
Oxford- General	\$60,098,909	\$57,632,176	\$2,466,733
Hamilton Campus	8,649,630	9,372,274	(722,644)
Middletown Campus	2,342,312	2,488,318	(146,006)
Voice of America	545,250	444,129	101,121
Oxford Auxiliary	73,056,207	77,590,645	(4,534,438)
Projects Funded/Not Expended	<u>95,890,972</u>	<u>73,443,809</u>	<u>22,447,163</u>
Total Facility Renewal & Replacement	<u>\$240,583,280</u>	<u>\$220,971,351</u>	<u>\$19,611,929</u>



Miami University Financial Performance

Excludes the Effect of GASB 68 & 75

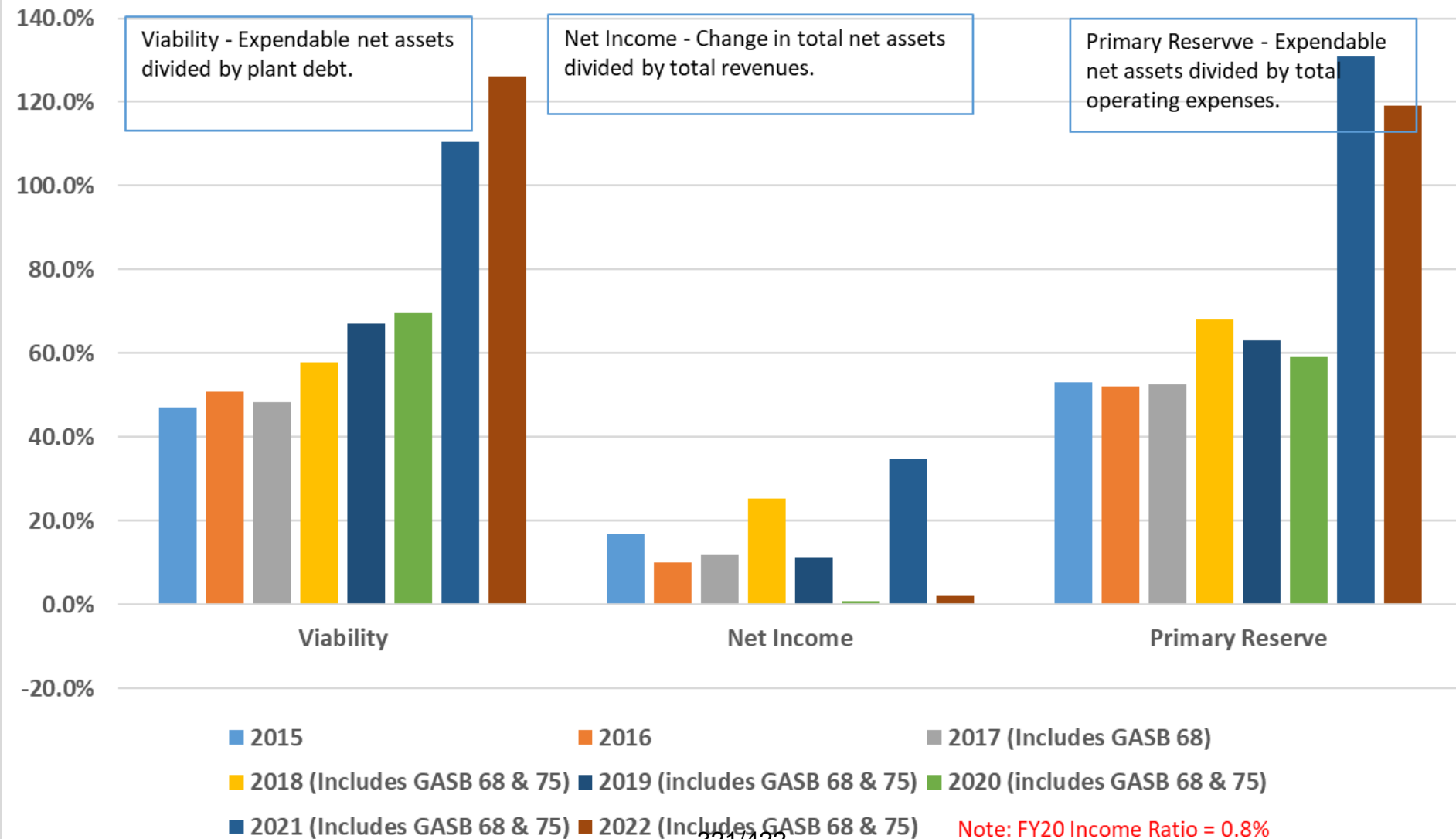
(FY09, FY16, FY17, FY18, FY19, FY20, FY21 & FY22)



Miami University Financial Performance

Includes the Effect of GASB 68 & 75

(FY16, FY17, FY18, FY19, FY20, FY21 & FY22)



Miami University FY21 SB 6 Ratios Compared to Other Insitutions (FY21)

	Includes GASB 68 & 75				Excludes GASB 68 & 75			
Institution	Composit Score	Viability	Net Income	Primary Reserve	Composit Score	Viability	Net Income	Primary Reserve
Bowling Green	2.8	14.9%	21.6%	11.4%	4.4	88.4%	11.3%	59.4%
Cental State	0.2	-130.0%	-1.1%	-38.7%	2.2	30.1%	2.0%	9.2%
Cleveland State	2.3	12.9%	22.7%	9.0%	4.7	106.7%	9.6%	63.8%
Kent State	1.8	3.0%	23.7%	2.3%	4.7	102.0%	10.4%	66.5%
Ohio State	4.7	102.7%	35.6%	58.2%	4.7	205.0%	22.6%	96.5%
Ohio	3.6	36.0%	30.3%	39.5%	4.4	97.5%	18.2%	91.1%
Shawnee State	1.0	120.0%	20.1%	-41.6%	3.4	77.8%	7.1%	23.1%
Akron	1.0	-9.6%	29.5%	-12.7%	4.4	72.6%	23.4%	87.7%
Cincinnati	3.3	26.7%	26.1%	26.0%	4.4	77.9%	17.7%	68.2%
Toledo	1.5	-23.3%	26.2%	-8.6%	4.2	138.3%	11.7%	42.6%
Wright State	1.0	-174.7%	22.3%	-39.8%	4.2	185.6%	12.0%	37.3%
Youngstown State	1.0	-50.8%	30.9%	-21.0%	4.2	127.0%	18.2%	44.3%
Average (excludes MU)	2.0	-6.0%	24.0%	-1.3%	4.7	109.1%	13.7%	57.5%
Miami FY21	4.7	110.5%	34.7%	130.9%	4.7	160.1%	26.3%	167.9%
Miami FY22	4.3	126.0%	2.1%	119.0%	3.7	168.6%	-7.8%	144.5%

Approved by the Board of Trustees December 9, 2022



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

ORDINANCE O2023 - 01

December 9, 2022
Finance and Audit

REVISED FY2023 APPROPRIATION ORDINANCE

WHEREAS, compensation expenses in the academic units on the Oxford Campus are higher than anticipated in the original budget; and

WHEREAS, instructional revenues for the Regional Campuses were less than budgeted due lower enrollments; and

AND, WHEREAS, the Oxford Campus will draw an additional \$4.9 million from carry forward reserves than anticipated in the original budget and the Regional Campuses will draw an additional \$1.3 million from carry forward reserves than anticipated in the original budget; and

NOW, THEREFORE, BE IT ORDAINED: by the Board of Trustees that the Operating Budget for Fiscal Year 2022-23 be revised, as presented at this meeting, and be it hereby enacted with the following current expenditures and transfers for the major purposes as follows:

	FY2023 Original	Change	FY2023 Revised
General Fund Expenditures			
Salaries	\$217,204,466	\$4,025,738	\$221,230,204
Staff Benefits	\$76,650,490	\$883,948	\$77,534,438
Scholarships, Fellowships & Fee Waivers	\$186,864,498	\$0	\$186,864,498
Less Financial Aid Discount	(\$149,792,895)	\$0	(\$149,792,895)
Utilities	\$15,145,054	\$0	\$15,145,054
Support Expense	\$30,391,291	\$0	\$30,391,291
Sub-Total General Fund Expenditures	\$376,462,904	\$4,909,686	\$381,372,590
General Fund Transfers			
Debt Service (Mandatory)	\$15,084,463	\$0	\$15,084,463
General Fee & Other (Non-Mandatory)	\$60,061,393	\$96,670	\$60,159,063
Total General Fund	\$451,608,760	\$5,007,356	\$456,616,116
Designated Funds	\$53,161,409	\$0	\$53,161,409
Restricted Funds	\$62,242,736	\$0	\$62,242,736
Auxiliary Enterprises:			
Expenditures	\$118,650,482	\$0	\$118,650,482
Debt Service (Mandatory)	\$47,522,844	\$0	\$47,522,844
Other Transfers	\$25,684,372	\$0	\$25,684,372
Total Auxiliaries	\$191,857,699	\$0	\$191,857,699
TOTAL AUTHORIZED SPENDING	\$758,870,604	\$5,007,356	\$763,877,960
TOTAL REVENUE	\$748,834,171	(\$1,200,658)	\$747,633,513
TRANSFER IN FROM RESERVES	\$10,036,433	\$6,208,014	\$16,244,447
ENDING BALANCE	\$0	\$0	\$0

BE IT FURTHER ORDAINED: that the Senior Vice President for Finance and Business Services and Treasurer, with the approval of the President, may make such adjustments as are necessary in the

operating budget within the limits of available funds or within the limits of additional income received for a specific purpose ("restricted funds"); and

BE IT FURTHER ORDAINED: that the appropriation for fiscal year 2023 includes funding for a 4% increment pool consisting of a standard 3% pool for employees whose performance meets expectation and a 1% meritorious pool for employees whose performance exceeds expectations to be awarded as determined by the President of the University.



December 8, 2022

State of Ohio Efficiency Report

Summary of FY22 Efficiency Report

Contributors

- Carolyn Haynes, Sr. Assoc. Provost
- Brent Shock, VP
- eCampus

Tracking & Benchmarking of Administrative Efficiency

- Participation in Helios Campus Consortium of over 70 IHEs, including 8 from Ohio
- LEAN

Academic Efficiency

- Academic Program Evaluation, Improvement & Prioritization Process (APIEP)
- Miami Academic Program Incubator (MAPI)
- Department Planning & Improvement Process (DPIP)
- Various Regional Collaborations

Textbook Affordability

- Open Educational Resources (OER)
- Inclusive Access
- Other – Alternate Textbook Service and Course Pack Consultation Service

Policy Reforms

- Transcript Access
- Second Chance Grants
- Financial Literacy leading to lower student debt





December 9, 2022
Finance and Audit

RESOLUTION R2022-21

WHEREAS, the Board of Trustees of Miami University is committed to improving efficiency as originally called for in a Governor's task force report and as continues to be prioritized by an Efficiency Advisory Committee reporting to the Chancellor of the Department of Higher Education; and

WHEREAS, Section 3333.95 of the Ohio Revised Code requires all boards of trustees of Ohio's state institutions of higher education to submit an annual efficiency report to the Ohio Department of Higher Education which is compiled by the Chancellor into a statewide report delivered by December 31 each year to Ohio's Governor and the Ohio General Assembly; and

WHEREAS, there are a number of other topics that are required to be addressed in the report per the Ohio Revised Code, including Section 3333.951(C) which requires institutions to report on their annual study on the cost of textbooks for students enrolled in the institution, Section 3333.951(B) which requires Ohio's co-located colleges and universities to annually review best practices and shared services, Section 3345.59(E) which requires information on efficiencies gained as a result of the "regional compacts," Section 3345.027 which requires policies to be established granting potential student employers access to transcripts, and Section 3333.127 which requires Ohio's public colleges and universities to implement a "Second Chance Grant" program; and

WHEREAS, Miami University recognizes with the adoption of this resolution that it must continue to progress with its efficiency actions and affordability goals consistent with the objectives originally outlined by the Governor's Task Force report and as updated annually by the Chancellor and the Efficiency Advisory Committee;

NOW, THEREFORE, BE IT RESOLVED: that the Board of Trustees of Miami University accepts the FY 2022 efficiency report; and

BE IT FURTHER RESOLVED: that the Board of Trustees directs the Senior Vice President for Finance and Business Services to submit the accompanying report and the related recommendations to the Chancellor of Higher Education by the legislated deadline.

*Approved by the Board of Trustees
December 9, 2022*



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



Department of
Higher Education

Mike DeWine, Governor
Randy Gardner, Chancellor



Affordability & Efficiency

FY22 Efficiency Reporting Template

Introduction:

Ohio Revised Code section 3333.95 requires the chancellor of the Ohio Department of Higher Education (DHE) to maintain an “Efficiency Advisory Committee” that includes an “efficiency officer” from each state institution of higher education (IHE). Each IHE must then provide an “**efficiency report**” updated annually to DHE, which is compiled by the chancellor into a statewide report shared at year end with the governor and legislature. The committee itself meets at the call of the chancellor.

The first several Efficiency Reports were heavily influenced by and structured around the Ohio Task Force on Affordability and Efficiency’s October 2015 report “Action Steps to Reduce College Costs” (Task Force). The Task Force report provided many good recommendations that sharpened our focus and set a course for increasing efficiency throughout public higher education in Ohio. Since then, the Efficiency Reports have transitioned to other timely issues. This year’s report will continue that practice.

In addition, there are a number of topics that are required to be addressed per the Ohio Revised Code. Specifically, ORC Section 3333.951(C) requires IHEs to report on their annual study to determine the cost of textbooks for students enrolled in the institution. ORC 3333.951(B) requires Ohio’s co-located colleges and universities to annually review best practices and shared services and report their findings to the Efficiency Advisory Committee. ORC 3345.59(E) requires information on efficiencies gained as a result of the “regional compacts” created in 2018.

The reporting template also requests information regarding college debt and debt collection practices, among other things.

Your Efficiency Report Contact: David Cummins, Advisor, 614-752-9496, dcummins@highered.ohio.gov Please provide your institution’s efficiency report by **Friday, October 14, 2022** via email to OdheFiscalReports@highered.ohio.gov

As in previous years, the Efficiency Reporting Template is structured into sections:

- **Section I: Efficiency and Effectiveness** – This section captures practices likely to yield significant savings or enhance program offerings through strategic partnerships. This section captures information on progress made from such partnerships.
- **Section II: Academic Practices** – This section covers areas more directly related to instruction, with an emphasis on actions taken to reduce the costs to students of textbooks, including the options of Inclusive Access and Open education Resources.
- **Section III: Policy Reforms** – This section captures state IHE responses to suggested policy reforms originating from state initiatives, including transcript withholding and Second Chance Grants as created in Sub. SB 135.
- **Section IV: Future goals** – In the spirit of continuous improvement, the DeWine-Husted administration continues to request feedback on steps the state can take to support your institution's goals.

For purposes of this report, efficiency is defined on a value basis as a balance of quality versus cost:

- Direct cost savings to students (reducing costs)
- Direct cost savings to the institution (reducing costs)
- Cost avoidance for students (reducing costs)
- Cost avoidance to the college/university (reducing costs)
- Enhanced advising, teaching (improving quality)
- IP commercialization (improving quality)
- Graduation/completion rates (improving quality)
- Industry-recognized credentials (improving quality)
- Experiential learning (improving quality)

These are examples only. Please consider your responses to address broader measures of efficiency, quality, cost and value. Please also note that this is only a template. Feel free to respond in any additional way you believe is helpful.

Insert College/University Name Here

Section I: Efficiency and Effectiveness

Each institution should regularly identify and evaluate its major cost drivers, along with priority areas that offer the best opportunities for efficiencies. Institutions should also track their progress in controlling costs and improving effectiveness.

What ratios, metrics, or benchmarks does your institution utilize to evaluate operational efficiencies and the appropriate balance of instructional vs. administrative expenses? How is such data utilized by your institution? Please summarize and provide an overview of your performance based on each measure.

Miami University participates in an administrative benchmarking consortium of 72 institutions of higher education from across the United States and Canada. Seven other Ohio-based universities are also part of the consortium. The Helio Campus tool uses a standard activity model to assess a variety of measures of efficiency covering approximately 200 fiscal years from FY14 through FY21.

Miami University's administrative units generally outperform other institutions in the consortium on various measures of efficiency and has among the highest levels of centralization of administrative services tracked in the database.

For definitional purposes, what IPEDS (or other uniformly accepted) expense categories, or subset(s) therein, would you include in instructional expenses and administrative expenses? Please explain.

Administrative Expenses include: Academic Support; Student Services; Institutional Support; Operation and Maintenance of Plant; and Auxiliary.

Instructional Expense includes: Instruction and Departmental Research; Separately Budgeted Research; Public Service; and Scholarships and Fellowships.

The categories included in instructional expense include traditionally reported direct expense for instruction and categories and those that directly benefit the student (scholarships). The category also includes costs that indirectly benefit the student through the advancement of knowledge (separately budgeted research), and community engagement and experiential learning opportunities (public service)

Are you aware of national models used to benchmark institutional efficiencies? If so, please provide.

In addition to the Helio Campus benchmarking initiative described above, Miami University has also participated in an administrative benchmarking project hosted by the Southern Association of College and University Business Officers and Central Association of College and University Business Officers.

Template

In the last year, has your institution received positive media coverage about operational efficiencies? If so, please provide.

9/15/2021. "Duke Energy boosts local giving; awards \$217,500 to 16 inventive educational initiatives in Greater Cincinnati." <https://news.duke-energy.com/releases/duke-energy-boosts-local-giving-awards-217-500-to-16-inventive-educational-initiatives-in-greater-cincinnati>. duke-energy.com

12/1/2021. "Cincinnati Int'l assumes operation of local university airport" <https://airportimprovement.com/article/cincinnati-int-l-assumes-operation-local-university-airport>. Airportimprovement.com.

3/8/2022. "Miami University Regionals program allows Hamilton, Middletown high schoolers to earn credits." https://news.yahoo.com/miami-university-regionals-program-allows-193700320.html?guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAAMa04Y4XWUXScDD4E70ibFcPqEaCV1vSi9s77j-cbBeKRjLV_t99WbgUw71q1fxbIvscV9OWrGUmfI3lmerH4_UTqpfxsFj0JgWATIWu3hFlzSUSIOVduF-paCWbafJmQ2urq_eo4pmNaFPeYwVg8NcoSv1daJDMaBzS3FSdow_a&guccounter=2. Yahoo News! (Journal-News story).

3/29/2022. "Miami partners with Aramark to innovate campus dining." <https://miamioh.edu/news/2022/03/miami-partners-with-aramark-to-innovate-campus-dining.html>. Miami University website.

4/12/2022. "Miami University Regionals offers two perfect bachelor's degree completion programs." <https://local12.com/sponsored/miami-university-regionals-offers-two-perfect-bachelors-degree-completion-programs>. WKRC.

4/23/2022. "Dining outsourced to Aramark Corporation to improve quality." <https://www.miamistudent.net/article/2022/04/dining-outsourced-to-aramark-corporation-to-improve-quality>. The Miami Student.

5/13/2022. "Outreach program connects students through a computer refurbishing effort." <https://miamioh.edu/cec/news-events/2022/05/outreach-program-connects-students-through-a-computer-refurbishing-effort.html>. Miami University website

5/27/2022. "Local universities granted over \$1.5M for K-12 tutoring programs." <https://www.daytondailynews.com/local/local-universities-granted-over-15m-for-local-k-12-tutoring-programs/5GZQR5AB4JEN3NJHUD4Y7L2VRE/>. Dayton Daily News.

Regional Compacts

ORC Section 3345.59 requires regional compacts of Ohio's public institutions, with an executed agreement in place by June 30, 2018, for institutions to collaborate more fully on shared operations and programs. The section identifies nine areas to be addressed to improve efficiencies, better utilize resources and enhance services to students and their regions. Per paragraph E of that section:

(E) Each state institution of higher education shall include in its annual efficiency report to the chancellor the efficiencies produced as a result of each compact to which the institution belongs.

Please discuss efficiencies gained or opportunities for future partnerships in any of the relevant categories below.

Category	Description
Reducing duplication of academic programming	<p>Miami has taken aggressive steps to ensure that it offers the optimum portfolio of academic programs and courses to align with the university's mission, to meet student needs and employer demand, to eliminate unnecessary duplication, and to prepare Miami students for professional and lifelong success.</p> <p>Below are four interrelated initiatives designed to advance the goal of delivering an exceptional curricular portfolio:</p> <p>1) Academic Program Evaluation, Improvement & Prioritization (APEIP) Project is a response to a recommendation in MiamiRISE (Miami's strategic plan) to conduct a comprehensive, one-time evaluation of all undergraduate and graduate academic programs.</p> <p>In fall 2020, each department and division were provided detailed internal and external data on their programs and courses, including: student demand, employer demand, competitive intensity, application and information request trends, enrollment (head count & completions), student credit hours (by major, by faculty, and by lower vs. upper division), instructional cost per hour, section capacity and fill rates in departmental courses, DFW rates in courses, time to degree, degrees awarded, employment rates, and faculty data (course loads, research productivity, etc.).</p> <p>Using the data provided, departmental faculty, department chairs, and deans collaboratively identified initial ratings for each program. Forty-three of 260 programs (16.5%) were given the rating "continuous improvement with potential additional resources," and 120 (55%) were given the "continuous improvement with minor difficulties" rating. Forty-nine programs (18.8%) were asked to engage in program restructuring due to significant difficulties in the program, and 34 programs (13.1%) were voluntarily eliminated by the faculty of the program's home department in consultation with the dean. An additional 14 programs, which had not been admitting students in recent years, were removed from the books through standard processes. Programs nominated for elimination were judged by departmental faculty as either outdated or duplicative, had histories of low enrollments, or were misaligned with the University's mission and faculty expertise.</p> <p>Deans worked with their departments to develop 3-5-year curricular action plans to improve the programs that were not eliminated. These Plans were developed by August</p>

	<p>2021. During Fall 2021, feedback was offered by the dean and Office of Provost to provide additional guidance. Moving forward, departments are required to submit annual updates on their curricular action plans.</p> <p>2) Launched in August 2021, the Miami Academic Program Incubator (MAPI) is a resource and consultation service for departments that aims to encourage, support and incentivize the rapid revitalization and creation of undergraduate and graduate programs that ensure Miami offers a high-quality and cost-effective portfolio of academic programs.</p> <p>Departments and divisions that are considering a new academic program or a significant revision to an academic program are required to participate in MAPI. MAPI is led by a steering team of University leaders who provide data and research on program ideas (data are gathered internally and externally from third-party vendors such as EAB and Gray Associates), curriculum coaching (including recommendations for collaborations with other departments, divisions and institutions), concrete narrative feedback on the program idea (as articulated in a brief concept paper prepared by the department) and the opportunity to apply for seed funding to jumpstart the program (if appropriate). The MAPI team also engages in research on future trends in higher education and provides recommendations to deans and chairs on potential new directions for existing programs as well as possible ideas for new programs.</p> <p>Since its inception in fall 2021, MAPI has produced the following outcomes:</p> <ul style="list-style-type: none"> • Vetted 19 concept papers for new programs or significant revisions of existing programs. Following the review of the concept papers and data analysis and feedback from MAPI, six of the 19 projects were not advanced by the department or division. Five are being or have been developed into full proposals for formal approval, and the remainder are still under consideration by the department or division. (Note: We see the fact that some concepts were not brought to fruition as positive. Prior to MAPI it is likely that all 19 ideas would have been shaped into new programs, and many of those programs would likely not have succeeded, costing the University unnecessary resources and time.) • Developed Guidelines for Cross-Divisional & Cross-Departmental Programs to encourage course and program sharing. • Developed a new Learning Management Project site and website to provide information to departments on developing new programs (including glossary of
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	<p>curricular terms, information on best practices in program design, contact information for all key curricular needs, guidance on marketing and budget)</p> <ul style="list-style-type: none"> Contracted with two external research consultation services, Gray Associates and EAB, to assist in market feasibility studies, program assessments, and future trends in higher education; secured a new “enroll predict” machine learning tool from Gray Associates to assist in more accurate enrollment predictions for individual programs Engaged in ongoing research on promising trends in academic programs which helped to shape revisions of two programs (i.e., marketing and manufacturing engineering bachelor programs) and to develop ideas for new programs (e.g., masters in fintech, masters in counseling psychology, post baccalaureate certificate in speech pathology) which are being considered Streamlined the procedure for approval and launch of new programs. <p>3) Department Planning & Improvement Process is a new model for academic program review that was approved in April 2022 and will be launched in 2024 (as the APEIP project phases out). Its focus will be on continuous improvement (including a comprehensive review led by a team of internal and external faculty experts plus biennial updates). It will feature:</p> <ul style="list-style-type: none"> Collaboratively developed strategic goals for each review (created in conversation with the department, dean and Office of Provost); Holistic emphasis (encompassing all aspects of the department, including its academic programs and curricula, reports on assessment of student learning outcomes, and success in the advancement of DEI goals); Six-year cycle (with updates on progress every two years in between the comprehensive review); Review team members who provide consultation on strategic goals in addition to an evaluation of the department; Process customized for departments with professional accreditation reviews; and Robust support for the process (e.g., consultation, departmental orientation, data workbooks, team chair training). <p>4) Finally, Miami University has conducted a review of potential duplicate associate and baccalaureate programs with another university in the southwest Ohio region, specifically University of Cincinnati. Seventy programs were identified by the Ohio Department of Higher Education.</p>
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	<p>Although program-based collaboration is an exciting option for some programs, it is important to note that the main campuses of Miami University and University of Cincinnati are at least one hour driving distance from one another, and both campuses serve residentially based students who will be less inclined to commute that distance for courses. Online offerings at both institutions are limited.</p> <p>The Office of the Provost compiled the program data and shared the information with the academic deans who offered feedback based upon their contextual understanding of the program’s mission, purpose and effectiveness. Each academic dean consulted with the appropriate department to determine the recommendation action. Possible actions include:</p> <ul style="list-style-type: none"> • No action: The program is well aligned with the University’s liberal arts mission and/or experiencing strong enrollment and/or has strong track record of student success outcomes. • Program elimination: The program is outdated, experiencing declining enrollments or deficient success outcomes. • Program restructuring: The program will undergo significant revisions for improvement. • Possible collaboration with University of Cincinnati. <p>Several programs were identified for possible collaboration with UC. These include: French, Classical Studies, Critical Race & Ethnic Studies, and Women’s, Gender & Sexuality Studies. Plans are underway for faculty leaders of these programs to meet in the fall semester to discuss possible course sharing and other curricular and research collaborations.</p>
<p>Implementing strategies to address workforce education needs of the region</p>	<p>Miami has submitted and received approval for 249 out of 253 Transfer Assurance Guides and is now 98% compliant for all Transfer Assurance Guides and has received approval for all Career Technical Assurance Guides for which we are eligible. Faculty are working on submitting materials for approval for the remaining TAG course matches in the fall 2022 semester.</p> <p>Miami actively participates in the One-Year Option and Ohio Guaranteed Transfer to Degree Pathways – all designed to obtain technical credits without unnecessary duplication or institutional barriers. Miami has developed over 25 OGTP pathways in business, arts & humanities, as well as social and behavioral sciences. Miami has also developed articulation agreements with many Ohio public institutions in majors that are not part of the Ohio Guaranteed Transfer to Degree Pathways.</p>

	<p>See: https://www.miamioh.edu/partnerships/ed-institutions/postsecondary-partners/existing-postsecondary-agreements/index.html</p> <p>Miami's senior associate provost serves on the Ohio Articulation & Transfer Advisory Board of the Ohio Department of Higher Education where she regularly collaborates with leaders from career technical centers as well as two- and four-year institutions across the state. She also served as co-chair (with the UC vice provost) of the statewide committee to revise the Ohio Transfer Module into the new OT36 model. One of the key goals of the new Ohio Transfer 36 is to ensure more meaningful credit that directly improves students' time to degree.</p> <p>Supported by State Senator Bill Coley, Miami has an innovative Work+ program which is designed for Miami University Regionals students to obtain an associate or bachelor's degree while working part-time and getting their tuition paid. Work+ makes it possible for a student to earn a college degree debt-free. The thirteen current workforce partners include: Avery Dennison, Millat Industries, Libra Industries, Fastest Labs, YMCA (Greater Miami Valley, Lakota Family, Dayton), Fischer Group, thyssenkrupp Bilstein, BCRTA, Nation Coating Systems, Worthington Industries and Community First Solutions. During 2021-2022, our Work+ partners provided over \$150,000 in tuition for students. See: https://www.miamioh.edu/regionals/admission/work-plus/index.html</p> <p>Miami also offers TechCred opportunities for students which are credentials for students and adult working professionals to upskill their technological capacities. Miami offers credentials in business technology, information technology, manufacturing technology and robotics and automation. See: https://miamioh.edu/techcred/index.html</p>
<p>Sharing resources to align educational pathways and to increase access within the region</p>	<p>Since 2018, Miami University's senior associate provost partnered with leaders from University of Cincinnati, Cincinnati State Technical & Community College, Southern State Community College, and Sinclair Community College to create a grant proposal for the "Tackling Transfer" Initiative through the Ohio Department of Higher Education. The grants have funded several all-day summits designed to promote transfer student success. To date, seven summits have been held at different campuses and institutions across the region. Over 40 persons have attended each summit. Key outcomes of these summits have included new bilateral agreements in variety of subject areas (sciences, technology, engineering), a SW Ohio Regional Transfer Summit website [https://www.uc.edu/aas/southwesttransfer.html], a charter and bylaws, and the development of a SW Ohio Transfer Toolkit which is now available on the website listed above.</p> <p>Miami partners with UC as a participant in the Southwest Regional Depository which is one of five regional depositories in Ohio that houses library materials of IUC members in lieu of new library space.</p>

	<p>In 2021, Miami formed the Miami University Transfer Collaborative which includes leadership from all campuses and several key units (admission, enrollment management, academic affairs, registrar, advisement and student success). This group has formulated a comprehensive strategic plan to promote greater access and success for transfer students and meaningful collaborations with our two-year institutional partners. Since its inception in fall 2021, the Transfer Collaborative has reviewed and revised the workflow procedure for transfer-related agreements, begun redesign of Miami's front-facing transfer web portal, developed a master list of agreements, hired a new transfer coordinator to serve as the single point of contact for our two-year partners, secured approval for an additional transfer evaluation coordinator to promote timely credit evaluations, aligned Miami's liberal education plan requirements with Ohio Transfer 36 and secured approvals for more than 40 courses to be included in OT36, and identified dedicated advisors for transfer students on all campuses.</p> <p>Miami also has partnered with several other institutions in the Southwest Ohio region to participate in the EAB Moonshot for Equity initiative (described below).</p>
Reducing operational and administrative costs to provide more learning opportunities and collaboration in the region	<p>Miami participates in a courier delivery service to provide requested library material to public libraries, colleges, universities and the State Library of Ohio.</p> <p>Miami's Institute for Learning in Retirement engages in joint programming with the Osher Lifelong Learning Institute at the University of Cincinnati, in the West Chester area, to provide non-credit, enrichment programming for people age 50 and older. Over 400 persons are enrolled in this semester's courses.</p> <p>Representatives from all higher education institutions in Southwest Ohio continue to meet at OH-AHEAD with the goal of finding additional common services and efficiencies, such as alternative format production, to serve students with disabilities.</p>
Enhancing career counseling and experiential learning opportunities for students	<p>Miami Regionals (along with Cincinnati State, University of Cincinnati, and Southern State) is actively engaged in workforce education and pathway development through involvement with the Tech Prep Southwest Regional Center. Tech Prep staff members are located at Miami University Hamilton (along with Southern State Community College and Cincinnati State). Tech Prep also shares staff with a regional workforce development initiative, Partners for a Competitive Workforce, to further link the educational initiative with employers. College staff link their respective institutions to collaborative regional activities that address statewide goals focused on workforce education, pathway development and technical services. The center serves 16 secondary partner districts including three of Ohio's largest Career Technical Planning Districts (CTPDs); four urban districts; six rural CTPDs and one Compact.</p>

	<p>Since 2015, Miami Regionals, Cincinnati State, and UC have collaborated to offer annual conferences targeted to high school juniors and seniors interested in engineering careers. More than 1000 students have been impacted by shared expertise, business engagement and access to regional resources.</p> <p>Miami's Center for Career Exploration & Success partners regularly with REDI Cincinnati to share best practices and procedures relating to internships in the Cincinnati area. Miami and UC have collaborated on several Ohio Means Internships & Co-Ops grants in the past five years to increase the number of internships and co-ops in the Southwest Ohio Region.</p>
Expand alternative education delivery models such as competency-based and project-based learning	<p>Since 2019, Miami has developed 27 microcredentials and professional education programs. Microcredentials are credit-bearing programs offered on Miami's Regional Campus that typically include nine credits of courses focusing on a workforce-related topic or skill set. Almost all of them are delivered online to provide students with maximum flexibility. Microcredential topics span business, communication & culture, engineering and technology; all were developed in collaboration and consultation with local businesses from those specific fields. Currently, over 700 students have earned more than 1,200 credentials. See: https://www.miamioh.edu/regionals/academics/elearning/campaigns/microcredentials/index.html</p> <p>Miami's Oxford campus offers several professional development programs which are typically non-credit-bearing, online or hybrid, and customized for particular industries and employer and/or alumni needs. Miami has developed programs focused on data analytics, professional writing, business, advanced manufacturing, and DEI (diversity, equity & inclusion) topics. Over 2000 persons have completed one or more of these programs in the past three years. See: https://miamioh.edu/online/programs/professional-education/index.html</p> <p>Miami currently offers a Prior Learning Assessment Portfolio opportunity for veterans and military students to meet general education requirements. Miami's Transfer Collaborative has begun the process of researching and developing a more robust portfolio option for Prior Learning Assessment to reach a greater diversity of students and to better ensure that students who have gained competency in the workplace can also secure appropriate credit for relevant and appropriate general education courses and courses in the major. The portfolio option would supplement other prior learning assessment opportunities currently offered at Miami (e.g., departmental proficiency examinations, College Level Examination Program).</p>
Collaboration and pathways with information technology centers, adult basic and literacy education programs and school districts	<p>Miami's Regional Campus in Hamilton is a site for the ODHE ASPIRE Program including access to our student services, libraries, and facilities for any ASPIRE participant. Miami's Regional Learning Center in West Chester is an ASPIRE ESOL (English for Speakers of Other Languages) site for family</p>

	<p>members recently relocated from international locations of global businesses in the area. These collaborations serve people in need of acquiring skills in post-secondary education and training, and employment. It has provided a supportive pathway for individuals going from GED or learning English, to post-secondary higher education.</p> <p>Miami also participates actively in the statewide College Credit Plus program that offers qualified students grades seven through 12 the opportunity to take college courses while earning credit for both high school and college at little or no cost to students. Over 500 students annually participate in Miami CCP courses on the Oxford and Regional campuses.</p> <p>This fall, Miami Regionals is launching the “Early College Academy” which is made possible through partnerships with Hamilton and Middletown City School Districts. The Academy will welcome a group of 50 Hamilton and Middletown high school incoming juniors who will complete a minimum of 15 credit hours (per semester) for four semesters. All of the associated fees for Academy participants such as tuition and books will be covered by the program. The high school will be providing transportation, lunch, and will cover the cost of required textbooks. ECA students will graduate with a minimum of 62 college credit hours, earning as Associate in Arts in General Studies, while graduating with their high school diploma. These students will only have two years remaining to complete a Miami bachelor’s degree significantly reducing the time and cost for degree attainment. Miami will also offer the students specialized academic support and opportunities for involvement in co- and extra-curricular activities.</p>
Enhancing the sharing of resources between institutions to expand capacity and capability for research and development	<p>Miami and UC faculty have collaborated to secure eight external research grants in the past six years. Grants have focused on such diverse topics as increasing the participation of women in STEM fields, understanding bipolar disorder, investigating racial bias, evaluating STEM in the play space, and advanced turbine cooling. In addition, Miami, UC, and Cincinnati State have collaborated on four regional submissions to the ODHE RAPIDS grant program, providing approximately \$3M in equipment used for education, research, and workforce training in SW Ohio.</p>
Identifying and implementing the best use of university regional campuses	<p>To provide a seamless transition of students who relocate from one campus to another or to those taking classes on multiple campuses, Miami University’s Oxford campus and Miami University Regionals share the same general education requirements, academic and student policies, curricular approval processes, and are governed by a single University Senate and Board of Trustees. In addition, many administrative and instructional staff work at multiple campuses and collaborate on curricular, research projects as well as community and University service projects.</p> <p>Miami Regionals allows diverse students including post-traditional learners to take their first two years locally, staying closer to their family and jobs. Besides access to a much larger array of programs, disciplines, and majors, this reduces the tuition before they relocate to the Oxford</p>

	<p>campus to complete their degree. With all campuses in close proximity, Butler County Regional Transit Authority (BCRTA) connects our campuses allowing students to take a specific course(s) at a different campus. Miami's Regional E-Learning (online courses and programs) allows any Miami student the chance to shorten their time toward graduation or the flexibility to add another course to their academic plan.</p> <p>Miami, UC and Cincinnati State are all members of the Greater Cincinnati Collegiate Connection (GC3) which enables students from all three (and other GC3) institutions to cross-register for courses and facilitates administrators, faculty and staff from all three as well as other GC3 member institutions to engage in joint professional development programming.</p> <p>The Pathways Program enables students who are not initially admitted to the Oxford campus to begin study on the Regional campuses. Students are co-enrolled in courses and receive specialized advising and support. If they meet all requirements, they are admitted to the Oxford campus in the spring semester of their first year. Over 100 students have participated in the Pathways Program over the past four years.</p>
Other initiatives not included above	<p>In September 2021, Miami University, Cincinnati State, Gateway Technical & Community College along with Northern Kentucky University announced their participation in the EAB Moon Shot for Equity Initiative. This is a national initiative that aims to close equity gaps within regional cohorts of two- and four-year colleges and universities by 2030. Each institution has formed leadership teams that are now in the process of implementing more than a dozen research-based practices proven to remove systemic barriers to student success. Moonshot goals focus on transformative change relating to campus climate (equity-focuses professional development, climate assessment), access and enrollment (securing financial assistance, leveraging degree maps and pathways for transfer students), and student support and belonging (proactive advising and coordinated care).</p>

Co-located Campuses

ORC Section 3333.951(B) requires Ohio's co-located colleges and universities to annually review best practices and shared services in order to improve academic and other services and reduce costs for students, and to report their findings to the Efficiency Advisory Committee.

(B) Each state institution of higher education that is co-located with another state institution of higher education annually shall review best practices and shared services in order to improve academic and other services and reduce costs for students. Each state institution shall report its findings to the efficiency advisory committee established under section [3333.95](#) of the Revised Code. The committee shall include the information reported under this section in the committee's annual report.

Co-located campus: Not Applicable

Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.)	Please include an explanation of this shared service.	Monetary Impact from Shared Service
	Not Applicable	

Section II: Academic Practices

This section covers areas more directly related to instruction, with an emphasis on savings strategies related to the cost of textbooks, and the expanded use of alternative instructional materials.

Textbook Affordability

Textbook Cost Study

ORC Section 3333.951(D) requires Ohio's public colleges and universities to annually conduct a study to determine the current cost of textbooks for students enrolled in the institution and submit the study to the Chancellor.

(D) Each state institution of higher education shall conduct a study to determine the current cost of textbooks for students enrolled in the institution, and shall submit the study to the chancellor of higher education annually by a date prescribed by the chancellor.

Please attach the analysis of textbook costs developed by your institution labeled "[Institution Name – Academic Year – Textbook Cost Study]" and summarize the results of your institution's study below.

Category	Amount
Average cost for textbooks that are new	\$74.66
Average cost for textbooks that are used	\$48.28
Average cost for rental textbooks	\$41.09
Average cost for eBook	\$65.36

Reducing Textbook Costs for Students

ORC Section 3333.951(C) requires Ohio's public colleges and universities to report their efforts toward reducing textbook costs for students.

(C) Each state institution of higher education annually shall report to the efficiency advisory committee on its efforts to reduce textbook costs to students.

Please discuss all initiatives implemented, including those referenced below that ensure students have access to affordable textbooks.

ORC Section 3345.025 requires the board of trustees of each state IHE to adopt a textbook selection policy for faculty to use when choosing and assigning textbooks and other instructional materials.

3345.025 The board of trustees of each state institution of higher education as defined in section [3345.011](#) of the Revised Code shall adopt a textbook selection policy for faculty to follow in selecting and assigning textbooks and other instructional materials for use in courses offered by the institution. The policy shall include faculty responsibilities and actions faculty may take in selecting and assigning textbooks and other instructional materials.

In addition, the biennial budget bill, Am. Sub. HB 110, enacted Section 733.20 requiring state institutions of higher education to evaluate textbook affordability initiatives to ensure compliance with Title I, Section 133 of the federal "Higher Education Opportunity Act of 2008."

SECTION 733.20. (A) In furtherance of the State of Ohio's intent to improve affordability in higher education, and in recognition of the positive achievements of the Ohio Faculty Council's October 2017 resolution supporting textbook affordability initiatives, the State of Ohio hereby tasks Ohio's institutions of higher education with evaluating their respective implementation of textbook affordability initiatives.

(B)(1) Consistent with requirements in Title I, Section 133 of the federal "Higher Education Opportunity Act of 2008," institutions of higher education receiving federal financial aid shall disclose required and recommended textbooks not later than the time at which students can first begin to register for a course.

(2) Prior to academic year 2022-2023, the administration of each state institution of higher education, as defined in section 3345.011 of the Revised Code, shall work collaboratively with the institution's faculty senate, or equivalent body, to consider adopting a formally recognized textbook auto-adoption policy.

(C) Not later than August 15, 2022, the board of trustees of each state institution of higher education shall adopt a resolution or otherwise formally vote to affirm or decline adoption of the policy. If the board of trustees adopts the policy as agreed upon by the administration and faculty senate, the state institution shall formally transmit a copy of its resolution to the Chancellor of Higher Education.

1. Has your institution's board of trustees adopted a textbook selection policy consistent with Ohio Revised Code 3345.025? If so, please attach the policy in full length and label the file as "[Institution Name – Academic Year – Textbook Selection Policy]."

Miami University's University Senate approved a revised version of the textbook policy in April 2022, and the Board of Trustees approved the policy at its meeting on May 20, 2022. The revised policy is entitled "Textbooks and Learning Materials" and is attached and can be found at: <https://miamioh.edu/policy-library/employees/faculty/academic-policies-procedures-for-instructional-staff/textbooks.html>

2. Has your institution's board of trustees adopted a textbook auto-adoption policy to ensure compliance with federal law that requires faculty to select textbooks for courses no later than the first day of class registration? If so, please attach the policy and label the file as "[Institution Name – Academic Year – Text Auto-adoption Policy]." Please also describe the mechanisms for tracking compliance.

The Miami University Board of Trustees considered the adoption of an auto-adoption textbook policy at its May 20, 2022 meeting and declined to adopt it.

3. If the board has not adopted an auto adoption policy, please explain the major reasons that the board declined to adopt such a policy.

The rationale for the Board's decision was based on concerns expressed by members of University Senate that the policy is onerous and would result in many negative impacts on faculty and students. Senators report that they often can identify texts that are better aligned with the outcomes of the course (resulting in deeper learning and greater satisfaction with the educational experience) and more cost-effective than texts selected in prior semesters.

Open Educational Resources

1. Has your institution adopted practices/policies to formally encourage the use of OER materials in lieu of purchased materials? Please explain and please include links to information on your institution's website.

In 2017, Miami University selected a provider of online textbooks and course materials, e-Campus, which signaled a shift away from the traditional brick and mortar bookstore approach toward a virtual approach. The e-Campus bookstore not only lowers the overhead cost of running a physical bookstore, but it provides faculty, at a glance, multiple textbook options so that they can ensure that they are selecting high quality, affordable and accessible course materials for their students. Because the virtual bookstore is linked to the SIS system, students can easily purchase new, used, rental and digital textbooks instantly upon registering for particular courses. Miami faculty are provided training (via workshops and online videos) on how to use the software platform as well as how to select appropriate and cost-effective textbooks. In addition, when faculty submit their textbook selections in compliance with the Higher Education Opportunity Act (HEOA), it allows our staff and e-Campus vendor to suggest standardized materials, more affordable editions, or alternative resources. In the past five years, faculty on all campuses increased their compliance by as much as 65%. In 2020, Miami University renewed its contract with e-Campus, allowing both students and faculty to take advantage of these options that promote cost savings.

Miami (along with the other Southwest Ohio institutions) has OhioLINK which negotiates the purchase and enables the sharing of library materials. OhioLINK joined the Open Textbook Network in 2017. The OhioLINK system leaders, in conjunction with OTN staff, coordinate full-day "train the trainer" workshops. These workshops focus on developing campus leaders and aid in their efforts to reduce textbook costs for students. The Miami representative also helped coordinate an OhioLINK-sponsored OER summit in 2017, 2018, 2019, 2020 and 2022, and also presented sessions at several of these Summits. Additionally, as a system leader, she has given workshops focusing on copyright and OER and Creative Commons licensing at multiple OhioLINK institutions on request over the past five years.

2. Has your institution provided support to faculty for the development of OER materials. Please explain and please include links to information on your institution's website.

Miami's Affordable and Open Educational Resources Committee which includes faculty representation from all academic divisions has launched several programs and set of resources designed to target faculty teaching courses with the highest cost textbooks and largest enrollments:

- **OER Explore** is a two-hour workshop designed to help faculty better understand textbook affordability issues and possible solutions for addressing them. The workshop concludes with an overview of Miami University's OER and Affordable Learning grant programs. Following the workshop, faculty write and publish a review of an OER textbook in their field or investigate and reflect on inclusive access electronic textbook possibilities and then receive a modest stipend. Since its inception in 2016, almost 130 faculty members have completed the program. At least two instances of this program will be offered in the 2022-2023 academic year, providing 20-30 faculty the opportunity to get involved with this grant program.
 - **OER Adopt.** This selective grant program supports faculty in replacing their commercial textbook with an OER. Faculty submit an application; those selected must complete a three-phase program and receive professional development funds when each phase is successfully completed. Phase 1 entails teaching the course with the commercial textbook and investigating other open education substitutes; phase 2 involves teaching the course with the chosen OER and assessing its impact on student learning; and phase 3 focuses on the faculty creating a report and disseminating their findings to their colleagues in the department or field of study. Over 20 faculty have participated in the program which has led to approximately \$1,209,000.00 in cost savings for their students.
 - **OER Create** grant program supports faculty who wish to write and publish their own OER textbook and learning materials. Faculty are provided professional development funds as well guidance and support for publishing the OER (e.g., editorial services, layout, and electronic publishing). To accomplish this, the University agreed to be an inaugural partner (with nine other higher education institutions) in the OTN Publishing Cooperative. OER published as part of this grant program will be published to the OER Collection in Miami's institutional repository, the Scholarly Commons, and in the Open Textbook Library (OTL). Several projects are currently being considered as a pilot for this program.
3. What courses did your institution offer during the 2021-22 academic year that used OER? Please fill out the attached template completely. This template will be used to inform a statewide landscape analysis of OER adoption and will be publicly shared in a report.
- See spreadsheet attached.

Inclusive Access

Inclusive access is defined as an arrangement between an institution, through faculty, and students to offer college textbooks and materials as "included" within tuition and/or a fee assessment, rather than purchased individually by the student. The benefit to faculty and students of inclusive access typically includes a significantly reduced cost per textbook for students, as compared to students buying a new copy of the textbook, and confidence that all students will possess the necessary textbook and/or materials on "day one." Federal law provides the statutory right for students to "opt-out" of inclusive access if they prefer, which preserves the right of the student to source materials.

1. Does your institution formally encourage faculty to offer inclusive access acquisition of college textbooks as a cost-savings for students? If yes, what mechanisms are in place help promote this strategy with faculty?

In 2017, Miami University selected a provider of online textbooks and course materials, e-Campus, which signaled a shift away from the traditional brick and mortar bookstore approach toward a virtual approach. The e-Campus bookstore not only lowers the overhead cost of

running a physical bookstore, but it provides faculty, at a glance, multiple textbook options so that they can ensure that they are selecting high quality, affordable and accessible course materials for their students. Because the virtual bookstore is linked to the SIS system, students can easily purchase new, used, rental and digital textbooks instantly upon registering for particular courses. Miami faculty are provided training (via workshops and online videos) on how to use the software platform as well as how to select appropriate and cost-effective textbooks.

e-Campus is our outsourced bookstore and currently does not offer inclusive access, and Miami University is engaging with how best to implement that functionality to our faculty and students. Currently, faculty may individually work with eCampus to arrange the inclusive access option for students. Miami is working with eCampus to offer more incentives for faculty to participate, including pursuing VitalSource as a vehicle for Inclusive Access.

In addition, when faculty submit their textbook selections in compliance with the Higher Education Opportunity Act (HEOA), it allows our staff and e-Campus vendor to suggest standardized materials, more affordable editions, or alternative resources. In the past five years, faculty on all campuses increased their compliance by as much as 65%.

2. What courses did your institution offer during the 2021-22 academic year that participated in an inclusive access program? Please fill out the attached template completely. This template will be used to inform a statewide landscape analysis of the utilization of inclusive access and will be publicly shared in a report.

N/A

3. How are students at your institution made aware of their right to opt out of utilizing inclusive access?

Inclusive Access textbooks is not yet available on the eCampus website so that students can select the appropriate textbooks.

Please provide contact information for the person completing this section of the Efficiency Report, so that we may follow up if we have questions.

Carolyn Haynes, Senior Associate Provost, haynesca@miamioh.edu; 513 529 6717

Other Textbook Affordability Practices

What other practices, if any, does your institution utilize to improve college textbook affordability?

See table below for several other opportunities Miami offers to advance affordable texts and learning materials.

Please provide any relevant information in the table below.

Initiative	Explanation of Initiative	Cost Savings to Students
Alternate Textbook Service	Alternate Textbook Service involves a collaboration between the course instructor, Library liaison, and the Coordinator of Scholarly Communications to replace the instructor's commercial textbook with an "alternate" textbook comprised of resources pulled from the library's electronic collections, from legal online resources, and reading selections made available in compliance with US copyright law. Faculty participating in this grant program are provided modest professional development funds.	Since the program's inception, three faculty members have used the service, resulting in \$90,608.00 in cost savings for students.
Revision of Policy & Procedures	Miami has revised the annual report and dossier format for faculty to include a specific mention of open and affordable educational resources under the category relating to innovative teaching. It also added a question relating to affordable course materials to the online proposal forms for all new courses.	Not Applicable
Affordable Education Leader Award	Affordable Education Leader Award is an annual award to be given to a continuing faculty member on any campus who demonstrates compelling and significant impact in areas related to affordable and open educational resources. The award has been given for the past two years.	Not Applicable
Course Pack Consultation Service (CPCS)	Course Pack Consultation Service (CPCS) allows faculty to reduce or eliminate the costs associated with course packs. The Coordinator of Scholarly Communications reviews the list of materials included in the course pack to determine which readings can be made freely available to students through the library's purchased electronic collections (eBooks and electronic articles) or through other freely and legally accessible online outlets (e.g., linking to archival materials on state historical society website). Links to these works are posted on to a page in the instructor's LMS course site for students to access. Faculty participating in the CPCS are awarded modest professional development funds after the consultation.	Since launching the program in fall 2017, twenty consultations have been completed, amounting to \$143,944.62 in cost savings for students.

Section III: Policy Reforms

Transcript Access

It is common for IHEs nationally to withhold transcripts from students who owe any amount of debt to the institution. Transcript withholding blocks students from re-enrolling both at the debt-holding institution and at other institutions. Transcripts are sometimes withheld in their entirety even when students have fully paid all or most tuition charges, earned their credits through successful completion of coursework and only incurred a nominal debt such as a parking ticket, library fine or other relatively minor assessment.

ORC Section 3345.027 was newly enacted in HB 110 and requires IHE's to release transcripts to potential employers even if the student has an outstanding balance owed to the institution.

Sec. 3345.027. A state institution of higher education, as defined in section 3345.011 of the Revised Code, shall not withhold a student's official transcripts from a potential employer because the student owes money to the institution, provided the student has authorized the transcripts to be sent to the employer and the employer affirms to the institution that the transcripts are a prerequisite of employment.

1. Has your institution updated its policy on transcript withholding to assure compliance with ORC 3345.027?

Yes, this has been Miami's practice for more than 5 years. In the past year, we fielded and released 15 transcripts to employers.

2. Has your institution taken additional action(s) beyond what is minimally required by section 3345.027 to provide students with access to their transcripts, even if the student owes money to the institution? If so, please describe.

Miami has established payment plans that allow the transcript to be released to the student before the balance is paid.

Second Chance Grants

ORC Section 3333.127 was newly enacted in Sub. SB 135 to create the Second Chance Grant program. The program will provide one-time grants of up to \$2,000 to eligible students that "while in good standing, disenrolled from a qualifying institution and did not transfer to a qualifying institution or an institution of higher education in another state in the two semesters immediately following the student's disenrollment."

1. Has your institution implemented the "Second Chance Grants" program as described in SB 135? If so, what is the status of the program and approximately how many students have been impacted to date at your institution?

Miami has applied to the program and received our notification of eligibility to participate on August 31, 2022.

Miami University strongly believes that not allowing students to unenroll due to small outstanding balances is a best practice and that resources utilized in this approach provide for better persistence outcomes. Thus, each semester before registration, we identify students with balances of ~\$1,500 and perform outreach. As part of that outreach, we will often award a microgrant to students based on need, merit, or other factors to boost persistence to resolve the outstanding balance. We typically spend between \$30,000 and \$50,000 per semester on such grants.

2. What efforts has your institution made to identify and attract such students that will be able to take advantage of this new initiative?

We have identified 49 students that we will target for this program, with a goal of enrolling a subset of those students for our Spring 2023 semester.

Additional Practices

Some IHE's may implement practices that make college more affordable and efficient, but which have not been the topic of a specific question in this reporting template. This section invites your institution to share any positive practices you have implemented that benefit student affordability and/or institutional efficiency.

Please share any additional best practices your institution is implementing or has implemented.

Miami University Lean Initiative

Miami University started its Lean Initiative in 2009. Since 2009, Miami employees have completed 1,886 projects valued at \$110,959,974 in cost avoidance, cost reduction, and new revenue. In FY 2022, Miami employees completed 113 projects valued at \$7,690,191 in cost avoidance, cost reduction, and new revenue.

Miami has developed a Lean structure, Lean database with dashboard reporting, and standardized processes for Lean project management. Three full-time staff are dedicated to Lean. All of the other employees have other non-related Lean responsibilities. Presently, all divisions of the university have employees engaged in Lean.

Student Loans

Between 2015 and 2021, the average indebtedness of Miami's graduates who borrowed loans decreased from \$30,008 to \$28,711 - a decrease of 4.3%. During the same period, the percentage of those with debt went from 50.9% to 45.2%. Miami continues to offer individual loan counseling, entrance, and exit counseling, along with individualized student loan debt tracking for each student at MiamiOH.edu/KnowBeforeYouOwe.

In addition, Miami implemented a financial literacy effort in the last two years, and this effort is included in our campus-wide wellness efforts. Last year, 1,925 students completed 2,666 financial literacy modules. The modules cover the basics (budgeting, saving) but also move to advanced topics (401(k)s, insurance shopping, FIRE - Financial Independence, Retire Early movement.)

Section IV: Future Goals

The DeWine-Husted administration recognizes that each IHE faces unique challenges and opportunities with respect to the institution's highest priority goals over the next several years. With that in mind, please provide any suggestions about possible roles the state could play in supporting your institutional goals.

1. Please provide your thoughts and suggestions regarding ways the State of Ohio can further support strength, resiliency and reputational excellence in Ohio's post-secondary education system.

Thank you for completing the FY22 Efficiency Reporting Template. We appreciate the important role Ohio's colleges and universities play in supporting Ohio students, economic growth, world-class research and the overall success for our state.



Department of
Higher Education

Mike DeWine, Governor
Randy Gardner, Chancellor



Affordability & Efficiency

FY22 Efficiency Reporting Template

Introduction:

Ohio Revised Code section 3333.95 requires the chancellor of the Ohio Department of Higher Education (DHE) to maintain an “Efficiency Advisory Committee” that includes an “efficiency officer” from each state institution of higher education (IHE). Each IHE must then provide an “**efficiency report**” updated annually to DHE, which is compiled by the chancellor into a statewide report shared at year end with the governor and legislature. The committee itself meets at the call of the chancellor.

The first several Efficiency Reports were heavily influenced by and structured around the Ohio Task Force on Affordability and Efficiency’s October 2015 report “Action Steps to Reduce College Costs” (Task Force). The Task Force report provided many good recommendations that sharpened our focus and set a course for increasing efficiency throughout public higher education in Ohio. Since then, the Efficiency Reports have transitioned to other timely issues. This year’s report will continue that practice.

In addition, there are a number of topics that are required to be addressed per the Ohio Revised Code. Specifically, ORC Section 3333.951(C) requires IHEs to report on their annual study to determine the cost of textbooks for students enrolled in the institution. ORC 3333.951(B) requires Ohio’s co-located colleges and universities to annually review best practices and shared services and report their findings to the Efficiency Advisory Committee. ORC 3345.59(E) requires information on efficiencies gained as a result of the “regional compacts” created in 2018.

The reporting template also requests information regarding college debt and debt collection practices, among other things.

Your Efficiency Report Contact: **David Cummins**, Advisor, 614-752-9496, dcummins@highered.ohio.gov Please provide your institution’s efficiency report by **Friday, October 14, 2022** via email to OdheFiscalReports@highered.ohio.gov

As in previous years, the Efficiency Reporting Template is structured into sections:

- **Section I: Efficiency and Effectiveness** – This section captures practices likely to yield significant savings or enhance program offerings through strategic partnerships. This section captures information on progress made from such partnerships.
- **Section II: Academic Practices** – This section covers areas more directly related to instruction, with an emphasis on actions taken to reduce the costs to students of textbooks, including the options of Inclusive Access and Open education Resources.
- **Section III: Policy Reforms** – This section captures state IHE responses to suggested policy reforms originating from state initiatives, including transcript withholding and Second Chance Grants as created in Sub. SB 135.
- **Section IV: Future goals** – In the spirit of continuous improvement, the DeWine-Husted administration continues to request feedback on steps the state can take to support your institution's goals.

For purposes of this report, efficiency is defined on a value basis as a balance of quality versus cost:

- Direct cost savings to students (reducing costs)
- Direct cost savings to the institution (reducing costs)
- Cost avoidance for students (reducing costs)
- Cost avoidance to the college/university (reducing costs)
- Enhanced advising, teaching (improving quality)
- IP commercialization (improving quality)
- Graduation/completion rates (improving quality)
- Industry-recognized credentials (improving quality)
- Experiential learning (improving quality)

These are examples only. Please consider your responses to address broader measures of efficiency, quality, cost and value. Please also note that this is only a template. Feel free to respond in any additional way you believe is helpful.

Insert College/University Name Here

Section I: Efficiency and Effectiveness

Each institution should regularly identify and evaluate its major cost drivers, along with priority areas that offer the best opportunities for efficiencies. Institutions should also track their progress in controlling costs and improving effectiveness.

What ratios, metrics, or benchmarks does your institution utilize to evaluate operational efficiencies and the appropriate balance of instructional vs. administrative expenses? How is such data utilized by your institution? Please summarize and provide an overview of your performance based on each measure.

Miami University participates in an administrative benchmarking consortium of 72 institutions of higher education from across the United States and Canada. Seven other Ohio-based universities are also part of the consortium. The Helio Campus tool uses a standard activity model to assess a variety of measures of efficiency covering approximately 200 fiscal years from FY14 through FY21.

Miami University's administrative units generally outperform other institutions in the consortium on various measures of efficiency and has among the highest levels of centralization of administrative services tracked in the database.

For definitional purposes, what IPEDS (or other uniformly accepted) expense categories, or subset(s) therein, would you include in instructional expenses and administrative expenses? Please explain.

Administrative Expenses include: Academic Support; Student Services; Institutional Support; Operation and Maintenance of Plant; and Auxiliary.

Instructional Expense includes: Instruction and Departmental Research; Separately Budgeted Research; Public Service; and Scholarships and Fellowships.

The categories included in instructional expense include traditionally reported direct expense for instruction and categories and those that directly benefit the student (scholarships). The category also includes costs that indirectly benefit the student through the advancement of knowledge (separately budgeted research), and community engagement and experiential learning opportunities (public service)

Are you aware of national models used to benchmark institutional efficiencies? If so, please provide.

In addition to the Helio Campus benchmarking initiative described above, Miami University has also participated in an administrative benchmarking project hosted by the Southern Association of College and University Business Officers and Central Association of College and University Business Officers.

Template

In the last year, has your institution received positive media coverage about operational efficiencies? If so, please provide.

9/15/2021. "Duke Energy boosts local giving; awards \$217,500 to 16 inventive educational initiatives in Greater Cincinnati." <https://news.duke-energy.com/releases/duke-energy-boosts-local-giving-awards-217-500-to-16-inventive-educational-initiatives-in-greater-cincinnati>. duke-energy.com

12/1/2021. "Cincinnati Int'l assumes operation of local university airport" <https://airportimprovement.com/article/cincinnati-int-l-assumes-operation-local-university-airport>. Airportimprovement.com.

3/8/2022. "Miami University Regionals program allows Hamilton, Middletown high schoolers to earn credits." https://news.yahoo.com/miami-university-regionals-program-allows-193700320.html?guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLnNvbS8&guce_referrer_sig=AQAAAMa04Y4XWUXScDD4E70ibFcPqEaCV1vSi9s77j-cbBeKRjLV_t99WbgUw71q1fxbIvscV9OWrGUmfI3lmerH4_UTqpfxsFj0JgWATIWu3hFlzSUSIOVduF-paCWbafJmQ2urq_eo4pmNaFPeYwVg8NcoSv1daJDMaBzS3FSdow_a&guccounter=2. Yahoo News! (Journal-News story).

3/29/2022. "Miami partners with Aramark to innovate campus dining." <https://miamioh.edu/news/2022/03/miami-partners-with-aramark-to-innovate-campus-dining.html>. Miami University website.

4/12/2022. "Miami University Regionals offers two perfect bachelor's degree completion programs." <https://local12.com/sponsored/miami-university-regionals-offers-two-perfect-bachelors-degree-completion-programs>. WKRC.

4/23/2022. "Dining outsourced to Aramark Corporation to improve quality." <https://www.miamistudent.net/article/2022/04/dining-outsourced-to-aramark-corporation-to-improve-quality>. The Miami Student.

5/13/2022. "Outreach program connects students through a computer refurbishing effort." <https://miamioh.edu/cec/news-events/2022/05/outreach-program-connects-students-through-a-computer-refurbishing-effort.html>. Miami University website

5/27/2022. "Local universities granted over \$1.5M for K-12 tutoring programs." <https://www.daytondailynews.com/local/local-universities-granted-over-15m-for-local-k-12-tutoring-programs/5GZQR5AB4JEN3NJHUD4Y7L2VRE/>. Dayton Daily News.

Regional Compacts

ORC Section 3345.59 requires regional compacts of Ohio's public institutions, with an executed agreement in place by June 30, 2018, for institutions to collaborate more fully on shared operations and programs. The section identifies nine areas to be addressed to improve efficiencies, better utilize resources and enhance services to students and their regions. Per paragraph E of that section:

(E) Each state institution of higher education shall include in its annual efficiency report to the chancellor the efficiencies produced as a result of each compact to which the institution belongs.

Please discuss efficiencies gained or opportunities for future partnerships in any of the relevant categories below.

Category	Description
Reducing duplication of academic programming	<p>Miami has taken aggressive steps to ensure that it offers the optimum portfolio of academic programs and courses to align with the university's mission, to meet student needs and employer demand, to eliminate unnecessary duplication, and to prepare Miami students for professional and lifelong success.</p> <p>Below are four interrelated initiatives designed to advance the goal of delivering an exceptional curricular portfolio:</p> <p>1) Academic Program Evaluation, Improvement & Prioritization (APEIP) Project is a response to a recommendation in MiamiRISE (Miami's strategic plan) to conduct a comprehensive, one-time evaluation of all undergraduate and graduate academic programs.</p> <p>In fall 2020, each department and division were provided detailed internal and external data on their programs and courses, including: student demand, employer demand, competitive intensity, application and information request trends, enrollment (head count & completions), student credit hours (by major, by faculty, and by lower vs. upper division), instructional cost per hour, section capacity and fill rates in departmental courses, DFW rates in courses, time to degree, degrees awarded, employment rates, and faculty data (course loads, research productivity, etc.).</p> <p>Using the data provided, departmental faculty, department chairs, and deans collaboratively identified initial ratings for each program. Forty-three of 260 programs (16.5%) were given the rating "continuous improvement with potential additional resources," and 120 (55%) were given the "continuous improvement with minor difficulties" rating. Forty-nine programs (18.8%) were asked to engage in program restructuring due to significant difficulties in the program, and 34 programs (13.1%) were voluntarily eliminated by the faculty of the program's home department in consultation with the dean. An additional 14 programs, which had not been admitting students in recent years, were removed from the books through standard processes. Programs nominated for elimination were judged by departmental faculty as either outdated or duplicative, had histories of low enrollments, or were misaligned with the University's mission and faculty expertise.</p> <p>Deans worked with their departments to develop 3-5-year curricular action plans to improve the programs that were not eliminated. These Plans were developed by August</p>

2021. During Fall 2021, feedback was offered by the dean and Office of Provost to provide additional guidance. Moving forward, departments are required to submit annual updates on their curricular action plans.

- 2) Launched in August 2021, the **Miami Academic Program Incubator (MAPI)** is a resource and consultation service for departments that aims to encourage, support and incentivize the rapid revitalization and creation of undergraduate and graduate programs that ensure Miami offers a high-quality and cost-effective portfolio of academic programs.

Departments and divisions that are considering a new academic program or a significant revision to an academic program are required to participate in MAPI. MAPI is led by a steering team of University leaders who provide data and research on program ideas (data are gathered internally and externally from third-party vendors such as EAB and Gray Associates), curriculum coaching (including recommendations for collaborations with other departments, divisions and institutions), concrete narrative feedback on the program idea (as articulated in a brief concept paper prepared by the department) and the opportunity to apply for seed funding to jumpstart the program (if appropriate). The MAPI team also engages in research on future trends in higher education and provides recommendations to deans and chairs on potential new directions for existing programs as well as possible ideas for new programs.

Since its inception in fall 2021, MAPI has produced the following outcomes:

- Vetted 19 concept papers for new programs or significant revisions of existing programs. Following the review of the concept papers and data analysis and feedback from MAPI, six of the 19 projects were not advanced by the department or division. Five are being or have been developed into full proposals for formal approval, and the remainder are still under consideration by the department or division. (Note: We see the fact that some concepts were not brought to fruition as positive. Prior to MAPI it is likely that all 19 ideas would have been shaped into new programs, and many of those programs would likely not have succeeded, costing the University unnecessary resources and time.)
- Developed Guidelines for Cross-Divisional & Cross-Departmental Programs to encourage course and program sharing.
- Developed a new Learning Management Project site and website to provide information to departments on developing new programs (including glossary of

	<p>curricular terms, information on best practices in program design, contact information for all key curricular needs, guidance on marketing and budget)</p> <ul style="list-style-type: none"> Contracted with two external research consultation services, Gray Associates and EAB, to assist in market feasibility studies, program assessments, and future trends in higher education; secured a new “enroll predict” machine learning tool from Gray Associates to assist in more accurate enrollment predictions for individual programs Engaged in ongoing research on promising trends in academic programs which helped to shape revisions of two programs (i.e., marketing and manufacturing engineering bachelor programs) and to develop ideas for new programs (e.g., masters in fintech, masters in counseling psychology, post baccalaureate certificate in speech pathology) which are being considered Streamlined the procedure for approval and launch of new programs. <p>3) Department Planning & Improvement Process is a new model for academic program review that was approved in April 2022 and will be launched in 2024 (as the APEIP project phases out). Its focus will be on continuous improvement (including a comprehensive review led by a team of internal and external faculty experts plus biennial updates). It will feature:</p> <ul style="list-style-type: none"> Collaboratively developed strategic goals for each review (created in conversation with the department, dean and Office of Provost); Holistic emphasis (encompassing all aspects of the department, including its academic programs and curricula, reports on assessment of student learning outcomes, and success in the advancement of DEI goals); Six-year cycle (with updates on progress every two years in between the comprehensive review); Review team members who provide consultation on strategic goals in addition to an evaluation of the department; Process customized for departments with professional accreditation reviews; and Robust support for the process (e.g., consultation, departmental orientation, data workbooks, team chair training). <p>4) Finally, Miami University has conducted a review of potential duplicate associate and baccalaureate programs with another university in the southwest Ohio region, specifically University of Cincinnati. Seventy programs were identified by the Ohio Department of Higher Education.</p>
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	<p>Although program-based collaboration is an exciting option for some programs, it is important to note that the main campuses of Miami University and University of Cincinnati are at least one hour driving distance from one another, and both campuses serve residentially based students who will be less inclined to commute that distance for courses. Online offerings at both institutions are limited.</p> <p>The Office of the Provost compiled the program data and shared the information with the academic deans who offered feedback based upon their contextual understanding of the program’s mission, purpose and effectiveness. Each academic dean consulted with the appropriate department to determine the recommendation action. Possible actions include:</p> <ul style="list-style-type: none"> • No action: The program is well aligned with the University’s liberal arts mission and/or experiencing strong enrollment and/or has strong track record of student success outcomes. • Program elimination: The program is outdated, experiencing declining enrollments or deficient success outcomes. • Program restructuring: The program will undergo significant revisions for improvement. • Possible collaboration with University of Cincinnati. <p>Several programs were identified for possible collaboration with UC. These include: French, Classical Studies, Critical Race & Ethnic Studies, and Women’s, Gender & Sexuality Studies. Plans are underway for faculty leaders of these programs to meet in the fall semester to discuss possible course sharing and other curricular and research collaborations.</p>
<p>Implementing strategies to address workforce education needs of the region</p>	<p>Miami has submitted and received approval for 249 out of 253 Transfer Assurance Guides and is now 98% compliant for all Transfer Assurance Guides and has received approval for all Career Technical Assurance Guides for which we are eligible. Faculty are working on submitting materials for approval for the remaining TAG course matches in the fall 2022 semester.</p> <p>Miami actively participates in the One-Year Option and Ohio Guaranteed Transfer to Degree Pathways – all designed to obtain technical credits without unnecessary duplication or institutional barriers. Miami has developed over 25 OGTP pathways in business, arts & humanities, as well as social and behavioral sciences. Miami has also developed articulation agreements with many Ohio public institutions in majors that are not part of the Ohio Guaranteed Transfer to Degree Pathways.</p>

	<p>See: https://www.miamioh.edu/partnerships/ed-institutions/postsecondary-partners/existing-postsecondary-agreements/index.html</p> <p>Miami's senior associate provost serves on the Ohio Articulation & Transfer Advisory Board of the Ohio Department of Higher Education where she regularly collaborates with leaders from career technical centers as well as two- and four-year institutions across the state. She also served as co-chair (with the UC vice provost) of the statewide committee to revise the Ohio Transfer Module into the new OT36 model. One of the key goals of the new Ohio Transfer 36 is to ensure more meaningful credit that directly improves students' time to degree.</p> <p>Supported by State Senator Bill Coley, Miami has an innovative Work+ program which is designed for Miami University Regionals students to obtain an associate or bachelor's degree while working part-time and getting their tuition paid. Work+ makes it possible for a student to earn a college degree debt-free. The thirteen current workforce partners include: Avery Dennison, Millat Industries, Libra Industries, Fastest Labs, YMCA (Greater Miami Valley, Lakota Family, Dayton), Fischer Group, thyssenkrupp Bilstein, BCRTA, Nation Coating Systems, Worthington Industries and Community First Solutions. During 2021-2022, our Work+ partners provided over \$150,000 in tuition for students. See: https://www.miamioh.edu/regionals/admission/work-plus/index.html</p> <p>Miami also offers TechCred opportunities for students which are credentials for students and adult working professionals to upskill their technological capacities. Miami offers credentials in business technology, information technology, manufacturing technology and robotics and automation. See: https://miamioh.edu/techcred/index.html</p>
<p>Sharing resources to align educational pathways and to increase access within the region</p>	<p>Since 2018, Miami University's senior associate provost partnered with leaders from University of Cincinnati, Cincinnati State Technical & Community College, Southern State Community College, and Sinclair Community College to create a grant proposal for the "Tackling Transfer" Initiative through the Ohio Department of Higher Education. The grants have funded several all-day summits designed to promote transfer student success. To date, seven summits have been held at different campuses and institutions across the region. Over 40 persons have attended each summit. Key outcomes of these summits have included new bilateral agreements in variety of subject areas (sciences, technology, engineering), a SW Ohio Regional Transfer Summit website [https://www.uc.edu/aas/southwesttransfer.html], a charter and bylaws, and the development of a SW Ohio Transfer Toolkit which is now available on the website listed above.</p> <p>Miami partners with UC as a participant in the Southwest Regional Depository which is one of five regional depositories in Ohio that houses library materials of IUC members in lieu of new library space.</p>

	<p>In 2021, Miami formed the Miami University Transfer Collaborative which includes leadership from all campuses and several key units (admission, enrollment management, academic affairs, registrar, advisement and student success). This group has formulated a comprehensive strategic plan to promote greater access and success for transfer students and meaningful collaborations with our two-year institutional partners. Since its inception in fall 2021, the Transfer Collaborative has reviewed and revised the workflow procedure for transfer-related agreements, begun redesign of Miami's front-facing transfer web portal, developed a master list of agreements, hired a new transfer coordinator to serve as the single point of contact for our two-year partners, secured approval for an additional transfer evaluation coordinator to promote timely credit evaluations, aligned Miami's liberal education plan requirements with Ohio Transfer 36 and secured approvals for more than 40 courses to be included in OT36, and identified dedicated advisors for transfer students on all campuses.</p> <p>Miami also has partnered with several other institutions in the Southwest Ohio region to participate in the EAB Moonshot for Equity initiative (described below).</p>
Reducing operational and administrative costs to provide more learning opportunities and collaboration in the region	<p>Miami participates in a courier delivery service to provide requested library material to public libraries, colleges, universities and the State Library of Ohio.</p> <p>Miami's Institute for Learning in Retirement engages in joint programming with the Osher Lifelong Learning Institute at the University of Cincinnati, in the West Chester area, to provide non-credit, enrichment programming for people age 50 and older. Over 400 persons are enrolled in this semester's courses.</p> <p>Representatives from all higher education institutions in Southwest Ohio continue to meet at OH-AHEAD with the goal of finding additional common services and efficiencies, such as alternative format production, to serve students with disabilities.</p>
Enhancing career counseling and experiential learning opportunities for students	<p>Miami Regionals (along with Cincinnati State, University of Cincinnati, and Southern State) is actively engaged in workforce education and pathway development through involvement with the Tech Prep Southwest Regional Center. Tech Prep staff members are located at Miami University Hamilton (along with Southern State Community College and Cincinnati State). Tech Prep also shares staff with a regional workforce development initiative, Partners for a Competitive Workforce, to further link the educational initiative with employers. College staff link their respective institutions to collaborative regional activities that address statewide goals focused on workforce education, pathway development and technical services. The center serves 16 secondary partner districts including three of Ohio's largest Career Technical Planning Districts (CTPDs); four urban districts; six rural CTPDs and one Compact.</p>

	<p>Since 2015, Miami Regionals, Cincinnati State, and UC have collaborated to offer annual conferences targeted to high school juniors and seniors interested in engineering careers. More than 1000 students have been impacted by shared expertise, business engagement and access to regional resources.</p> <p>Miami's Center for Career Exploration & Success partners regularly with REDI Cincinnati to share best practices and procedures relating to internships in the Cincinnati area. Miami and UC have collaborated on several Ohio Means Internships & Co-Ops grants in the past five years to increase the number of internships and co-ops in the Southwest Ohio Region.</p>
Expand alternative education delivery models such as competency-based and project-based learning	<p>Since 2019, Miami has developed 27 microcredentials and professional education programs. Microcredentials are credit-bearing programs offered on Miami's Regional Campus that typically include nine credits of courses focusing on a workforce-related topic or skill set. Almost all of them are delivered online to provide students with maximum flexibility. Microcredential topics span business, communication & culture, engineering and technology; all were developed in collaboration and consultation with local businesses from those specific fields. Currently, over 700 students have earned more than 1,200 credentials. See: https://www.miamioh.edu/regionals/academics/elearning/campaigns/microcredentials/index.html</p> <p>Miami's Oxford campus offers several professional development programs which are typically non-credit-bearing, online or hybrid, and customized for particular industries and employer and/or alumni needs. Miami has developed programs focused on data analytics, professional writing, business, advanced manufacturing, and DEI (diversity, equity & inclusion) topics. Over 2000 persons have completed one or more of these programs in the past three years. See: https://miamioh.edu/online/programs/professional-education/index.html</p> <p>Miami currently offers a Prior Learning Assessment Portfolio opportunity for veterans and military students to meet general education requirements. Miami's Transfer Collaborative has begun the process of researching and developing a more robust portfolio option for Prior Learning Assessment to reach a greater diversity of students and to better ensure that students who have gained competency in the workplace can also secure appropriate credit for relevant and appropriate general education courses and courses in the major. The portfolio option would supplement other prior learning assessment opportunities currently offered at Miami (e.g., departmental proficiency examinations, College Level Examination Program).</p>
Collaboration and pathways with information technology centers, adult basic and literacy education programs and school districts	<p>Miami's Regional Campus in Hamilton is a site for the ODHE ASPIRE Program including access to our student services, libraries, and facilities for any ASPIRE participant. Miami's Regional Learning Center in West Chester is an ASPIRE ESOL (English for Speakers of Other Languages) site for family</p>

	<p>members recently relocated from international locations of global businesses in the area. These collaborations serve people in need of acquiring skills in post-secondary education and training, and employment. It has provided a supportive pathway for individuals going from GED or learning English, to post-secondary higher education.</p> <p>Miami also participates actively in the statewide College Credit Plus program that offers qualified students grades seven through 12 the opportunity to take college courses while earning credit for both high school and college at little or no cost to students. Over 500 students annually participate in Miami CCP courses on the Oxford and Regional campuses.</p> <p>This fall, Miami Regionals is launching the “Early College Academy” which is made possible through partnerships with Hamilton and Middletown City School Districts. The Academy will welcome a group of 50 Hamilton and Middletown high school incoming juniors who will complete a minimum of 15 credit hours (per semester) for four semesters. All of the associated fees for Academy participants such as tuition and books will be covered by the program. The high school will be providing transportation, lunch, and will cover the cost of required textbooks. ECA students will graduate with a minimum of 62 college credit hours, earning as Associate in Arts in General Studies, while graduating with their high school diploma. These students will only have two years remaining to complete a Miami bachelor’s degree significantly reducing the time and cost for degree attainment. Miami will also offer the students specialized academic support and opportunities for involvement in co- and extra-curricular activities.</p>
Enhancing the sharing of resources between institutions to expand capacity and capability for research and development	<p>Miami and UC faculty have collaborated to secure eight external research grants in the past six years. Grants have focused on such diverse topics as increasing the participation of women in STEM fields, understanding bipolar disorder, investigating racial bias, evaluating STEM in the play space, and advanced turbine cooling. In addition, Miami, UC, and Cincinnati State have collaborated on four regional submissions to the ODHE RAPIDS grant program, providing approximately \$3M in equipment used for education, research, and workforce training in SW Ohio.</p>
Identifying and implementing the best use of university regional campuses	<p>To provide a seamless transition of students who relocate from one campus to another or to those taking classes on multiple campuses, Miami University’s Oxford campus and Miami University Regionals share the same general education requirements, academic and student policies, curricular approval processes, and are governed by a single University Senate and Board of Trustees. In addition, many administrative and instructional staff work at multiple campuses and collaborate on curricular, research projects as well as community and University service projects.</p> <p>Miami Regionals allows diverse students including post-traditional learners to take their first two years locally, staying closer to their family and jobs. Besides access to a much larger array of programs, disciplines, and majors, this reduces the tuition before they relocate to the Oxford</p>

	<p>campus to complete their degree. With all campuses in close proximity, Butler County Regional Transit Authority (BCRTA) connects our campuses allowing students to take a specific course(s) at a different campus. Miami's Regional E-Learning (online courses and programs) allows any Miami student the chance to shorten their time toward graduation or the flexibility to add another course to their academic plan.</p> <p>Miami, UC and Cincinnati State are all members of the Greater Cincinnati Collegiate Connection (GC3) which enables students from all three (and other GC3) institutions to cross-register for courses and facilitates administrators, faculty and staff from all three as well as other GC3 member institutions to engage in joint professional development programming.</p> <p>The Pathways Program enables students who are not initially admitted to the Oxford campus to begin study on the Regional campuses. Students are co-enrolled in courses and receive specialized advising and support. If they meet all requirements, they are admitted to the Oxford campus in the spring semester of their first year. Over 100 students have participated in the Pathways Program over the past four years.</p>
Other initiatives not included above	<p>In September 2021, Miami University, Cincinnati State, Gateway Technical & Community College along with Northern Kentucky University announced their participation in the EAB Moon Shot for Equity Initiative. This is a national initiative that aims to close equity gaps within regional cohorts of two- and four-year colleges and universities by 2030. Each institution has formed leadership teams that are now in the process of implementing more than a dozen research-based practices proven to remove systemic barriers to student success. Moonshot goals focus on transformative change relating to campus climate (equity-focuses professional development, climate assessment), access and enrollment (securing financial assistance, leveraging degree maps and pathways for transfer students), and student support and belonging (proactive advising and coordinated care).</p>

Co-located Campuses

ORC Section 3333.951(B) requires Ohio's co-located colleges and universities to annually review best practices and shared services in order to improve academic and other services and reduce costs for students, and to report their findings to the Efficiency Advisory Committee.

(B) Each state institution of higher education that is co-located with another state institution of higher education annually shall review best practices and shared services in order to improve academic and other services and reduce costs for students. Each state institution shall report its findings to the efficiency advisory committee established under section [3333.95](#) of the Revised Code. The committee shall include the information reported under this section in the committee's annual report.

Co-located campus: Not Applicable

Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.)	Please include an explanation of this shared service.	Monetary Impact from Shared Service
	Not Applicable	

Section II: Academic Practices

This section covers areas more directly related to instruction, with an emphasis on savings strategies related to the cost of textbooks, and the expanded use of alternative instructional materials.

Textbook Affordability

Textbook Cost Study

ORC Section 3333.951(D) requires Ohio's public colleges and universities to annually conduct a study to determine the current cost of textbooks for students enrolled in the institution and submit the study to the Chancellor.

(D) Each state institution of higher education shall conduct a study to determine the current cost of textbooks for students enrolled in the institution, and shall submit the study to the chancellor of higher education annually by a date prescribed by the chancellor.

Please attach the analysis of textbook costs developed by your institution labeled "[Institution Name – Academic Year – Textbook Cost Study]" and summarize the results of your institution's study below.

Category	Amount
Average cost for textbooks that are new	\$74.66
Average cost for textbooks that are used	\$48.28
Average cost for rental textbooks	\$41.09
Average cost for eBook	\$65.36

Reducing Textbook Costs for Students

ORC Section 3333.951(C) requires Ohio's public colleges and universities to report their efforts toward reducing textbook costs for students.

(C) Each state institution of higher education annually shall report to the efficiency advisory committee on its efforts to reduce textbook costs to students.

Please discuss all initiatives implemented, including those referenced below that ensure students have access to affordable textbooks.

ORC Section 3345.025 requires the board of trustees of each state IHE to adopt a textbook selection policy for faculty to use when choosing and assigning textbooks and other instructional materials.

3345.025 The board of trustees of each state institution of higher education as defined in section [3345.011](#) of the Revised Code shall adopt a textbook selection policy for faculty to follow in selecting and assigning textbooks and other instructional materials for use in courses offered by the institution. The policy shall include faculty responsibilities and actions faculty may take in selecting and assigning textbooks and other instructional materials.

In addition, the biennial budget bill, Am. Sub. HB 110, enacted Section 733.20 requiring state institutions of higher education to evaluate textbook affordability initiatives to ensure compliance with Title I, Section 133 of the federal "Higher Education Opportunity Act of 2008."

SECTION 733.20. (A) In furtherance of the State of Ohio's intent to improve affordability in higher education, and in recognition of the positive achievements of the Ohio Faculty Council's October 2017 resolution supporting textbook affordability initiatives, the State of Ohio hereby tasks Ohio's institutions of higher education with evaluating their respective implementation of textbook affordability initiatives.

(B)(1) Consistent with requirements in Title I, Section 133 of the federal "Higher Education Opportunity Act of 2008," institutions of higher education receiving federal financial aid shall disclose required and recommended textbooks not later than the time at which students can first begin to register for a course.

(2) Prior to academic year 2022-2023, the administration of each state institution of higher education, as defined in section 3345.011 of the Revised Code, shall work collaboratively with the institution's faculty senate, or equivalent body, to consider adopting a formally recognized textbook auto-adoption policy.

(C) Not later than August 15, 2022, the board of trustees of each state institution of higher education shall adopt a resolution or otherwise formally vote to affirm or decline adoption of the policy. If the board of trustees adopts the policy as agreed upon by the administration and faculty senate, the state institution shall formally transmit a copy of its resolution to the Chancellor of Higher Education.

1. Has your institution's board of trustees adopted a textbook selection policy consistent with Ohio Revised Code 3345.025? If so, please attach the policy in full length and label the file as "[Institution Name – Academic Year – Textbook Selection Policy]."

Miami University's University Senate approved a revised version of the textbook policy in April 2022, and the Board of Trustees approved the policy at its meeting on May 20, 2022. The revised policy is entitled "Textbooks and Learning Materials" and is attached and can be found at: <https://miamioh.edu/policy-library/employees/faculty/academic-policies-procedures-for-instructional-staff/textbooks.html>

2. Has your institution's board of trustees adopted a textbook auto-adoption policy to ensure compliance with federal law that requires faculty to select textbooks for courses no later than the first day of class registration? If so, please attach the policy and label the file as "[Institution Name – Academic Year – Text Auto-adoption Policy]." Please also describe the mechanisms for tracking compliance.

The Miami University Board of Trustees considered the adoption of an auto-adoption textbook policy at its May 20, 2022 meeting and declined to adopt it.

3. If the board has not adopted an auto adoption policy, please explain the major reasons that the board declined to adopt such a policy.

The rationale for the Board's decision was based on concerns expressed by members of University Senate that the policy is onerous and would result in many negative impacts on faculty and students. Senators report that they often can identify texts that are better aligned with the outcomes of the course (resulting in deeper learning and greater satisfaction with the educational experience) and more cost-effective than texts selected in prior semesters.

Open Educational Resources

1. Has your institution adopted practices/policies to formally encourage the use of OER materials in lieu of purchased materials? Please explain and please include links to information on your institution's website.

In 2017, Miami University selected a provider of online textbooks and course materials, e-Campus, which signaled a shift away from the traditional brick and mortar bookstore approach toward a virtual approach. The e-Campus bookstore not only lowers the overhead cost of running a physical bookstore, but it provides faculty, at a glance, multiple textbook options so that they can ensure that they are selecting high quality, affordable and accessible course materials for their students. Because the virtual bookstore is linked to the SIS system, students can easily purchase new, used, rental and digital textbooks instantly upon registering for particular courses. Miami faculty are provided training (via workshops and online videos) on how to use the software platform as well as how to select appropriate and cost-effective textbooks. In addition, when faculty submit their textbook selections in compliance with the Higher Education Opportunity Act (HEOA), it allows our staff and e-Campus vendor to suggest standardized materials, more affordable editions, or alternative resources. In the past five years, faculty on all campuses increased their compliance by as much as 65%. In 2020, Miami University renewed its contract with e-Campus, allowing both students and faculty to take advantage of these options that promote cost savings.

Miami (along with the other Southwest Ohio institutions) has OhioLINK which negotiates the purchase and enables the sharing of library materials. OhioLINK joined the Open Textbook Network in 2017. The OhioLINK system leaders, in conjunction with OTN staff, coordinate full-day "train the trainer" workshops. These workshops focus on developing campus leaders and aid in their efforts to reduce textbook costs for students. The Miami representative also helped coordinate an OhioLINK-sponsored OER summit in 2017, 2018, 2019, 2020 and 2022, and also presented sessions at several of these Summits. Additionally, as a system leader, she has given workshops focusing on copyright and OER and Creative Commons licensing at multiple OhioLINK institutions on request over the past five years.

2. Has your institution provided support to faculty for the development of OER materials. Please explain and please include links to information on your institution's website.

Miami's Affordable and Open Educational Resources Committee which includes faculty representation from all academic divisions has launched several programs and set of resources designed to target faculty teaching courses with the highest cost textbooks and largest enrollments:

- **OER Explore** is a two-hour workshop designed to help faculty better understand textbook affordability issues and possible solutions for addressing them. The workshop concludes with an overview of Miami University's OER and Affordable Learning grant programs. Following the workshop, faculty write and publish a review of an OER textbook in their field or investigate and reflect on inclusive access electronic textbook possibilities and then receive a modest stipend. Since its inception in 2016, almost 130 faculty members have completed the program. At least two instances of this program will be offered in the 2022-2023 academic year, providing 20-30 faculty the opportunity to get involved with this grant program.
 - **OER Adopt.** This selective grant program supports faculty in replacing their commercial textbook with an OER. Faculty submit an application; those selected must complete a three-phase program and receive professional development funds when each phase is successfully completed. Phase 1 entails teaching the course with the commercial textbook and investigating other open education substitutes; phase 2 involves teaching the course with the chosen OER and assessing its impact on student learning; and phase 3 focuses on the faculty creating a report and disseminating their findings to their colleagues in the department or field of study. Over 20 faculty have participated in the program which has led to approximately \$1,209,000.00 in cost savings for their students.
 - **OER Create** grant program supports faculty who wish to write and publish their own OER textbook and learning materials. Faculty are provided professional development funds as well guidance and support for publishing the OER (e.g., editorial services, layout, and electronic publishing). To accomplish this, the University agreed to be an inaugural partner (with nine other higher education institutions) in the OTN Publishing Cooperative. OER published as part of this grant program will be published to the OER Collection in Miami's institutional repository, the Scholarly Commons, and in the Open Textbook Library (OTL). Several projects are currently being considered as a pilot for this program.
3. What courses did your institution offer during the 2021-22 academic year that used OER? Please fill out the attached template completely. This template will be used to inform a statewide landscape analysis of OER adoption and will be publicly shared in a report.
- See spreadsheet attached.

Inclusive Access

Inclusive access is defined as an arrangement between an institution, through faculty, and students to offer college textbooks and materials as "included" within tuition and/or a fee assessment, rather than purchased individually by the student. The benefit to faculty and students of inclusive access typically includes a significantly reduced cost per textbook for students, as compared to students buying a new copy of the textbook, and confidence that all students will possess the necessary textbook and/or materials on "day one." Federal law provides the statutory right for students to "opt-out" of inclusive access if they prefer, which preserves the right of the student to source materials.

1. Does your institution formally encourage faculty to offer inclusive access acquisition of college textbooks as a cost-savings for students? If yes, what mechanisms are in place help promote this strategy with faculty?

In 2017, Miami University selected a provider of online textbooks and course materials, e-Campus, which signaled a shift away from the traditional brick and mortar bookstore approach toward a virtual approach. The e-Campus bookstore not only lowers the overhead cost of

running a physical bookstore, but it provides faculty, at a glance, multiple textbook options so that they can ensure that they are selecting high quality, affordable and accessible course materials for their students. Because the virtual bookstore is linked to the SIS system, students can easily purchase new, used, rental and digital textbooks instantly upon registering for particular courses. Miami faculty are provided training (via workshops and online videos) on how to use the software platform as well as how to select appropriate and cost-effective textbooks.

e-Campus is our outsourced bookstore and currently does not offer inclusive access, and Miami University is engaging with how best to implement that functionality to our faculty and students. Currently, faculty may individually work with eCampus to arrange the inclusive access option for students. Miami is working with eCampus to offer more incentives for faculty to participate, including pursuing VitalSource as a vehicle for Inclusive Access.

In addition, when faculty submit their textbook selections in compliance with the Higher Education Opportunity Act (HEOA), it allows our staff and e-Campus vendor to suggest standardized materials, more affordable editions, or alternative resources. In the past five years, faculty on all campuses increased their compliance by as much as 65%.

2. What courses did your institution offer during the 2021-22 academic year that participated in an inclusive access program? Please fill out the attached template completely. This template will be used to inform a statewide landscape analysis of the utilization of inclusive access and will be publicly shared in a report.

N/A

3. How are students at your institution made aware of their right to opt out of utilizing inclusive access?

Inclusive Access textbooks is not yet available on the eCampus website so that students can select the appropriate textbooks.

Please provide contact information for the person completing this section of the Efficiency Report, so that we may follow up if we have questions.

Carolyn Haynes, Senior Associate Provost, haynesca@miamioh.edu; 513 529 6717

Other Textbook Affordability Practices

What other practices, if any, does your institution utilize to improve college textbook affordability?

See table below for several other opportunities Miami offers to advance affordable texts and learning materials.

Please provide any relevant information in the table below.

Initiative	Explanation of Initiative	Cost Savings to Students
Alternate Textbook Service	Alternate Textbook Service involves a collaboration between the course instructor, Library liaison, and the Coordinator of Scholarly Communications to replace the instructor's commercial textbook with an "alternate" textbook comprised of resources pulled from the library's electronic collections, from legal online resources, and reading selections made available in compliance with US copyright law. Faculty participating in this grant program are provided modest professional development funds.	Since the program's inception, three faculty members have used the service, resulting in \$90,608.00 in cost savings for students.
Revision of Policy & Procedures	Miami has revised the annual report and dossier format for faculty to include a specific mention of open and affordable educational resources under the category relating to innovative teaching. It also added a question relating to affordable course materials to the online proposal forms for all new courses.	Not Applicable
Affordable Education Leader Award	Affordable Education Leader Award is an annual award to be given to a continuing faculty member on any campus who demonstrates compelling and significant impact in areas related to affordable and open educational resources. The award has been given for the past two years.	Not Applicable
Course Pack Consultation Service (CPCS)	Course Pack Consultation Service (CPCS) allows faculty to reduce or eliminate the costs associated with course packs. The Coordinator of Scholarly Communications reviews the list of materials included in the course pack to determine which readings can be made freely available to students through the library's purchased electronic collections (eBooks and electronic articles) or through other freely and legally accessible online outlets (e.g., linking to archival materials on state historical society website). Links to these works are posted on to a page in the instructor's LMS course site for students to access. Faculty participating in the CPCS are awarded modest professional development funds after the consultation.	Since launching the program in fall 2017, twenty consultations have been completed, amounting to \$143,944.62 in cost savings for students.

Section III: Policy Reforms

Transcript Access

It is common for IHEs nationally to withhold transcripts from students who owe any amount of debt to the institution. Transcript withholding blocks students from re-enrolling both at the debt-holding institution and at other institutions. Transcripts are sometimes withheld in their entirety even when students have fully paid all or most tuition charges, earned their credits through successful completion of coursework and only incurred a nominal debt such as a parking ticket, library fine or other relatively minor assessment.

ORC Section 3345.027 was newly enacted in HB 110 and requires IHE's to release transcripts to potential employers even if the student has an outstanding balance owed to the institution.

Sec. 3345.027. A state institution of higher education, as defined in section 3345.011 of the Revised Code, shall not withhold a student's official transcripts from a potential employer because the student owes money to the institution, provided the student has authorized the transcripts to be sent to the employer and the employer affirms to the institution that the transcripts are a prerequisite of employment.

1. Has your institution updated its policy on transcript withholding to assure compliance with ORC 3345.027?

Yes, this has been Miami's practice for more than 5 years. In the past year, we fielded and released 15 transcripts to employers.

2. Has your institution taken additional action(s) beyond what is minimally required by section 3345.027 to provide students with access to their transcripts, even if the student owes money to the institution? If so, please describe.

Miami has established payment plans that allow the transcript to be released to the student before the balance is paid.

Second Chance Grants

ORC Section 3333.127 was newly enacted in Sub. SB 135 to create the Second Chance Grant program. The program will provide one-time grants of up to \$2,000 to eligible students that "while in good standing, disenrolled from a qualifying institution and did not transfer to a qualifying institution or an institution of higher education in another state in the two semesters immediately following the student's disenrollment."

1. Has your institution implemented the "Second Chance Grants" program as described in SB 135? If so, what is the status of the program and approximately how many students have been impacted to date at your institution?

Miami has applied to the program and received our notification of eligibility to participate on August 31, 2022.

Miami University strongly believes that not allowing students to unenroll due to small outstanding balances is a best practice and that resources utilized in this approach provide for better persistence outcomes. Thus, each semester before registration, we identify students with balances of ~\$1,500 and perform outreach. As part of that outreach, we will often award a microgrant to students based on need, merit, or other factors to boost persistence to resolve the outstanding balance. We typically spend between \$30,000 and \$50,000 per semester on such grants.

2. What efforts has your institution made to identify and attract such students that will be able to take advantage of this new initiative?

We have identified 49 students that we will target for this program, with a goal of enrolling a subset of those students for our Spring 2023 semester.

Additional Practices

Some IHE's may implement practices that make college more affordable and efficient, but which have not been the topic of a specific question in this reporting template. This section invites your institution to share any positive practices you have implemented that benefit student affordability and/or institutional efficiency.

Please share any additional best practices your institution is implementing or has implemented.

Miami University Lean Initiative

Miami University started its Lean Initiative in 2009. Since 2009, Miami employees have completed 1,886 projects valued at \$110,959,974 in cost avoidance, cost reduction, and new revenue. In FY 2022, Miami employees completed 113 projects valued at \$7,690,191 in cost avoidance, cost reduction, and new revenue.

Miami has developed a Lean structure, Lean database with dashboard reporting, and standardized processes for Lean project management. Three full-time staff are dedicated to Lean. All of the other employees have other non-related Lean responsibilities. Presently, all divisions of the university have employees engaged in Lean.

Student Loans

Between 2015 and 2021, the average indebtedness of Miami's graduates who borrowed loans decreased from \$30,008 to \$28,711 - a decrease of 4.3%. During the same period, the percentage of those with debt went from 50.9% to 45.2%. Miami continues to offer individual loan counseling, entrance, and exit counseling, along with individualized student loan debt tracking for each student at MiamiOH.edu/KnowBeforeYouOwe.

In addition, Miami implemented a financial literacy effort in the last two years, and this effort is included in our campus-wide wellness efforts. Last year, 1,925 students completed 2,666 financial literacy modules. The modules cover the basics (budgeting, saving) but also move to advanced topics (401(k)s, insurance shopping, FIRE - Financial Independence, Retire Early movement.)

Section IV: Future Goals

The DeWine-Husted administration recognizes that each IHE faces unique challenges and opportunities with respect to the institution's highest priority goals over the next several years. With that in mind, please provide any suggestions about possible roles the state could play in supporting your institutional goals.

1. Please provide your thoughts and suggestions regarding ways the State of Ohio can further support strength, resiliency and reputational excellence in Ohio's post-secondary education system.

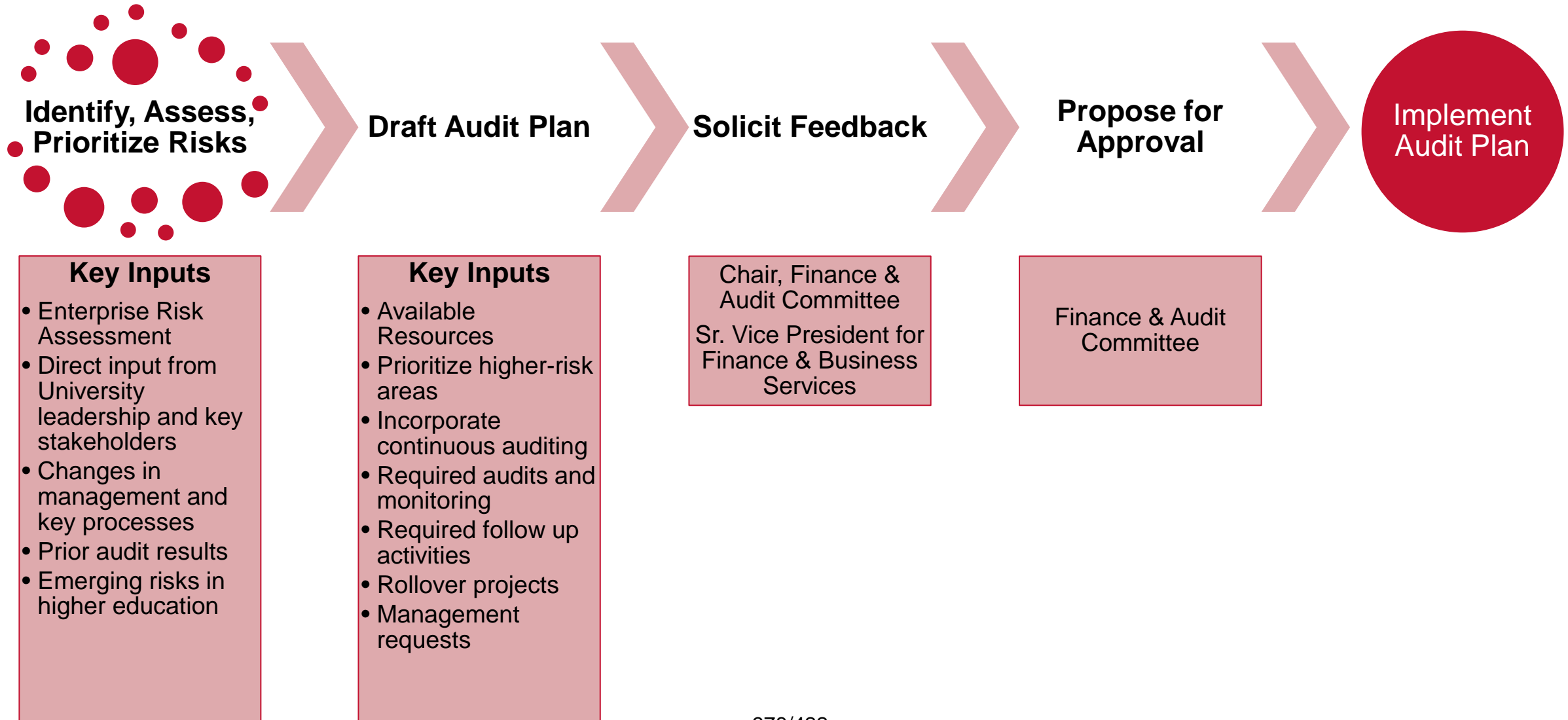
Thank you for completing the FY22 Efficiency Reporting Template. We appreciate the important role Ohio's colleges and universities play in supporting Ohio students, economic growth, world-class research and the overall success for our state.



December 8, 2022

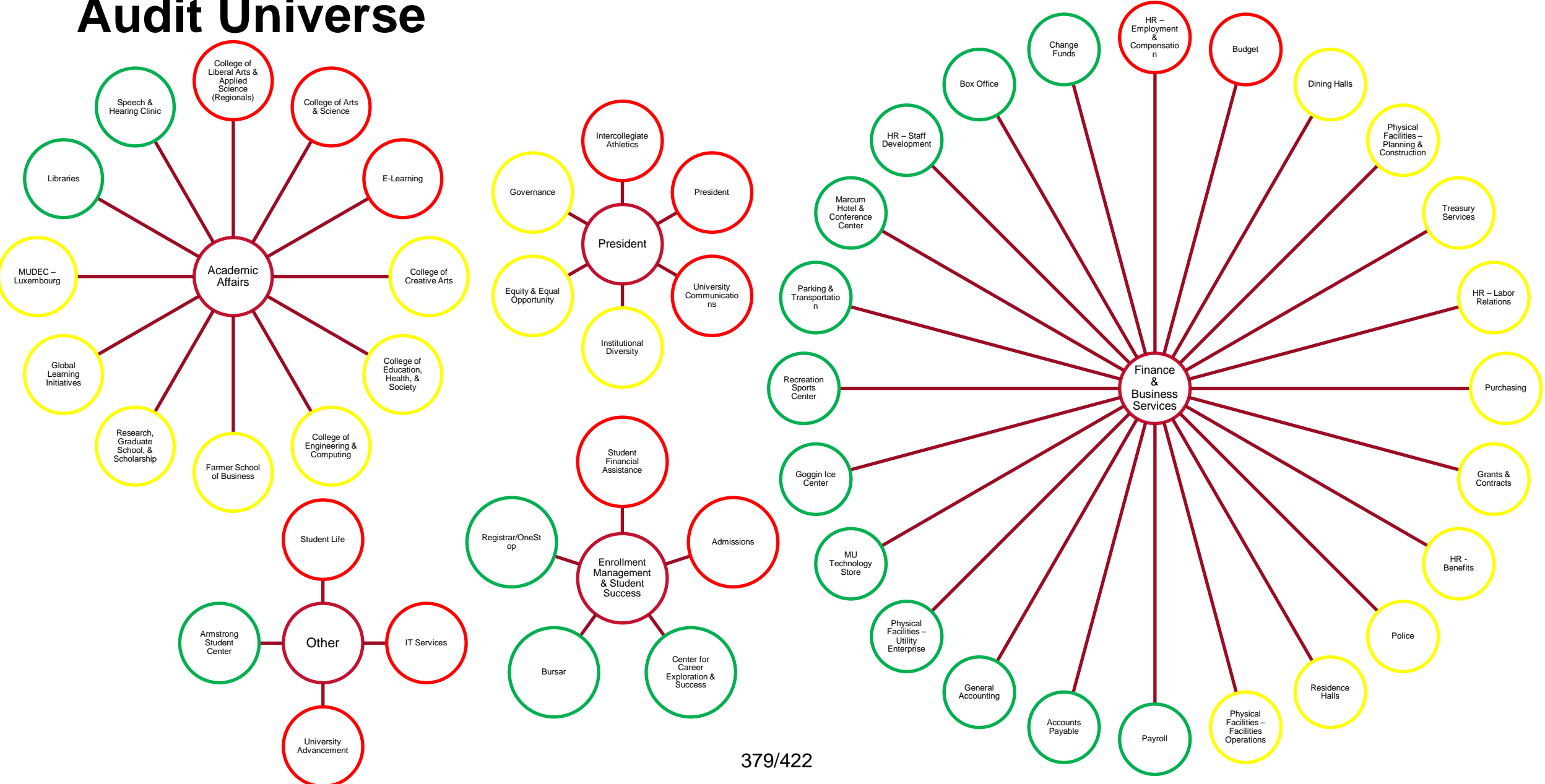
FY 23 Internal Audit Plan

Annual Audit Plan — Development Cycle



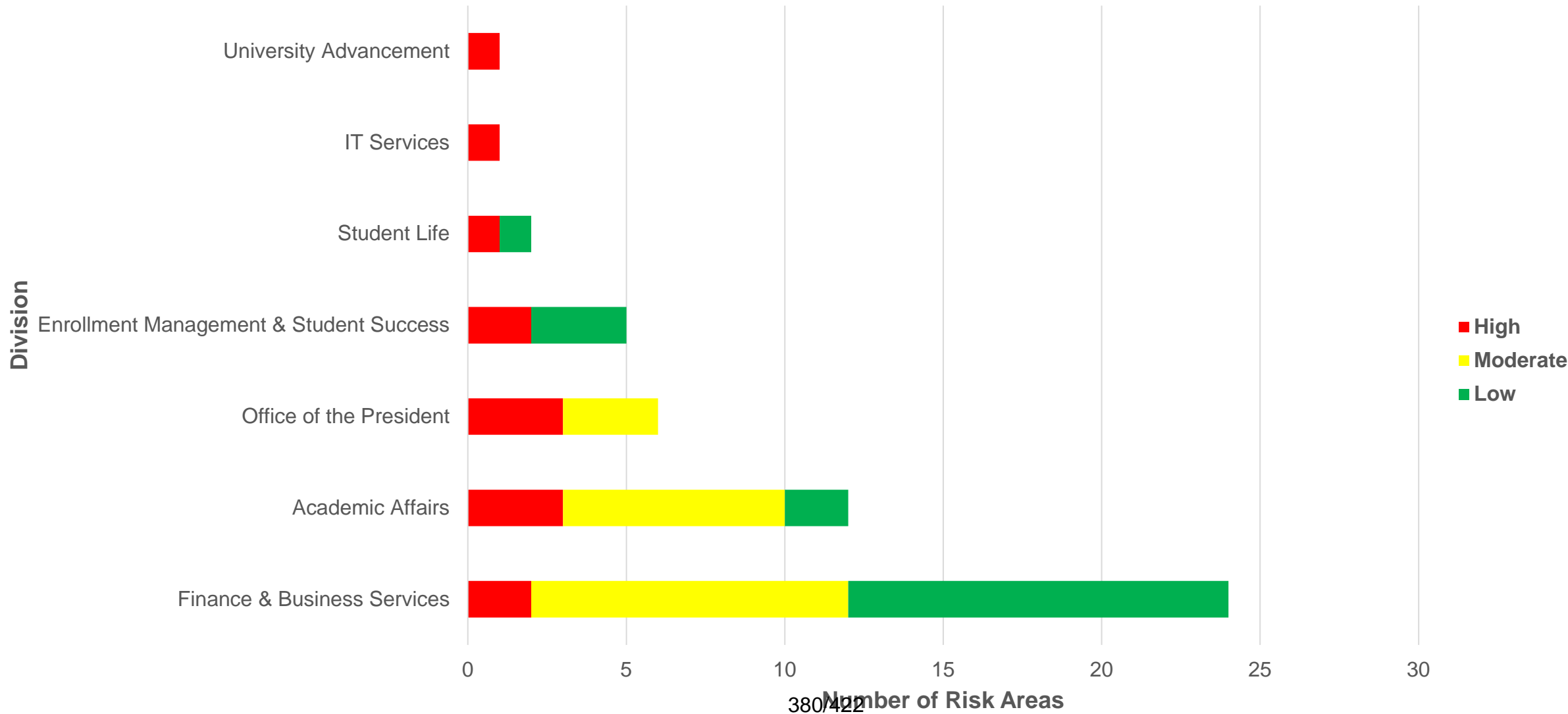


Audit Universe



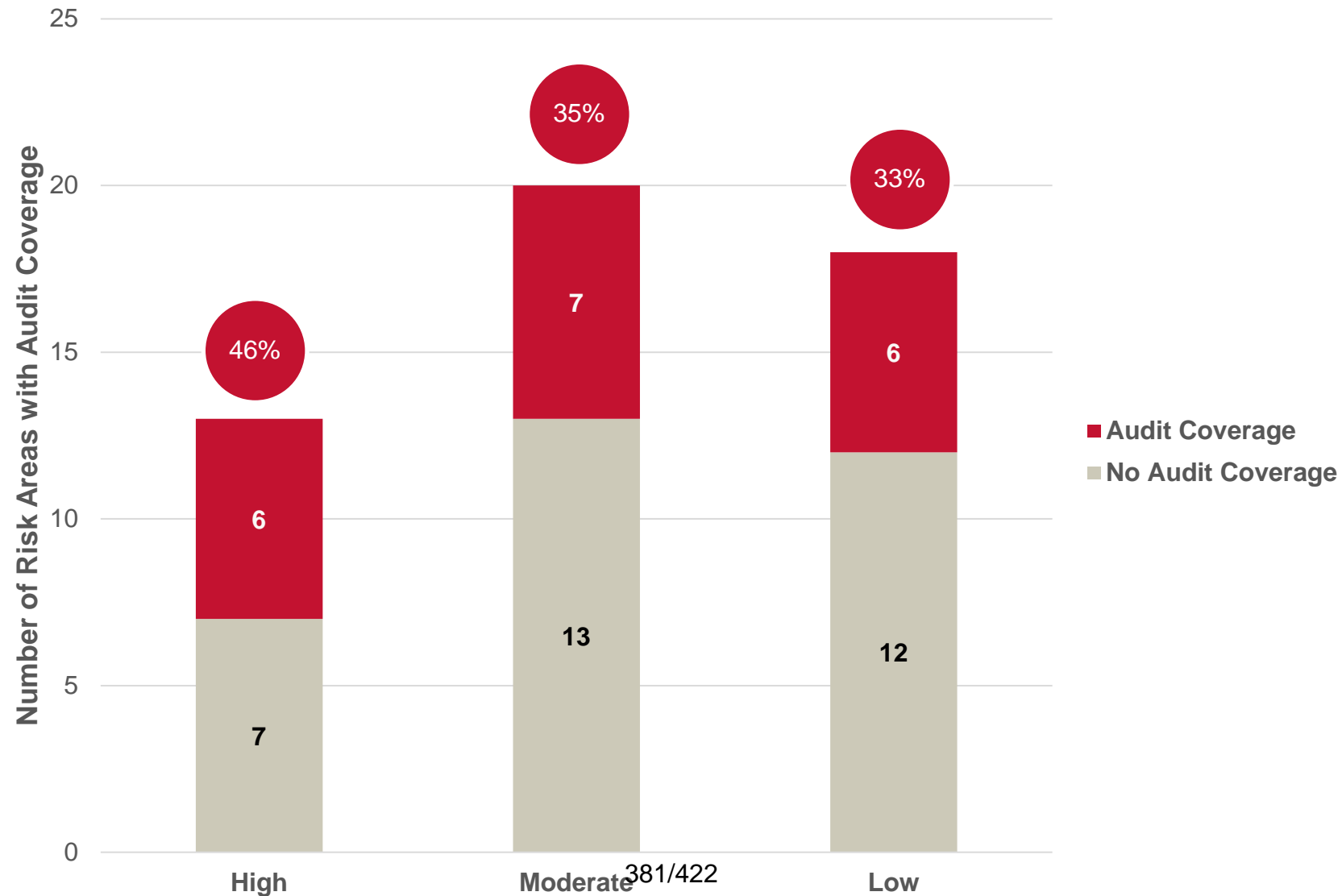


Audit Risk Ranking by Division





Audit Coverage of Risk Areas





Proposed FY23 Audit Plan

Risk Reference	Risk Level	Audit Project	Audit Division	Audit Dept	Audit Type	Project Source	Estimated Hours	Qtr 1	Qtr 2	Qtr 3	Qtr 4
21	Moderate	CADS Gift Cards Investigation	Academic Affairs	Research & Innovation	Special Project	Internal	40				
1; 35	High	TimeClock Plus Time Tracking Application	Finance & Business Services	FBS IT/HR/Payroll	Operational/IT	Prior Year Rollover	375				
5	High	Regionals P-Card Fraud	Academic Affairs	Regionals Dean's Office	Special Project	Prior Year Rollover	100				
7	High	Follow Up – Outsourced Vulnerability Assessment	IT Services	Information Security Office	Follow Up	Required	15				
8	High	Follow Up – VAWA Required Notifications	Student Affairs	Community Standards	Follow Up	Required	15				
30	Moderate	Annual Security & Fire Safety Reporting	Finance & Business Services	Public Safety	Compliance	Management Request	35				
36	Low	Follow Up – University Purchasing Cards	Finance & Business Services	Accounts Payable	Follow Up	Required	50				
43	Low	Follow Up – Residency Reclassification	Enrollment Management	One Stop Services	Follow Up	Required	75				
36	Low	Follow Up – Vendor Records	Finance & Business Services	Accounts Payable	Follow Up	Required	15				
6	High	Follow Up – ICA P-Cards	Intercollegiate Athletics	ICA Business Office	Follow Up	Required	50				
20	Moderate	Follow Up – Locally Administered Capital Projects	Finance & Business Services	PFD Planning, Architecture, & Engineering	Follow Up	Required	15				
33; 41; 42	Low	DSE Recreation Management Application	Finance & Business Services	FBS IT/PFD Rec Sports & Goggin	Operational/IT	Prior Year Rollover	375				
21	Moderate	Follow Up – Controlled Substances Purchasing	Academic Affairs	Research & Innovation	Follow Up	Required	50				
21	Moderate	Follow Up – CADS Gift Cards Investigation	Academic Affairs	Research & Innovation	Follow Up	Required	10				
–	N/App	Enterprise Risk Management Assessment	University-wide	University-wide	Special Project	Management Request	375				
1; 23; 35	High	Follow Up – Payroll Adjustments Review	Finance & Business Services	HR/Payroll	Follow Up	Required	100				
20	Moderate	Follow Up – PFD Time & Materials Contracts	Finance & Business Services	PFD Planning, Architecture, & Engineering	Follow Up	Required	50				
3	High	Scholarship Awards	Enrollment Management	Student Financial Assistance	Compliance	Risk Analysis	375				
8	High	Student Sexual Misconduct Proceedings	Student Affairs	Community Standards	Compliance	Management Request	175				
6	High	Football-attendance Verification	Intercollegiate Athletics	Intercollegiate Athletics	Compliance	Required	135				
17; 37	Low	Follow Up – Campus Services Physical Inventory	Finance & Business Services	Campus Services	Follow Up	Required	15				
7	High	Follow Up – Payment Card Industry (PCI) Compliance	IT Services	Information Security Office	Follow Up	Required	15				
–	N/App	Follow Up – Buyway System Administrators	Finance & Business Services	FBS IT	Follow Up	Required	15				
27	Moderate	Post-Award Administration of Sponsored Programs	Finance & Business Services	GAC Grants & Contracts	Compliance	Risk Analysis	375				
6	High	ICA Sports Camps Payments & Refunds	Intercollegiate Athletics	ICA Business Office	Operational	Risk Analysis	200				
–	N/App	IIA Self-Assessment with Independent Validation	Finance & Business Services	Internal Audit & Consulting Services	Special Project	Required	50				
36	Low	P-Card Continuous Auditing	Finance & Business Services	Accounts Payable/University-wide	Operational	Risk Analysis	300				
37	Low	Capital Assets Continuous Auditing	Finance & Business Services	General Accounting	Special Project	Management Request	225				
1	High	Ethics Hotline Monitoring and Administration	University-wide	University-wide	Special Project	Required	50				

Additional IACS Activities

- Facilitate annual update of the Enterprise Risk Assessment
- Perform advisory services, investigations, and other ad-hoc requests
- Participate in special projects (e.g., ERP implementation)
- Coordinate selection of a new Independent Public Accountant





IPA Contract Timeline

TASK	DUE DATE
Audit Contract posted to Auditor of State IPA Portal	December 1, 2022
IPA firm deadline to express interest in the audit contract	December 15, 2022
RFQ (Request for Quotes) issued to selected IPA firms	January 5, 2023
Pre-quote conference call with IPA firms, Miami, and Auditor of State	January 12, 2023
IPA quotes due to Auditor of State	January 19, 2023
Miami completes scoring process and provides two recommended IPA firms to Auditor of State	February 23, 2023
Auditor of State completes review of recommendation and selects winning IPA firm	March 3, 2023
Contract with winning IPA approved by the Auditor of State	March 17, 2023



Questions?

To: Finance & Audit Committee

From: Terry Moore, Chief Audit Officer

Subject: FY2023 Internal Audit Plan

Date: November 18, 2022

FY2023 INTERNAL AUDIT PLAN

The following presents Internal Audit & Consulting Services' (IACS) proposed plan of internal audit activities for FY2023. In August, the FY23 Audit Plan (Plan) and Audit Risk Analysis were shared with the Chair of the Finance & Audit Committee (Committee) and the Sr. Vice President for Finance & Business Services for review and comment. The Plan will now be presented to the full Committee for approval at the December 8, 2022 meeting.

Audit projects included in the Plan were selected based on the Audit Risk Analysis, which considered inputs from: 1) the Enterprise Risk Assessment presented to the Committee this past June, 2) discussions with University leadership and key stakeholders, 3) prior audit history, and 4) emerging risks in higher education. The Plan also includes four rollover projects from the prior year, required audits, requests from University leadership, and follow up of outstanding audit recommendations.

The table shown on the following page lists each audit project in the Plan, as well as its estimated hours, timeline, audit type, area, and source for inclusion (i.e., risk assessment, required audit, request from management, etc.). The first column in the table is a reference from the Audit Risk Analysis to indicate the level of risk each project is addressing, as it relates to the audit department(s) or entity. Multiple risk references are shown where the audit project involves multiple departments.

Highlighted in the Plan are the major audit projects and continuous auditing projects for the year. The Plan also includes our monitoring and administration of the University's ethics hotline, and the first phase of IACS's internal quality assurance self-assessment.

Additional IACS Activities

In addition to the audit projects listed in the Plan, IACS expects to also allocate staff resources to perform the following activities:

- Facilitate management's annual update to the University's Enterprise Risk Assessment
- Coordinate selecting a new Independent Public Accountant (IPA) firm for Miami University and Miami University Foundation with the Ohio Auditor of State
- Perform advisory services and other ad-hoc requests from management
- Participate in special projects

Internal Audit & Consulting Services
FY 2023 Audit Plan

Risk Reference	Risk Level	Audit Project	Audit Division	Audit Dept	Audit Type	Project Source	Estimated Hours	Qtr 1	Qtr 2	Qtr 3	Qtr 4
21	Moderate	CADS Gift Cards Investigation	Academic Affairs	Research & Innovation	Special Project	Internal	40				
1; 35	High	TimeClock Plus Time Tracking Application	Finance & Business Services	FBS IT/HR/Payroll	Operational/IT	Prior Year Rollover	375				
5	High	Regionals P-Card Fraud	Academic Affairs	Regionals Dean's Office	Special Project	Prior Year Rollover	100				
7	High	Follow Up – Outsourced Vulnerability Assessment	IT Services	Information Security Office	Follow Up	Required	15				
8	High	Follow Up – VAWA Required Notifications	Student Affairs	Community Standards	Follow Up	Required	15				
30	Moderate	Annual Security & Fire Safety Reporting	Finance & Business Services	Public Safety	Compliance	Management Request	35				
36	Low	Follow Up – University Purchasing Cards	Finance & Business Services	Accounts Payable	Follow Up	Required	50				
43	Low	Follow Up – Residency Reclassification	Enrollment Management	One Stop Services	Follow Up	Required	75				
36	Low	Follow Up – Vendor Records	Finance & Business Services	Accounts Payable	Follow Up	Required	15				
6	High	Follow Up – ICA P-Cards	Intercollegiate Athletics	ICA Business Office	Follow Up	Required	50				
20	Moderate	Follow Up – Locally Administered Capital Projects	Finance & Business Services	PFD Planning, Architecture, & Engineering	Follow Up	Required	15				
33; 41; 42	Low	DSE Recreation Management Application	Finance & Business Services	FBS IT/PFD Rec Sports & Goggin	Operational/IT	Prior Year Rollover	375				
21	Moderate	Follow Up – Controlled Substances Purchasing	Academic Affairs	Research & Innovation	Follow Up	Required	50				
21	Moderate	Follow Up – CADS Gift Cards Investigation	Academic Affairs	Research & Innovation	Follow Up	Required	10				
–	N/App	Enterprise Risk Management Assessment	University-wide	University-wide	Special Project	Management Request	375				
1; 23; 35	High	Follow Up – Payroll Adjustments Review	Finance & Business Services	HR/Payroll	Follow Up	Required	100				
20	Moderate	Follow Up – PFD Time & Materials Contracts	Finance & Business Services	PFD Planning, Architecture, & Engineering	Follow Up	Required	50				
3	High	Scholarship Awards	Enrollment Management	Student Financial Assistance	Compliance	Risk Analysis	375				
8	High	Student Sexual Misconduct Proceedings	Student Affairs	Community Standards	Compliance	Management Request	175				
6	High	Football-attendance Verification	Intercollegiate Athletics	Intercollegiate Athletics	Compliance	Required	135				
17; 37	Low	Follow Up – Campus Services Physical Inventory	Finance & Business Services	Campus Services	Follow Up	Required	15				
7	High	Follow Up – Payment Card Industry (PCI) Compliance	IT Services	Information Security Office	Follow Up	Required	15				
–	N/App	Follow Up – Buyway System Administrators	Finance & Business Services	FBS IT	Follow Up	Required	15				
27	Moderate	Post-Award Administration of Sponsored Programs	Finance & Business Services	GAC Grants & Contracts	Compliance	Risk Analysis	375				
6	High	ICA Sports Camps Payments & Refunds	Intercollegiate Athletics	ICA Business Office	Operational	Risk Analysis	200				
–	N/App	IIA Self-Assessment with Independent Validation	Finance & Business Services	Internal Audit & Consulting Services	Special Project	Required	50				
36	Low	P-Card Continuous Auditing	Finance & Business Services	Accounts Payable/University-wide	Operational	Risk Analysis	300				
37	Low	Capital Assets Continuous Auditing	Finance & Business Services	General Accounting	Special Project	Management Request	225				
1	High	Ethics Hotline Monitoring and Administration	University-wide	University-wide	Special Project	Required	50				

**BOARD OF TRUSTEES
MIAMI UNIVERSITY
Minutes of the Investment Subcommittee Meeting
Roudebush Hall, Room 104
Miami University, Oxford, Ohio
December 7, 2022**

The meeting of the Investment Subcommittee was called to order at 3:00 p.m. by Subcommittee Chair, National Trustee Biff Bowman. The meeting was held in Roudebush Hall, Room 104 on the Oxford campus. Along with Chair Bowman, Subcommittee members; Trustee Mary Schell, and National Trustee Mark Sullivan, were present.

In addition to the Subcommittee members, Senior Vice President David Creamer, and Secretary to the Board of Trustees Ted Pickerill, from the President's Executive Cabinet were present. Representatives from the outside CIO, Strategic Investment Group (SIG), included; Nikki Kraus, Markus Krygier, Leah Posadas, in person, and Christopher Pond via telephone. Associate Treasurer and Miami Foundation CFO Bruce Guiot, and Director of Investments Tim Viezer, were also present.

Following a motion by Trustee Schell and a second by National Trustee Mark Sullivan, the minutes from the prior meeting were unanimously approved by voice vote, with all voting in favor and none opposed.

The Subcommittee reviewed the capital stack, comprised of the endowment pool, the University's non-endowment investments, and its operating cash.

Bruce Guiot explained that the Tier 1 increase was due to the semesterly inflow of tuition. Tier 2 decreased due to a \$10M annual draw for Boldly Creative. He stated that operating cash flow so far for FY23 through October 31 is tracking to forecast, and the endowment/PIF was valued at \$658 million as of October 31.

The Subcommittee reviewed investment performance for FY23 through October 31 for both the non-endowment and endowment. After a strong July, returns again turned negative, however Miami's returns have slightly outperformed the benchmarks. The increased interest rates meant to curb sustained rising inflation have impaired most types of investments, with the non-endowment down about 2% for the FYTD. The endowment/PIF was down about 1.8% (exclusive of some private capital investment returns yet to be included). Finally, the Subcommittee was informed that preliminary performance results for November appear strongly positive, with an anticipated positive November 31 YTD return.

There were no recommendations for movement between tiers.

Strategic Investment Group reviewed investment manager fees for the previous fiscal year. They reported that fee negotiations and asset aggregations with other clients resulted in an estimated savings of about \$796,000 for the non-endowment in FY22.

Next, Bruce Guiot provided a retirement plan update. Assets in the Alternative Retirement Plan and the 403(b) supplemental plans totaled over \$483 million as of September 30, down approximately \$100M since December 30. Miami is currently maintaining 4 vendors, the minimum allowed by State law.

Dr. Creamer and Bruce Guiot provided a brief update and led a discussion on various sustainability initiatives and topics related to the physical campus. They reported there have been significant energy consumption reductions to date through the use of alternative heating and cooling (geothermal), the application of more efficient systems during renovations, and campus projects, such as the replacement of steam with hot water heating. The University is rated “Gold” through the Sustainability Tracking, Assessment, and Rating System (STARS).

SIG Reported that Moody’s is entering this area, and will be considering ESG in scoring. SIG will keep Miami informed as industry standards develop.

Finally, SIG provided a preview of modelling they are conducting regarding the impact of higher inflation and interest rates on their capital market assumptions. SIG will provide the results for discussion at the next meeting.

With no more business to come before the Subcommittee, National Trustee Sullivan moved and Trustee Schell seconded a motion to adjourn which was unanimously approved by voice vote, with all voting in favor and none opposed, and the meeting adjourned at 5:00 p.m.



Theodore O. Pickerill II
Secretary to the Board of Trustees

REPORT ON CASH AND INVESTMENTS
Finance and Audit Committee
Miami University
November 14, 2022

Non-Endowment Fund

For the quarter ending September 30, 2022, the non-endowment's estimated net-of-fees return excluding Operating Cash was -3.8%. Tier II Baseline Core Cash returns were 0.0% and Special Initiatives Fund returns were 1.5%, while Tier III's return was -5.3%. Public equities, the largest allocation in Tier III, fell -7.8% for the quarter. Fixed income fell -3.3%, and real assets also fell -4.6 %. Hedge funds rose +0.9%.

At September 30th, Operating Cash was about \$137.2 million, up cyclically from \$96.6 million at the end of June. Operating Cash earned an approximate 177 bps (annualized) yield on the average balance for the quarter, in addition to a significant portion receiving earnings credit against bank fees. Transfers from Tier I o Tier III totaled \$15 million during the quarter (\$5 million each month), while (.8 million was transferred from Tier II to Tier I, representing the annual draw from the Boldly Creative/Special Initiatives Fund

	Fair Value	% of
Current Funds	(Millions)	Portfolio
Operating Cash (Tier I):		
Short-term Investments*	\$137,233,988	15.8%
Core Cash (Tier II):		
Baseline Tier II	\$186,126,223	21.4%
<u>Special Initiatives</u>	<u>\$29,745,202</u>	3.4%
Total Core Cash (Tier II):	\$215,871,425	24.9%
Long-Term Capital (Tier III):		
Equity Investments	\$263,914,274	30.4%
Debt Investments	\$125,723,434	14.5%
Hedge Funds	\$55,952,279	6.4%
Real Assets	\$54,256,658	6.3%
Other**	\$1,523,106	0.2%
<u>Cash</u>	<u>\$13,281,118</u>	1.5%
Total Long-Term Capital (Tier III)	\$514,650,869	59.3%
Total Current Fund Investments	\$867,756,282	100.0%

*From "Cash Flow Report," not included in performance report.

**Includes Cintrifuse Syndicate Fund II and Cash.

(Continued on next page)

REPORT ON CASH AND INVESTMENTS
Finance and Audit Committee
Miami University
November 14, 2022

Endowment Pooled Investment Fund

The endowment's returns were -4.2% for the quarter ending September 30th. This figure excludes updated values for private capital, which report on a significant lag. The endowment's return was weighed down by negative returns in public equity -7.6%, fixed income -4.9%, and real assets -3.2%. Hedge funds were up +0.9%.

The Miami University Foundation Investment Committee met on September 21st to review performance, the public equity portfolio and benchmarking, an updated "three lever model" forecast, an update on Diversity, Equity, and Inclusion at SIG, and the results of a Commonfund-FGA study on governance. The Committee welcomed two new members as two members' terms expire.

Bond Project Funds

The University drew approximately \$9.9 million for construction expenses during the quarter. As of September 30, 2022, the balance remaining in the Series 2020 Bond Project Fund was \$50,192,238.

Attachments

Non-endowment Performance Summary as of 9/30/2022, "Quarterly Report"
MUF Performance Summary as of 9/30/2022, "Quarterly Report"

PERFORMANCE SUMMARY

Miami University
September 30, 2022



Asset Class <i>Benchmark</i>	Market Value (\$ mill)	Strategic Portfolio (%)	Rates of Return (%)										Inception Date
			1 Month	3 Month	Fiscal Year To Date	Calendar Year To Date	1 Year	3 Year	5 Year	10 Year	Since Policy Inception	Since Inception	
Miami University Long-Term Capital Tier III (Net of Sub-Mgr Fees)	513.128	100.0%	(6.2)	(5.3)	(5.3)	(14.9)	(12.7)	4.3	3.7	4.0	6.0	4.3	30-Jun-02
Miami University Long-Term Capital Tier III (Net of Sub-Mgr and Strategic Fees)	513.128	100.0%	(6.2)	(5.3)	(5.3)	(15.1)	(12.9)	4.1	-	-	5.7	-	31-Dec-18
Total Portfolio Policy Benchmark			(6.9)	(5.4)	(5.4)	(17.8)	(15.2)	2.5	2.9	3.6	5.0	4.1	
Total Portfolio Policy Benchmark (Net of Fees)			(7.0)	(5.4)	(5.4)	(17.9)	(15.4)	2.3	-	-	4.9	-	
Miami University - Baseline Tier II (Net of Sub-Mgr Fees)	186.126	100.0%	(0.1)	0.0	0.0	(0.7)	(0.8)	0.4	0.7	0.9	0.9	2.3	30-Jun-02
Miami University - Baseline Tier II (Net of Sub-Mgr and Strategic Fees)	186.126	100.0%	(0.1)	0.0	0.0	(0.7)	(0.8)	0.3	-	-	0.8	-	31-Dec-18
Total Portfolio Policy Benchmark			(0.5)	(0.5)	(0.5)	(1.8)	(2.0)	0.1	0.7	0.7	0.7	1.9	
Total Portfolio Policy Benchmark (Net of Fees)			(0.5)	(0.5)	(0.5)	(1.9)	(2.1)	0.0	-	-	0.6	-	
Miami University Special Initiatives Fund (Net of Sub-Mgr Fees)	29.745	100.0%	(1.1)	(1.5)	(1.5)	(4.4)	(5.0)	(0.2)	-	-	1.7	1.7	19-Sep-18
Miami University Special Initiatives Fund (Net of Sub-Mgr and Strategic Fees)	29.745	100.0%	(1.1)	(1.5)	(1.5)	(4.5)	(5.0)	(0.3)	-	-	1.6	1.6	19-Sep-18
Total Portfolio Policy Benchmark			(1.1)	(1.5)	(1.5)	(4.5)	(5.0)	(0.3)	-	-	1.6	1.6	
Miami University Core Cash (Net of Sub-Mgr Fees)	215.871		(0.3)	(0.2)	(0.2)	(1.3)	(1.5)	0.5	1.2	1.1	1.5	2.5	30-Jun-02
Miami University Core Cash (Net of Sub-Mgr and Strategic Fees)	215.871		(0.3)	(0.2)	(0.2)	(1.3)	(1.5)	0.4	-	-	1.4	-	31-May-18
Total Miami University Client Group (Net of Sub-Mgr and Strategic Fees)	728.999		(4.5)	(3.9)	(3.9)	(11.3)	(9.7)	2.8	2.7	2.6	3.1	3.1	30-Jun-02

PERFORMANCE SUMMARY

Miami University Long-Term Capital Tier III

September 30, 2022



Asset Class <i>Benchmark</i>	Market Value (\$ mill)	Portfolio (%)	Rates of Return (%)										Inception Date
			1 Month	3 Month	Fiscal Year To Date	Calendar Year To Date	1 Year	3 Year	5 Year	10 Year	Since Policy Inception	Since Inception	
U.S. Equity <i>U.S. Equity Policy Benchmark</i>	95.878	18.7%	(8.8) (9.3)	(4.3) (4.5)	(4.3) (4.5)	(22.4) (24.6)	(15.3) (17.6)	8.6 7.7	- -	- -	11.9 11.4	6.5 6.1	31-Aug-18
Non-U.S. Equity <i>Non-U.S. Equity Policy Benchmark</i>	130.257	25.4%	(9.9) (10.3)	(10.4) (10.0)	(10.4) (10.0)	(25.4) (27.0)	(24.5) (26.0)	1.5 (1.5)	- -	- -	3.8 1.6	0.1 (1.8)	31-Aug-18
Global Equity <i>Global Equity Benchmark</i>	37.779	7.4%	(9.9) (9.4)	(7.5) (6.3)	(7.5) (6.3)	(27.6) (25.5)	(23.8) (20.1)	1.7 4.2	- -	- -	- -	1.8 3.9	30-Apr-19
Total Equity	263.914	51.4%	(9.5)	(7.8)	(7.8)	(24.6)	(21.1)	4.1	-	-	7.0	2.6	31-Aug-18
Hedge Funds (Net Exposure) <i>Hedge Funds Policy Benchmark</i>	55.952	10.9%	0.4 (1.0)	0.9 0.5	0.9 0.5	1.5 (4.7)	1.2 (4.7)	5.8 1.8	4.8 2.6	5.1 6.3	5.5 2.4	4.0 6.3	30-Jun-02
Total Alternatives	55.952	10.9%	-	-	-	-	-	-	-	-	-	-	30-Jun-02
Real Estate - IRR <i>Real Estate Policy Benchmark - IRR</i>	13.812	2.7%	- -	0.0 0.0	0.0 0.0	10.4 12.0	18.5 20.6	10.8 11.4	- -	- -	- -	10.6 11.3	28-Jun-19
Commodities <i>Commodities Policy Benchmark</i>	15.304	3.0%	(7.7) (7.8)	(11.1) (10.3)	(11.1) (10.3)	20.8 21.8	22.5 23.6	10.8 12.2	- -	- -	- -	8.1 9.8	31-Jan-19
TIPS <i>TIPS Policy Benchmark</i>	25.140	4.9%	(4.0) (5.0)	(3.1) (3.9)	(3.1) (3.9)	(6.3) (8.8)	(5.2) (7.4)	1.8 1.8	- -	- -	- -	2.8 2.8	30-Jan-19
Total Real Assets	54.257	10.6%	(4.1)	(4.6)	(4.6)	5.5	8.0	7.6	-	-	-	6.8	30-Jan-19
U.S. Fixed Income <i>U.S. Fixed Income Policy Benchmark</i>	125.723	24.5%	(3.4) (4.3)	(3.3) (4.3)	(3.3) (4.3)	(10.8) (14.6)	(10.5) (14.5)	(0.2) (2.9)	- -	- -	1.2 (0.1)	1.5 0.3	30-Jun-18
Total Fixed Income	125.723	24.5%	(3.4)	(3.3)	(3.3)	(10.8)	(10.5)	(0.2)	1.2	2.1	1.2	4.1	30-Jun-02
Total Cash, Accruals, and Pending Trades	13.281	2.6%	0.1	0.2	0.2	0.7	1.0	1.0	-	-	1.0	1.0	27-Aug-18
Miami University Long-Term Capital Tier III (Net of Sub-Mgr Fees)	513.128	100.0%	(6.2)	(5.3)	(5.3)	(14.9)	(12.7)	4.3	3.7	4.0	6.0	4.3	30-Jun-02
Miami University Long-Term Capital Tier III (Net of Sub-Mgr and Strategic Fees)	513.128	100.0%	(6.2)	(5.3)	(5.3)	(15.1)	(12.9)	4.1	-	-	5.7	-	31-Dec-18
<i>Total Portfolio Policy Benchmark</i>			(6.9)	(5.4)	(5.4)	(17.8)	(15.2)	2.5	2.9	3.6	5.0	4.1	
<i>Total Portfolio Policy Benchmark (Net of Fees)</i>			(7.0)	(5.4)	(5.4)	(17.9)	(15.4)	2.3	-	-	4.9	-	
Cintrifuse Syndicate Fund II, LLC	1.134												
TOTAL	514.262												30-Jun-02

PERFORMANCE SUMMARY

Miami University Pooled Investment Fund

September 30, 2022



Asset Class <i>Benchmark</i>	Market Value (\$ mill)	Total Portfolio (%)	Rates of Return (%)								Since Policy Inception	Since Inception	Inception Date
			1 Month	3 Month	Fiscal Year To Date	Calendar Year To Date	1 Year	3 Year	5 Year	10 Year			
U.S. Equity <i>U.S. Equity Policy Benchmark</i>	123.559	19.3%	(8.8) (9.3)	(4.3) (4.5)	(4.3) (4.5)	(22.3) (24.6)	(15.3) (17.6)	8.7 7.7	- -	- -	6.1 6.5	6.7 7.1	24-Jul-18
Non-U.S. Equity <i>Non-U.S. Equity Policy Benchmark</i>	145.734	22.7%	(10.1) (10.6)	(10.6) (10.4)	(10.6) (10.4)	(26.3) (27.0)	(26.0) (26.5)	0.9 (1.6)	- -	- -	(0.3) (1.6)	(0.4) (1.6)	30-Jun-18
Global Equity <i>Global Equity Benchmark</i>	45.005	7.0%	(9.9) (9.4)	(7.5) (6.3)	(7.5) (6.3)	(27.6) (25.5)	(23.8) (20.1)	1.7 4.2	- -	- -	1.6 3.5	2.5 4.2	30-Jun-18
Total Equity	314.299	49.0%	(9.5)	(7.6)	(7.6)	(24.8)	(21.2)	4.2	3.8	6.6	2.6	5.9	31-Dec-96
Private Equity - IRR <i>Private Equity Policy Benchmark - IRR</i>	109.728	17.1%	-	-	-	-	8.5	16.1	13.1	9.2	13.5	8.7	30-Sep-95
Hedge Funds (Net Exposure) <i>Hedge Funds Policy Benchmark</i>	89.484	14.0%	0.4 (1.0)	0.9 0.5	0.9 0.5	1.4 (4.7)	0.9 (4.7)	6.2 1.8	- -	- -	4.3 1.2	4.2 1.3	30-Jun-18
Total Alternatives	199.212	31.1%	-	-	-	-	-	-	-	-	-	-	30-Jun-18
Real Estate - IRR <i>Real Estate Policy Benchmark - IRR</i>	21.468	3.4%	-	-	-	-	11.2	9.0	8.6	8.3	9.2	5.3	31-May-06
Timber <i>Timber Policy Benchmark</i>	2.354	0.4%	-	0.0	0.0	3.5	13.1	6.3	-	-	2.8	3.5	30-Jun-18
Commodities <i>Commodities Policy Benchmark</i>	9.597	1.5%	(7.6) (7.8)	(10.1) (10.3)	(10.1) (10.3)	22.1 21.8	23.0 23.6	- -	- -	- -	- -	36.6 32.5	13-Jan-21
TIPS <i>TIPS Policy Benchmark</i>	19.556	3.1%	(4.3) (5.0)	(3.4) (3.9)	(3.4) (3.9)	(6.4) (8.8)	(5.0) (7.4)	- -	- -	- -	- -	(1.0) (2.5)	25-Jan-21
Total Real Assets	52.975	8.3%	(3.0)	(3.2)	(3.2)	3.8	7.2	9.6	-	-	8.9	9.0	30-Jun-18
U.S. Fixed Income <i>U.S. Fixed Income Policy Benchmark</i>	30.528	4.8%	(4.4) (4.3)	(4.9) (4.8)	(4.9) (4.8)	(10.6) (14.6)	(10.4) (14.6)	(1.2) (3.0)	- -	- -	0.6 0.1	0.7 0.2	30-Jun-18
Total Fixed Income	30.528	4.8%	(4.4)	(4.9)	(4.9)	(10.6)	(10.4)	(1.2)	-	-	0.6	0.6	30-Sep-18
Opportunistic - IRR <i>Opportunistic Policy Benchmark - IRR</i>	32.675	5.1%	-	-	-	-	7.4	9.9	8.8	8.7	8.8	-	28-Feb-01
Total Opportunistic - IRR	32.675	5.1%	-	-	-	-	7.4	9.9	8.8	8.7	8.8	-	28-Feb-01
Total Cash, Accruals, and Pending Trades	11.090	1.7%	0.1	0.2	0.2	0.7	1.0	1.0	-	-	1.0	1.0	30-Jun-18
Miami University Pooled Investment Fund (Net of Sub-Mgr Fees)	640.778	100.0%	(5.3)	(4.2)	(4.2)	(13.0)	(9.8)	6.4	5.1	5.7	4.9	8.2	30-Apr-93
Miami University Pooled Investment Fund (Net of Sub-Mgr and Strategic Fees)	640.778	100.0%	(5.4)	(4.3)	(4.3)	(13.2)	(10.0)	6.2	-	-	4.7	-	30-Sep-18
<i>Total Combined Portfolio Policy Benchmark</i>			(6.1)	(4.5)	(4.5)	(16.3)	(12.6)	4.8	4.7	5.8	4.3	6.4	
<i>Total Combined Portfolio Policy Benchmark (Net of Fees)</i>			(6.1)	(4.5)	(4.5)	(16.4)	(12.7)	4.6	-	-	4.1	-	

To: Finance & Audit Committee

From: Terry Moore, Chief Audit Officer

Subject: Internal Audit & Consulting Services Reporting Update

Date: November 18, 2022

OUTSTANDING AUDIT RECOMMENDATIONS

The number of outstanding audit recommendations since the beginning of FY2023 has reduced from 22 to 14. Three new audit recommendations (low-risk) were added as a result of our Center for Analytics and Data Science gift cards investigation, and a total of 11 recommendations have been closed. The one high-risk issue closed is related to University purchasing cards (P-Cards). IACS validated that management implemented our recommendations to strengthen oversight of P-Card expenditures and address noted areas of non-compliance.

Risk Level	Open as of July 1	Added	Closed	Open as of November 18
High	3	0	1	2
Moderate	11	0	5	6
Low	8	3	5	6
Total	22	3	11	14

Details on the statuses of the 14 recommendations that remain outstanding are provided in the tables on the following pages (*Open Internal Audit Issues*), as well as for the 11 recommendations that were closed (*Closed Internal Audit Issues*).

Open Internal Audit Issues

Line	Audit Name And Date	Date Opened	Date Due	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
1	178.1 - Audit of Residency Reclassification - 6/2020	06/03/2020	06/30/2021	High	Enrollment Mgt & SS	IACS recommends One Stop Services implement procedures for reclassifying non-resident students as Ohio residents for tuition purposes in accordance with Ohio Administrative Code 3333-1-10 section (F)(4). Due to the significant financial impact, additional procedures should be added to require secondary, higher level review and approval prior to reclassifying a student as a resident in Banner.	Jerrad Harrison, Director of One Stop Services	IACS has another follow up audit scheduled during Q2 of FY2023 to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%
2	207.1 - Outsourced Vulnerability Assessment - 9/2021	09/08/2021	08/01/2022	High	IT Services	CBTS finalized written reports of their findings from internal and external penetration tests in September 2021. The reports identified a number of weaknesses and vulnerabilities that could expose the University to risk of compromise. Vulnerabilities were categorized as high, medium, or low and specific recommendations were made to address the identified risks. IACS recommends IT Services Security, Compliance, and Risk Management take appropriate actions to address CBTS's recommendations and resolve the identified vulnerabilities.	John Virden, Asst VP for Security, Compliance & Risk Mgt and CISO	IACS followed up with IT Services' Information Security Office (ISO) in November 2022 to determine the status of actions taken to address the cybersecurity vulnerabilities identified by CBTS during their internal and external network penetration tests in fall 2021. The ISO reported that actions have been completed for all but two of the identified vulnerabilities (External Item #5, and Internal Item #3). However, critical items within these two vulnerabilities have been addressed, with only minimal actions remaining. This audit recommendation remains open, and IACS will continue to follow up as management takes further action.
								95%
3	178.3 - Audit of Residency Reclassification - 6/2020	06/03/2020	06/30/2020	Moderate	Enrollment Mgt & SS	IACS recommends One Stop Services strengthen related internal controls, as further discussed below. a. Enforce deadline requirements consistently. b. Require official IRS tax return transcripts when such information is necessary. c. Update the One Stop Services' website, application form, and procedures to reflect any changes.	Jerrad Harrison, Director of One Stop Services	IACS has another follow up audit scheduled during Q2 of FY2023 to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%
4	198.1 - Review of Payroll Adjustments - 1/2021	01/22/2021	08/31/2021	Moderate	Finance & Business Services	Payroll adjustments are also known as "out of cycle pays". IACS recommends the following eight actions be considered to reduce the need for payroll adjustments and/or streamline the process. 1. In order to meet pay schedules, post deadlines for departments to submit information to Human Resources (HR) and Academic Personnel (AP) on the HR and AP websites. 2. Establish hard start dates where individuals always start on a set date depending on their classification. 3. Establish an approval process for payroll adjustments. 4. Establish Process Maker training and instructions. 5. Communicate missed pays when possible with Process Maker, not as currently is done in an email. 6. Automate the Special Pay process, as it has been cited as a cause for payroll adjustments. 7. Process terminal payouts on a pay cycle, rather than as a payroll adjustment. 8. Review and update job documentation annually.	Theresa Murphy, Director of Employment; Bess Sprockett, Director of Academic Personnel Services	IACS followed up on the status of this recommendation in October 2022. Management is still in process of fully implementing all recommended actions, however, item #2 is no longer applicable. Given the volatility of the hiring market post-COVID, IACS concurs that it is no longer feasible to establish hard start dates for new employees. Items #3, #5, and #7 have been completed, and management intends to implement items #1, #4, #6, and #8 within the next 90 days. This recommendation remains open, and IACS will continue to follow up as further actions are taken.
								65%

Open Internal Audit Issues

Line	Audit Name And Date	Date Opened	Date Due	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
5	204.2 - Audit of Intercollegiate Athletics P-Cards 2/2021	02/17/2021	06/30/2021	Moderate	President	<p>Comply with the Miami University Purchasing Policy by using the correct procurement method.</p> <p>A. IACS recommends that ICA comply with the Miami University Purchasing Policy by using the correct procurement method. Rather than a P-Card, ICA should work with the Office of Strategic Procurement to requisition Purchase Orders for future adidas contract purchases. In the event a supplier does not accept purchase orders, the Direct Pay method should be considered. ICA should also work with the Office of Accounts Payable to verify processes will be in place for timely payment to adidas suppliers. Doing so will strengthen internal control through separation of duties.</p> <p>B. Rather than using P-Cards as the procurement method for music subscriptions, ICA should discuss their needs to broadcast music at university sponsored events with the Office of Strategic Procurement. This office may be able to negotiate a site license to combine ICA's needs with other MU units having similar requirements to publicly play music.</p>	Jude Killy, Deputy Director of Athletics and Chief of Staff	IACS followed up on this audit recommendation in October 2022. Management reported that the audit issues have been addressed. IACS is in process of performing a follow-up audit to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%
6	206.1 - Buyway System Administrators – Review of Roles and Responsibilities - 3/2021	03/24/2021	09/30/2021	Moderate	Finance & Business Services	<p>Internal controls need strengthening to reduce the risk of an invoice being approved for payment by a Buyway system administrator. Specifically, IACS recommends FBS IT, Strategic Procurement, and Accounts Payable work together on the following actions to reduce this risk and implement the principle of least privilege.</p> <p>1. Document the Buyway Administrator (Admin) responsibilities and procedures for each area (FBS IT, Procurement, and Accounts Payable). This should identify what workflows each person processes in his or her Admin role, and the purpose and procedures for doing so.</p> <p>2. Analyze the permissions and functions of the various Buyway Admin assigned roles, and verify that the current assignments and permissions are appropriate and necessary. The analysis should include the following control factors:</p> <ol style="list-style-type: none"> Admins should not have system permissions that would allow them to approve an invoice for payment. Only one Admin and a backup should have the ability to assign permissions. Admins who have the ability to assign permissions should have a written protocol for assigning approval authority, including when authority may be delegated. Management should also verify that it is still appropriate and necessary to have six Admins in three separate departments. <p>3. Implement procedures to detect instances where the Buyway Admins may have approved an unauthorized workflow. This mitigating control should be in place until point 2 of this recommendation has been addressed.</p>	Brad Grimm, Assistant VP & FBS CIO	IACS has another follow up audit scheduled during Q4 of FY2023 to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%

Open Internal Audit Issues

Line	Audit Name And Date	Date Opened	Date Due	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
7	201.2 - Audit of PFD Time & Materials Contracts - 8/2021	08/10/2021	02/28/2022	Moderate	Finance & Business Services	<p>IACS recommends that the Physical Facilities Department (PFD):</p> <p>a. Implement procedures to record cost estimates for Time and Materials (T&M) work orders in the WebTMA maintenance management system.</p> <p>b. Compare actual, cumulative costs to the work order estimates, and document the reason for significant discrepancies (e.g., emergency situation, uncertain scope of work).</p> <p>c. Consider using the recorded cost estimate to assign a "Not to Exceed" amount to T&M work orders to incentivize contractors to increase efficiency.</p>	Michael Creager, Project Manager of Construction	<p>IACS followed up on this recommendation in November 2022. Management reported that progress has been made on implementing the recommended actions. Project managers are entering cost estimates for each work order, and an automated report is being tested to assist with comparing variances above a certain percentage threshold. Assigning a "Not to Exceed" amount to work orders is still under consideration.</p> <p>This recommendation remains open, and IACS will continue to follow up as management takes further action.</p>
								65%
8	219.1 - Review of Controlled Substances and Regulated Materials Procurement - 4/2022	04/21/2022	06/30/2022	Moderate	Academic Affairs	<p>IACS recommends internal controls be strengthened to reduce the risk that controlled substances and other regulated materials may be misused, mishandled, or potentially removed from authorized research laboratory settings. Specifically, we recommend:</p> <p>a. The Office of Research & Innovation (ORI) comply with the University's P-Card Policy restrictions on purchasing items controlled or regulated by a government entity. Rather than using a P-Card, ORI should continue to work with the Office of Strategic Procurement to implement a process for authorized individuals to requisition purchase orders for controlled substances and other regulated materials. Special attention should be given to:</p> <ol style="list-style-type: none"> 1. Specify the individuals authorized to place orders at each licensed research laboratory location; 2. Specify the pre-approved suppliers from which materials may be procured; 3. Ensure that orders can only be shipped to the specific address on the applicable license; 4. Ensure that purchase orders have approval from the Director of Research, Ethics, and Integrity prior to being executed; and 5. Ensure proper separation of duties between ordering, receiving , and payment with particular focus on ensuring that the person who places the order is not also the person who receives the order. <p>b. The Office of Research and Innovation (ORI) close or otherwise inactivate the Ohio Board of Pharmacy terminal facility license for Roudebush Hall (License# 022158300) given that: a) This location does not have a research laboratory; b) No research using controlled substances or regulated materials is conducted in this building; and c) Procurement of controlled substances and other regulated materials by ORI should not occur.</p> <p>c. The Office of Research and Innovation change the responsible persons for the Ohio Board of Pharmacy terminal facility licenses for Pearson Hall (License# 0272000076) and Phillips Hall (License# 0272000075). Instead of the Director of Research, Ethics and Integrity, it appears more appropriate for the responsible person to be an individual physically present at each location to help ensure that a sufficient amount of time can be provided to supervise and control the dangerous drugs and regulated materials on-site, in accordance with Ohio Administrative Code Rule 4729:5-2-01.</p> <p>The Office of Research and Innovation update their internal policies and procedures relevant to procuring controlled substances and other regulated materials, i.e., MU Controlled Materials Policies (Research), with sufficient details on the new procurement process.</p>	Susan McDowell, VP for Research & Innovation	<p>Management reported in July 2022 that actions have been completed to address the audit recommendations. Specifically, a procurement process for controlled substances (and other regulated materials) has been implemented, and the Ohio Board of Pharmacy terminal facility licenses have been appropriately addressed. IACS has a follow-up audit scheduled during Q2 of FY2023 to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.</p>
								99%

Open Internal Audit Issues

Line	Audit Name And Date	Date Opened	Date Due	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
9	204.5 - Audit of Intercollegiate Athletics P-Cards - 2/2021	02/17/2021	08/23/2021	Low	President	<p>Comply with the Miami University Hosting and P-Card policies.</p> <p>IACS recommends ICA strengthen internal control oversight of P-Card expenditures and expense reporting by reviewing for compliance with the Hosting and P-Card policies prior to approval. Specifically, approval from the President should be documented for hosting meals exceeding the hosting limits of \$20, \$40, and \$70 for breakfast, lunch, and dinner respectively. Team meals and hosting expenditures should state the number of people in attendance, the event dates, and use correct account numbers.</p> <p>In addition, IACS recommends ICA staff members comply with the P-Card Policy stating that meals during travel status be reimbursed via travel expense reporting. Meals during travel status are not permitted on P-Cards, with the exception only for hosting.</p>	Jude Killy, Deputy Director of Athletics and Chief of Staff	IACS followed up on this audit recommendation in October 2022. Management reported that the audit issues have been addressed. IACS is in process of performing a follow-up audit to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%
10	201.1 - Audit of PFD Time & Materials Contracts - 8/2021	08/10/2021	11/01/2021	Low	Finance & Business Services	IACS recommends that the Physical Facilities Department (PFD) adjust the hourly rates for T&M contractors by specific worker classification (i.e., journeyman, apprentice, laborer, helper, etc.), in alignment with adjustments made by the State of Ohio Department of Commerce Bureau of Wage & Hour Administration and the terms of the Contract Documents.	Michael Creager, Project Manager of Construction	IACS followed up on this recommendation in November 2022. Management reported that hourly rate increases for T&M contractors were made in alignment with the State of Ohio Department of Commerce Bureau of Wage & Hour Administration. IACS has a follow up audit scheduled during Q3 of FY2023 to validate that management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%
11	201.3 - Audit of PFD Time & Materials Contracts - 8/2021	08/10/2021	11/01/2021	Low	Finance & Business Services	IACS recommends that the Physical Facilities Department (PFD) enforce actions required of Time and Materials contractors by the Contract Documents to provide a detailed account of the work performed each day and the approximate percentage of completion of the work order.	Michael Creager, Project Manager of Construction	IACS followed up on this recommendation in November 2022. Management reported that PFD is consistently enforcing T&M contractors requirements to provide a detailed account of the work performed each day, and an approximate percentage of completion of the work order. IACS has a follow up audit scheduled during Q3 of FY2023 to validate management's actions have effectively resolved the audit findings. As such, IACS shows this recommendation as 99% complete.
								99%
12	209.1 - Locally Administered Capital Projects Audit - 6/2022	06/08/2022	07/31/2022	Low	Finance & Business Services	IACS recommends Planning, Architecture and Engineering establish procedures to verify that the prequalified bidders on subcontracts for work to be performed under a Construction Manager (CM) or Design-Build (DB) contract meet the prequalification criteria established by the CM or BD firm for the project, as required by Ohio Revised Code 153.502.	Robert Bell, Director Planning Architecture & Engineering	IACS followed up on this recommendation in October 2022. Management reported that procedures have been established to verify prequalified subcontractors. IACS is in process of validating management's actions have appropriately addressed the audit recommendation. As such, IACS shows this recommendation as 99% complete.
								99%
13	209.2 - Locally Administered Capital Projects Audit - 6/2022	06/08/2022	07/31/2022	Low	Finance & Business Services	IACS recommends Planning, Architecture and Engineering (PAE) establish procedures to ensure that Selection Criteria scores are accurately subtotaled on the OFCC's Selection Rating Form. We also recommend PAE utilize an electronic version of the form, and consider adding built-in logic to automatically subtotal scores.	Robert Bell, Director Planning Architecture & Engineering	IACS followed up on this recommendation in October 2022. Management reported that procedures have been established to ensure that Selection Criteria scores are accurately subtotaled. IACS is in process of validating management's actions have appropriately addressed the audit recommendation. As such, IACS shows this recommendation as 99% complete.
								99%
14	209.3 - Locally Administered Capital Projects Audit - 6/2022	06/08/2022	07/15/2022	Low	Finance & Business Services	IACS recommends Planning, Architecture and Engineering establish procedures to ensure the Local Administration Request and Application for Local Administration Certification forms are accurate, complete, and submitted timely, as required by Ohio Revised Code 3345.51.	Robert Bell, Director Planning Architecture & Engineering	IACS followed up on this recommendation in October 2022. Management reported that procedures have been established to ensure that State required forms are accurate, complete, and submitted timely. IACS is in process of validating management's actions have appropriately addressed the audit recommendation. As such, IACS shows this recommendation as 99% complete.
								99%

Closed Internal Audit Issues

Line	Audit Name And Date	Date Opened	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
1	160.1 - Audit of University Purchasing Cards - 12/2020	12/02/2020	High	Finance & Business Services	<p>Strengthen oversight of material P-Card expenditures and address areas of noncompliance.</p> <p>a. To strengthen internal control and monitor compliance with the University's P-Card Policy and Travel Policy, IACS recommends centralized review and approval of both 1) Business P-Card reports that should capture expenses other than travel and 2) Travel and Expense reports. A minimum dollar threshold should be established to ensure efforts are focused on material transaction amounts. Historical expense report data should be analyzed to determine the threshold amount. If desired, random sampling may be done on amounts below the threshold.</p> <p>b. As a preventive control, IACS recommends controlling purchases of specific commodities where possible by restricting the related Merchant Category Codes (MCC). If the MCC cannot be restricted as a preventive control, an information campaign should be executed to communicate correct purchasing methods for commodity specific and on-campus purchases. Items that are not permitted on P-Cards should be communicated as a reminder.</p>	Irena Chushak, Director of Payroll & Payables	<p>IACS followed up on this recommendation in November 2022. We concluded that management has strengthened oversight of material P-Card expenditures, and continues to address areas of non-compliance, as IACS recommended.</p> <p>Specifically, Accounts Payable now provides centralized review and approval of both Business P-Card and Travel and Expense reports. A minimum dollar threshold was established for both types of reports to ensure efforts are focused on material transactions, which are based on historical expense data. Accounts Payable also monitors purchases in specific expense categories, such as hosting, apparel, and commodities. Accounts Payable has enabled MCC restrictions to the furthest extent possible without disrupting business operations. This recommendation was closed on November 14, 2022.</p>
2	180.1 - Campus Services Physical Inventory - 9/2018	09/06/2018	Moderate	Finance & Business Services	<p>IACS recommends Campus Services management establish a comprehensive physical inventory count process for Campus Services units holding inventory for resale. An overall framework of the process should be established for Campus Services, and be adapted to the various inventory types and needs of each unit to eliminate gaps in current processes. Particular attention should be made to comparing count results to recorded quantities on-hand and researching discrepancies prior to approving on-hand balance adjustments. Subsequently, corrective actions should be taken to prevent any errors in the future.</p> <p>The framework and associated policy and procedures should be formally documented, communicated to the necessary parties, and reviewed for execution. Management should also consult with the Office of the Controller to ensure the established process meets the guidelines and requirements for fiscal year-end inventory reporting.</p> <p>5/1/2020 added recommendation: Cost of goods sold (COGS) and gross profit margins should be analyzed in comparison to prior years by Campus Services management and reported to General Accounting. A second person should verify the amounts to be reported to General Accounting are accurate and agree with source documents. Prior to booking inventory adjustments, explanations for significant fluctuations should be verified by General Accounting by reviewing source documents.</p>	Kerin Banfield, Director of Shared Accounting & Financial Services	<p>This recommendation from September 2018 was never fully implemented. A process to compare physical inventory counts to quantities on-hand recorded in the inventory system could not be accomplished. In addition, dining and market facilities operations were outsourced to Aramark in FY23. In an October 2022 update, management stated that Aramark's responsibilities include inventory purchasing and management, including cycle counting and performing physical inventory. Miami's agreement also includes KPIs around food inventory costs to provide checks and balances on Aramark's performance. As such, this recommendation was closed on November 15, 2022.</p>

Closed Internal Audit Issues

Line	Audit Name And Date	Date Opened	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
3	191.1 - Payment Card Industry Compliance Audit - 7/2020	07/08/2020	Moderate	IT Services	<p>IACS recommends the IT Services Payment Card Data Security policy be updated and procedures be documented for maintaining compliance with PCI DSS requirements. The detailed procedures should include:</p> <ul style="list-style-type: none"> - Strengthened communication between IT Services and Treasury Services to ensure MU complies with PCI DSS requirements. Elimination of duplication of efforts regarding collection of Attestations of Compliance from application providers. - Instructions for reaching a point of contact at the bank or payment card processor. - Instructions for addressing any needed repair. - Procedures for required reporting to the bank, if any, regarding PCI compliance. - Procedures for required reporting to senior management including the Vice President for IT Services and the Senior Vice President for Finance and Business Services/Treasurer. 	John Virden, Asst VP for Security, Compliance & Risk Mgt and CISO; Bruce Guiot, Associate Treasurer/CFO MU Foundation	<p>IACS followed up on this recommendation in October 2022. We concluded that management's actions have been effectively implemented to resolve the audit findings.</p> <p>Specifically, IT Services' Payment Card Data Security (PCI) policy was updated, and reviewed and approved for use by the Chief Information Security Officer in May 2022. Included in the update are detailed procedures for maintaining compliance with PCI DSS requirements, as IACS recommended.</p> <p>This audit recommendation was closed on November 14, 2022.</p>
4	192.2 - Audit of Vendor Records -10/2020	10/02/2020	Moderate	Finance & Business Services	IACS recommends Accounts Payable regularly update the vendor database to deactivate dormant vendors. In addition, policies and procedures should be updated to reflect the new process.	Irena Chushak, Director of Payroll & Payables	<p>IACS followed up on this recommendation in October 2022. We concludes that management's actions have been effectively implemented to resolve the audit findings. Specifically, Accounts Payable has implemented a process to deactivate dormant vendors, at least annually. This is audit recommendation was closed on November 14, 2022.</p>
5	204.3 - Audit of Intercollegiate Athletics P-Cards - 2/2021	02/17/2021	Moderate	President	<p>Establish and implement written policies and procedures to identify and report taxable fringe benefits.</p> <p>IACS recommends ICA work with Payroll, General Accounting, and the Office of General Counsel to establish and implement policies and procedures to identify and report taxable fringe benefits as required by the IRS. The policies and procedures should provide clear guidance to departments on determining the fair market value of the fringe benefit, a process for determining whether a benefit is de minimis, and a process for employees to acknowledge receipt and the reported value of the benefit. In addition, the policies and procedures should be communicated campus-wide to create consistency among departments when determining if uniforms or clothing provided to an employee is a taxable benefit.</p>	Jude Killy, Deputy Director of Athletics and Chief of Staff	<p>IACS completed another follow-up audit in November 2022. We concluded that management's actions have been effectively implemented to resolve the audit findings.</p> <p>Specifically, IACS reviewed a sample of taxable fringe benefits reported by ICA in January and August of 2022, and noted no exceptions. IACS also found that taxable fringe benefits were reported to Payroll by other University departments. This audit recommendation was closed on November 14, 2022.</p>

Closed Internal Audit Issues

Line	Audit Name And Date	Date Opened	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
6	204.4 - Audit of Intercollegiate Athletics P-Cards - 2/2021	02/17/2021	Moderate	President	<p>Establish and implement written policies and procedures for merchandise inventory control.</p> <p>IACS recommends ICA's Sport and Facility Services establish and implement written policies and procedures to help ensure that merchandise inventory is physically safeguarded and secured, organized, current and not excessive, valued, and recorded. Policies and procedures should:</p> <ul style="list-style-type: none"> a. Be consistent across all sports; b. Establish cycle counting routines and follow-up procedures to investigate any quantity discrepancies; c. Record acknowledgement of receipt, by individual, of all distributed merchandise (i.e., what, when, and to whom, e.g., student athletes, coaches, and staff); d. Establish verification of proper receipt of contractual credits earned for "Promotional Merchandise" and "Incentive Compensation", as well as use of credits to avoid unused amounts being forfeited; and e. Establish unique login IDs for each staff member to access and place online merchandise orders. 	Jude Killy, Deputy Director of Athletics and Chief of Staff	IACS followed up on this issue in July 2022. ICA's Sport & Facility Services established and implemented written policies and procedures for merchandise inventory control, including cycle counting routines. Merchandise inventory is counted at least monthly, and more frequently as needed. IACS considers this audit issue resolved and is now closed.
7	160.3 - Audit of University Purchasing Cards - 12/2020	12/02/2020	Low	Finance & Business Services	IACS recommends Accounts Payable implement procedures to deactivate P-Cards for terminated and transferred employees. To verify only active employees have active P-Cards, Accounts Payable should periodically compare listings of active cardholders against active employees. P-Cards should also be deactivated when an employee transfers departments within the University. Departmental listings of P-Card holders should be periodically distributed to heads of offices asking them to verify the appropriateness of cardholders within their department.	Irena Chushak, Director of Payroll & Payables	<p>IACS followed up on this recommendation in November 2022. We concluded that management's actions have been effectively implemented to resolve the audit findings.</p> <p>Specifically, Accounts Payable implemented procedures to deactivate P-Card accounts for terminated or transferred employees, as recommended. In addition, Accounts Payable periodically compares listings of active cardholders to active employees, and annually confirms accounts with heads of offices. This audit recommendation was closed on November 14, 2022.</p>
8	208.1 - Clery Act/Title IX/VAWA Notifications Review – Calendar Years 2020 and 2021 - 2/2022	02/14/2022	Low	Student Life	<p>Emphasize the importance of following the procedures when completing a Case Resolution Form</p> <p>IACS recommends Community Standards emphasize to hearing officers and other appropriate staff the importance of following the procedures to complete a Case Resolution Form and send a notification letter in the Maxient system, and provide training as needed. Particular focus should be made on entering the correct case resolution date, and ensuring that letters accurately reflect the proper disciplinary hearing date.</p>	Gabby Dralle, Associate Dean of Students & Interim Dir Community Standard	Management has taken appropriate action to address this audit issue. IACS confirmed that hearing officers and staff received training in March 2022 on the proper procedures to complete a Case Resolution Form and send a notification letter in the Maxient system, especially related to the hearing dates. New staff and the new Director of Community Standards were also trained. As such, this audit issue was closed on 8/22/2022.
9	221.1 - CADS Gift Cards Investigation - 8/2022	08/05/2022	Low	Academic Affairs	IACS recommends the Office of Research and Innovation (ORI) follow up with Miami University Police Department to ensure that the \$1,500 restitution ordered to be paid to Miami is received or otherwise resolved. ORI should work with Treasury Services to ensure that any amount paid is credited to the appropriate account. Given that the gift cards were purchased from index code AAO791 (Center for Analytics & Data Science), it would be appropriate that the credit is made to this account.	Susan McDowell, VP for Research & Innovation	The full \$1,500 restitution has been received by Miami. The deposit is recongnized in Banner, and the credit was properly applied to the AAO791 index code and 153011 account, as recommended. As such, this audit issue has been fully resovled and was closed on 9/8/2022.
10	221.2 - CADS Gift Cards Investigation - 8/2022	07/20/2022	Low	Academic Affairs	IACS recommends the Office of Research and Innovation take an inventory of CADS (Center for Analytics and Data Science) assets, including any leftover DataFest "swag bag" items, to ensure the integrity of University resources.	Susan McDowell, VP for Research & Innovation	Management concurred and took appropriate action on this recommendation. An inventory of CADS was undertaken on July 22, 2022 by the VPRI and ORI Budget and Operations Coordinator. The inventory contains appropriate information and is on file with the Office Research & Innovation. As such, this audit issue is considered resolved, and was closed upon issuance of the final audit report on August 5, 2022.

Closed Internal Audit Issues

Line	Audit Name And Date	Date Opened	Risk Level	Division	Recommendation	Responsible Person	Management Response and Status
11	221.3 - CADS Gift Cards Investigation	07/20/2022	Low	Academic Affairs	IACS recommends the Office of Research and Innovation (ORI) determine if any other centers or institutes under ORI's oversight have gift cards or other promotional items intended to be distributed out, and if so, ensure that each unit is in compliance with the University's Gift Card Policy and Gift Card Procedure and any other applicable University policies (e.g., Gifts, Hosting Policy). ORI should also reiterate to all centers and institutes the importance of, and obligation to, operate in compliance with University policies and procedures.	Susan McDowell, VP for Research & Innovation	Management concurred and took immediate action on this recommendation. Two other centers are under the purview of the VPRI: Scripps Gerontology and Myaamia. On July 21, 2022 the VPRI found that neither of center possesses gift cards, though both have promotional items for distribution. ORI has reiterated to these centers the importance of, and obligation to, operate in compliance with University policies and procedures. As such, this audit issue is considered resolved, and was closed upon issuance of the final audit report on August 5, 2022.



December 2022

Enrollment Update

Finance and Audit

Board of Trustees

Fall 2023 Applications

Residency

	2021	2022	2023	Δ 2022 to 2023
Non-Resident	9,344	10,808	13,938	29.0%
Domestic Non-Resident	8,779	9,962	12,319	23.7%
International	565	846	1,619	91.4%
Ohio Resident	8,001	11,596	13,514	16.5%
Grand Total	17,345	22,404	27,452	22.5%

Data as of November 15



Fall 2023 Applications

Academic Division

	2021	2022	2023	Δ 2022 to 2023
CAS	6,929	8,563	9,472	10.6%
FSB	5,006	6,593	7,979	21.0%
CEC	2,039	2,774	3,729	34.4%
EHS	1,678	2,128	3,082	44.8%
CCA	794	1,154	1,491	29.2%
CLAAS	899	1,192	1,699	42.5%
Grand Total	17,345	22,404	27,452	22.5%

Data as of November 15



Fall 2023 Applications

Key Indicators

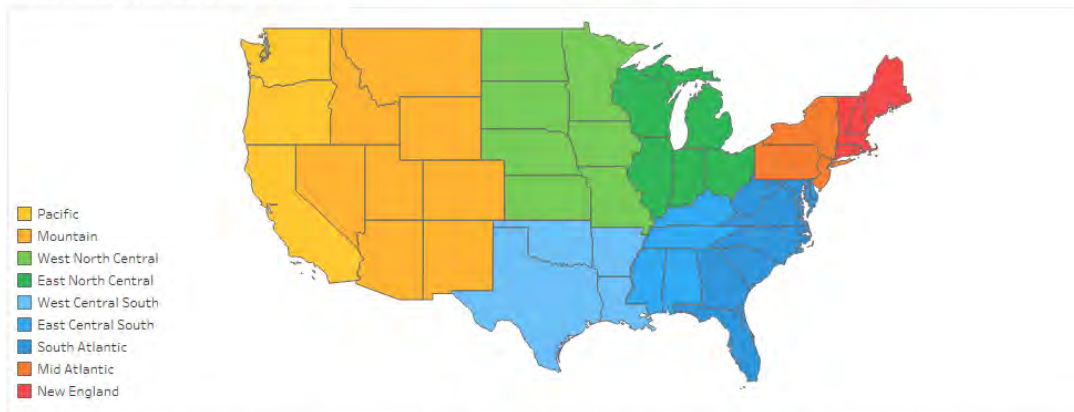
	2021	2022	2023	Δ 2022 to 2023
Applications	17,345	22,404	27,452	22.5%
GPA	3.87	3.89	3.87	-0.02
Curriculum Strength	14.3	13.8	14.4	0.6
% Non-Resident	53.9%	48.2%	50.8%	2.6%
% Diversity	16.4%	18.4%	20.1%	1.7%
% First Generation	12.9%	17.7%	21.8%	4.1%

Data as of November 15



Fall 2023 Applications

Applications by Region as of November 15



	2019		2020		2021		2022		2023	
	Applications	% Change	Applications	% Change	Applications	% Change	Applications	% Change	Applications	% Change
Pacific	439	16.4%	507	15.5%	325	-35.9%	347	6.8%	474	36.6%
Mountain	337	20.8%	305	-9.5%	308	1.0%	343	11.4%	410	19.5%
West North Central	635	8.0%	767	20.8%	604	-21.3%	771	27.6%	817	6.0%
East North Central	14,160	21.0%	14,790	4.4%	12,292	-16.9%	16,453	33.9%	19,588	19.1%
West Central South	128	-9.2%	177	38.3%	147	-16.9%	172	17.0%	233	35.5%
East Central South	589	35.7%	550	-6.6%	487	-11.5%	533	9.4%	720	35.1%
South Atlantic	1,022	22.1%	1,156	13.1%	963	-16.7%	1,124	16.7%	1,359	20.9%
Mid Atlantic	1,310	13.5%	1,350	3.1%	1,064	-21.2%	1,243	16.8%	1,481	19.1%
New England	809	11.7%	852	5.3%	599	-29.7%	620	3.5%	800	29.0%
Other	681	35.9%	761	11.7%	556	-26.9%	798	43.5%	1,570	96.7%
Grand Total	20,110	20.1%	21,215	5.5%	17,345	-18.2%	22,404	29.2%	27,452	22.5%
East North Central - Without Ohio	4,591	5.0%	4,671	1.7%	4,263	-8.7%	4,801	12.6%	6,005	25.1%





BRAD BUNDY
VICE PRESIDENT, UNIVERSITY ADVANCEMENT

ADVANCEMENT REPORT

AGENDA

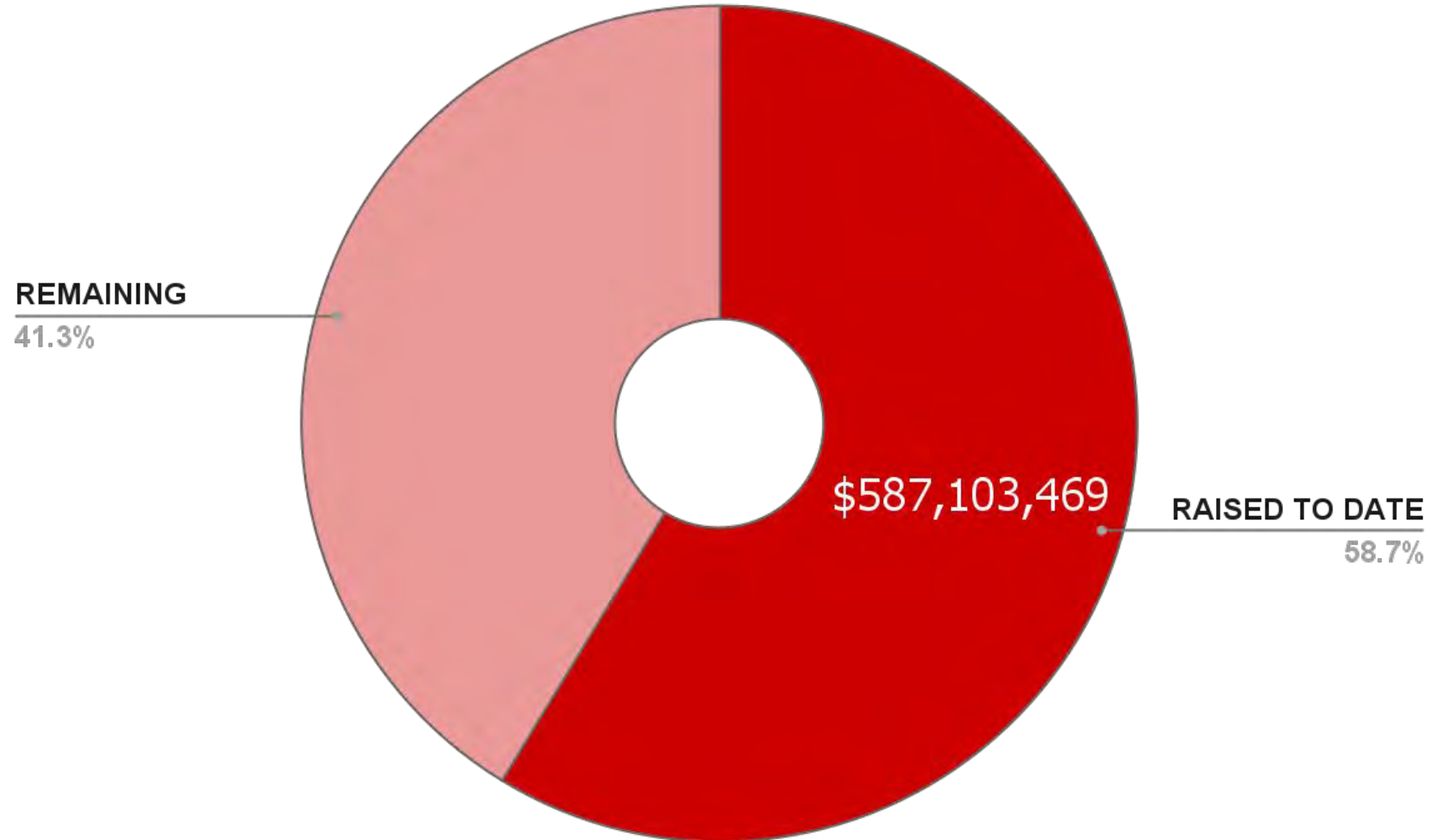
- . \$1B Campaign Progress**
- . Fiscal Year '23 Results to Date**
- . Calendar Year '22 Results to Date**



\$1B CAMPAIGN PROGRESS



CAMPAIGN FUNDRAISING TO DATE



As of November 15, 2022



CAMPAIGN TOTAL BY INITIATIVE

Initiative	Total to Date
Scholarships	\$240.9M
Academic and Programmatic Support	\$220.1M
Capital Projects	\$73.8M
Unrestricted - University	\$14.0M
Unrestricted - Colleges	\$16.4M
Undesignated	\$18.8M
Technology and Equipment	\$3.1M

As of November 15, 2022



CAMPAIGN PROGRESS REPORT

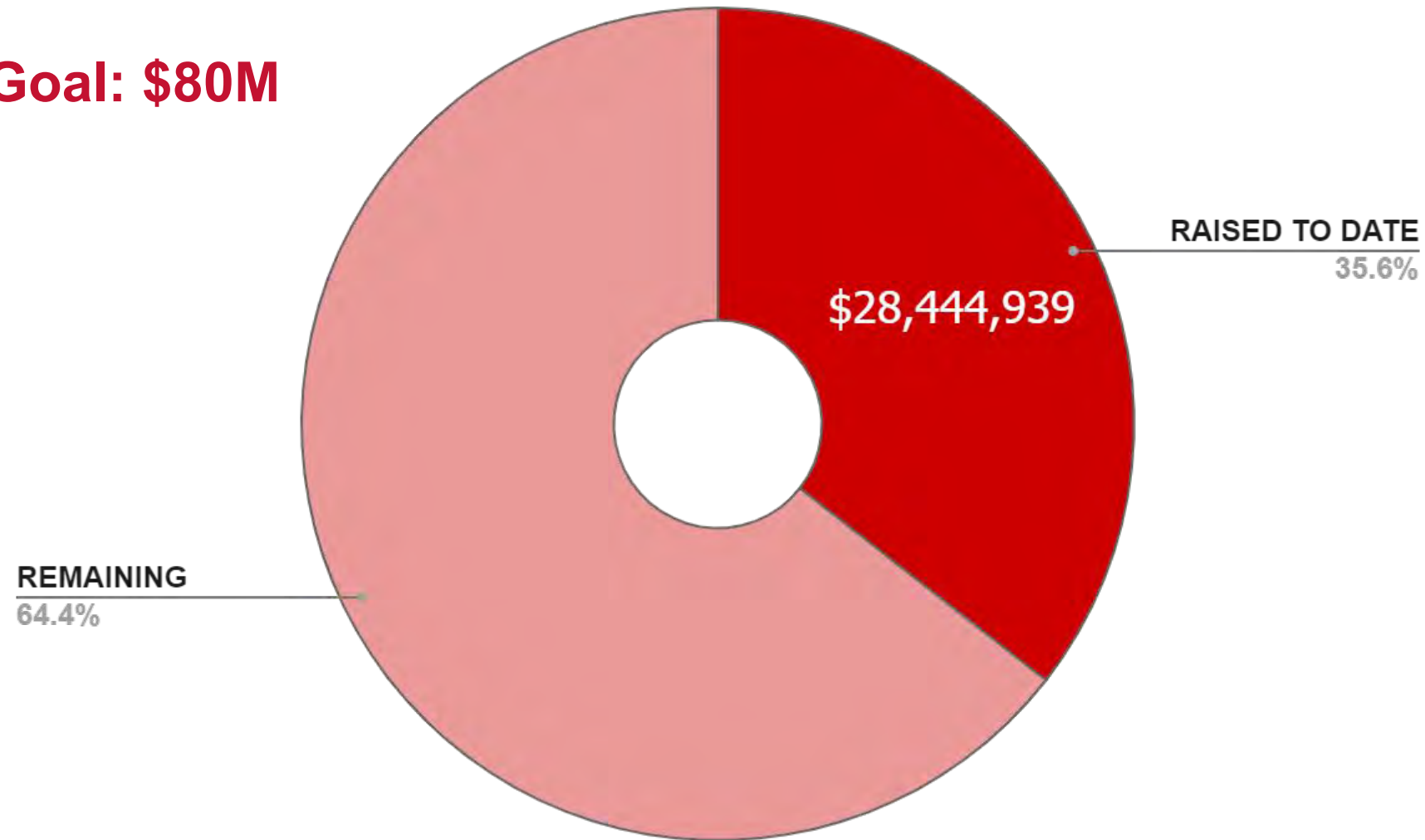
	Gifts	Pledges	Total	Present Value
Bequests		230,057,305.13	230,057,305.13	120,329,218.40
Cash				
cash, checks, credit cards, EFT	94,301,617.95	145,048,166.44	239,349,784.39	
stocks, securities	8,522,752.33	356,614.79	8,879,367.12	
payroll deduction	428,745.30	283,636.69	712,381.99	
matching gifts	1,961,649.88	-	1,961,649.88	
realized bequests	22,366,178.99	-	22,366,178.99	
other campaign commitments	-	28,953,469.64	28,953,469.64	
Planned Gifts				
insurance premium	239,927.34	1,533,323.48	1,773,250.82	
lead trusts	2,000.00	1,035,848.00	1,037,848.00	
externally managed	287,086.04	4,580,000.00	4,867,086.04	3,219,060.00
charitable gift annuities	384,991.54	-	384,991.54	232,701.85
charitable remainder trusts	4,165,405.47	3,500,000.00	7,665,405.47	2,433,082.89
Grants	28,029,463.25	-	28,029,463.25	
Gifts in Kind	8,265,980.20	2,924,246.51	11,190,226.71	
Real Estate	-	-	-	
Membership Dues	16,860.22	-	16,860.22	
SUB TOTAL	168,972,658.51	418,272,610.88	587,245,269.19	
<i>(manual adjustments/post 10-year pledges)</i>			<i>(141,800)</i>	
REPORTED TOTAL			\$587,103,469.19	

FY '23 RESULTS TO DATE



FY '23 FUNDRAISING RESULTS TO DATE

Goal: \$80M



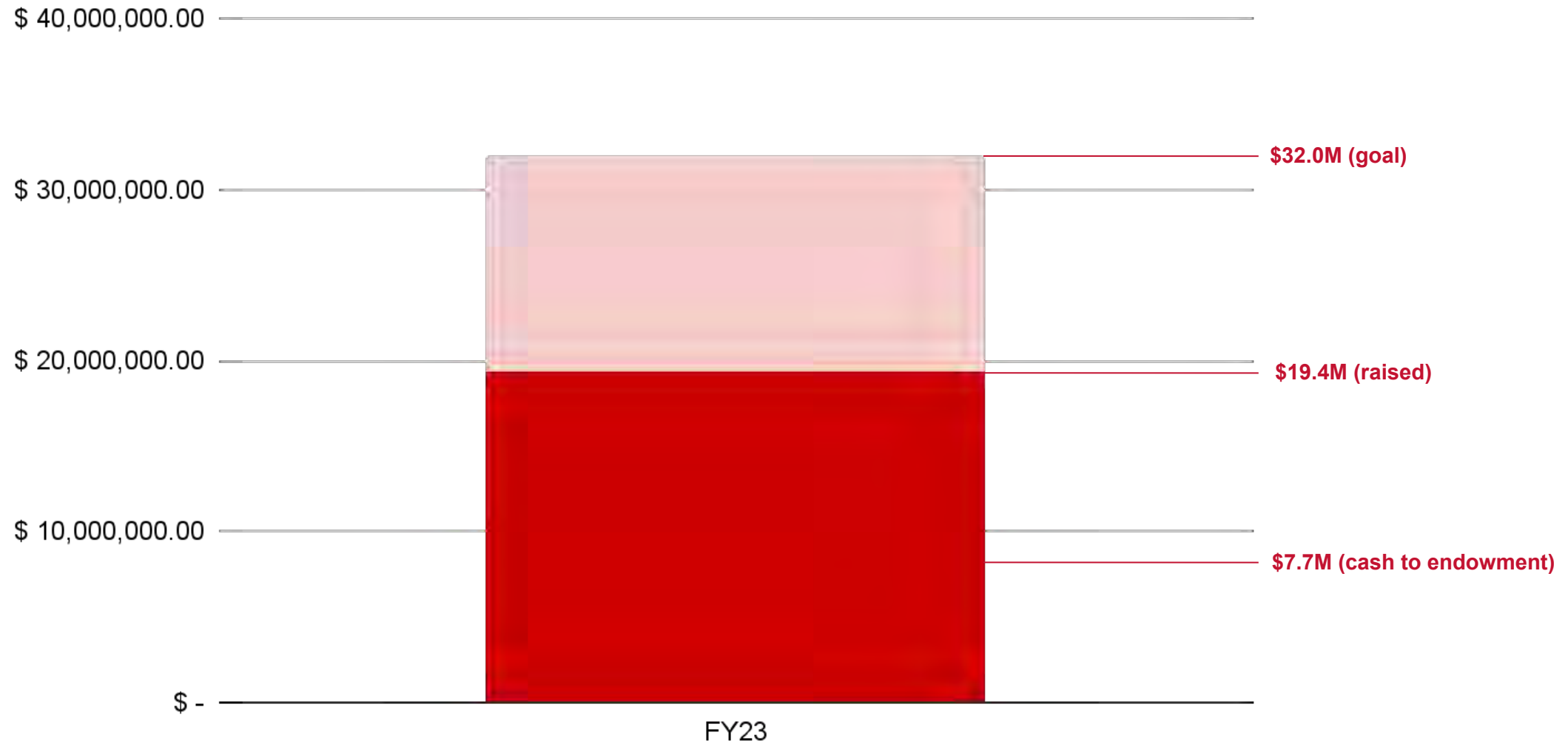
As of November 15, 2022



FY '23 FUNDRAISING REPORT TO DATE

	Gifts	Pledges	Total	Present Value
Bequests		7,110,707.99	7,110,707.99	3,879,124.75
Cash				
cash, checks, credit cards, EFT	4,289,626.54	7,253,634.71	11,543,261.25	
stocks, securities	82,349.94	-	82,349.94	
payroll deduction	17,193.89	14,339.96	31,533.85	
matching gifts	31,380.33	-	31,380.33	
realized bequests	4,774,020.38	-	4,774,020.38	
other camp commitments	-	-	-	
Planned Gifts				
insurance premium	1,602.56	-	1,602.56	
lead trusts	-	-	-	
externally managed	22,140.00	-	22,140.00	
charitable gift annuities	-	-	-	
charitable remainder trusts	283,220.02	1,000,000.00	1,283,220.02	969,307.33
Grants	914,530.00	-	914,530.00	
Gifts in Kind	1,650,192.56	1,000,000.00	2,650,192.56	
Real Estate	-	-	-	
Other	-	-	-	
SUB TOTAL	12,066,256.22	16,378,682.66	28,444,938.88	
REPORTED TOTAL			\$28,444,938.88	

FY '23 CASH RECEIVED TO DATE



As of November 15, 2022



CALENDAR YEAR 2022 RESULTS TO DATE



CALENDAR YEAR 2022 RESULTS



As of November 15, 2022



THANK YOU



**Lean Project Update
as of 11/01/2022**

MU-Lean Project Status Totals					Completed Projects			
Division	Active	Completed	Future	Total	Cost Avoidance	Cost Reduction	Revenue Generated	Total
Finance and Business Services	103	1803	9	1915	\$55,152,853	\$38,859,263	\$10,507,390	\$104,519,506
President	3	9	0	12	\$530,371	\$233,500	\$1,015	\$764,886
Advancement	5	32	0	37	\$184,280	\$280,570	\$4,223,000	\$4,687,850
Enrollment	6	48	0	54	\$508,854	\$37,323	\$37,705	\$583,882
Student Life	4	4	0	8	\$53,434	\$0	\$0	\$53,434
Information Technology Services	1	17	0	18	\$437,033	\$0	\$4,180	\$441,213
Academic Affairs	3	30	0	33	\$2,455,098	\$0	\$402,116	\$2,857,214
Lean Project Total - MU	125	1943	9	2,077	\$59,321,923	\$39,410,656	\$15,175,406	\$113,907,985

* no longer track Procurement realized as a separate category

MU-Lean Project Changes since 06-01-22 report					Newly Completed Projects since 06-01-22 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*	13	56	2	71	\$1,406,465	\$1,065,158	\$476,388	\$2,948,011
President	0	0	0	0	\$0	\$0	\$0	\$0
Advancement	1	0	0	1	\$0	\$0	\$0	\$0
Enrollment	-1	0	0	-1	\$0	\$0	\$0	\$0
Student Life	0	0	0	0	\$0	\$0	\$0	\$0
Information Technology Services	0	0	0	0	\$0	\$0	\$0	\$0
Academic Affairs	0	0	0	0	\$0	\$0	\$0	\$0
Lean Project Total - MU	13	56	2	71	\$1,406,465	\$1,065,158	\$476,388	\$2,948,011