FINANCIAL RECOVERY PLAN

Original Adopted by the Board of Trustees

July 15, 2015

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Updated with FY2015 and FY2016 Information

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FINANCIAL RECOVERY PLAN INTRODUCTION

I. ANALYSIS OF THE FINANCIAL DIFFICULTY AND THE CAUSES OF ALL SIGNIFICANT REVENUE OR EXPENDITURE PROBLEMS.

Background

In 2009, Owens Community College peaked in student enrollment and in 2010, the College peaked in revenue, including subsidies of State Share of Instruction, federal stabilization funds and State capital appropriation funds. The College was focused on being affordable and addressing unmet higher education needs by expanding access through developmental education programs, support services, and by further expanding its physical presence in the legal district.

While the College was geared toward growth, there were other external and internal factors, which began to pull the College in other directions. Federal and state grant requirement changes negatively impacted community college students, including Owens Community College students. For example, in 2012, federal Pell financial aid restricted ability-to-benefit provisions required newly admitted students to have either a high school diploma or a GED; federal Pell grant provisions were reduced from year-round to two semesters; and the income threshold for a zero expected family contribution was reduced from $32,000 to $23,000. In 2013, lifetime federal Pell grant eligibility was reduced from 18 semesters to 12 semesters. The Ohio College Opportunity Grant was no longer available to community college students. Other external factors were decreases in the local traditional student population and fewer high school graduates; competition from for-profit institutions; loss of credit union apprenticeship programs; increased utilization of technology/online learning; demand for public safety; mandates for energy efficiencies; fewer donations; rising health care costs; and, greater accountability for student learning outcomes. In Ohio, higher education public two-year colleges experienced consecutive down enrollment years for 2011, 2012 and 2013. *(Source: http://www.aicuo.edu/Graphs%20-%20Enrollment.html)* Internal factors included strained collective bargaining relations. Amidst this climate, the College was notified of the loss by the Registered Nursing program of its accreditation from the National League Nursing Accrediting Commission (NLNAC) in September 2009. A "perfect storm" had brewed; the loss of the program accreditation, including negative publicity, hurt the College's credibility and the rippling effects contributed to changes in the College's leadership (organization), which also impacted enrollment and finances.

Leadership

The College experienced interim and short-term leadership of the President/Chief Executive Officer position for three years, from November 10, 2009 to June 30, 2012. The focus of the interim/short-term leadership became more internal than external. In 2012, due to an unexpected event, the Treasurer/Chief Financial Officer was appointed to also serve as interim President/CEO; such a dual position can create the potential for conflict(s) of interest. The Board of Trustees appointed President Mike Bower who began on July 1, 2012 in a permanent capacity. During the same period, the executive positions of Chief Academic Officer, Chief Financial Officer, Vice President of Human Resources, and Vice President of Student Services, (as well as Academic School Dean positions) experienced gaps or interim leadership.

The Board of Trustees also experienced vacant seats, going from a full board of nine seats in 2009 to a low of six seats in 2011 and again in 2013. The Board of Trustees currently has seven seated trustees; two seats are vacant (one vacant since 2012; and another one vacant since 2014). On average, there has been about a two-year lag in appointments.

Presently, President Mike Bower has built a team of the current incumbents in the executive positions of:

- Vice President of Human Resources ~ J. Witt (2012)
- Vice President of Student Services ~ B. Johnson (2013)
- Vice President of Academic Affairs/CAO ~ S. Robinson (2015)
- Vice President/Chief Financial Officer ~ D. Cannon (July 13, 2015)

Enrollment and Finances

In 2009, Owens fall semester enrollment peaked at 23,445 headcount; 12,622.54 term FTE. From Fall Semester 2009 to Fall Semester 2014, Owens enrollment declined steadily.

Table 1 - Enrollment

Fall Semester	Headcount	Term FTE
2009	23,445	12,622.54
2010	19,640	11,584.12
2011	16,669	9,921.05
2012	16,903	9,424.57
2013	15,213	8,340.33
2014	12,494	7,144.83

Source: Ohio Board of Regents HEI Student Enrollment and Course Enrollment Queries, End of Term Data, June 22, 2015

The removal of the "wait" list into the Registered Nursing program improved that program; however, there was no counter-measure effective enough to retain the 300 students who were designated in the pre-nursing field: the result was a decline to the College's Arts and Science enrollment.

From FY 2010 to FY 2014, operating revenue declined approximately at the same rate as enrollment declined. Since FY 2009, total operating expenses have been greater than operating revenues. *(Exhibit 1a, 1b, 1c)*

As enrollment declined,

- operating expenses stayed constant from FY 2010 through FY 2012; and then began to decline in FY 2013; *(Exhibit 1d)*
- adjunct faculty wages were adjusted with enrollment; however, employee wages remained constant or increased: *(Exhibit 1e, 1f, 1g)*
- full-time staff wages increased until the FY 2013 reduction in force
- administration wages remained relatively constant until the FY 2013 reduction in force
- full-time faculty wages slightly increased and continue to increase through FY 2015
- full-time employment grew, peaking at 715 in 2012, with the reductions in force, this was adjusted to the lower 600s in 2013 and 2014;
- total payroll grew, peaking at $53 million in 2012; adjusted to $43 million in 2014.

The State of Ohio adjusted the funding formula for the Share of Instruction (SSI) from enrollment-based (total credit hours) to performance-based (credential/credit hour completions), which was fully transitioned in FY 2014. SSI for Owens steadily declined from peaking in FY 2010 with federal stabilization funding, which continued for FY 2011. Owens received stop-loss funding: $1.1 million in FY 2012; $1.5 million in FY 2013; $1 million in FY 2014 and $2.4 million in FY 2015.

Table 2 – State Share of Instruction Revenue

Fiscal Year	State Share of Instruction Subsidy (Revenue)
FY 2010	$43,266,082 *(includes federal stabilization funding of $6,196,030)*
FY 2011	$41,936,195 *(includes federal stabilization funding of $6,112,380)*
FY 2012	$36,911,421
FY 2013	$35,531,108
FY 2014	$34,463,030
FY 2015	$33,021,460

Source: Annual financial statements with independent auditor's report, FY 11, 12, 13, 14.

Cash and investments peaked in FY 2010 at $32 million and have continuously eroded to FY 2014 at $1.4 million. *(Exhibit 2)*. The FY 2014 audit report (Clark Schaeffer Hackett) noted bullet items 1-3:

- In FY 2010, the College incurred debt associated with leases for equipment ($51,696), information technology upgrades ($2,238,848), and for vehicles ($66,629).
- Also in FY 2010, the College entered into a loan agreement to finance energy conservation measures with the Ohio Air Quality Development Authority ($6,250,000). A positive effect from the energy conservation project is that utility costs have significantly declined; about $856,000 annually.
- In FY 2012, the College entered into a lease agreement for information technology Storage Area Network equipment ($1,077,095).
- In FY 2013, the College was unable to borrow $5.5 million, and therefore the College used general operating and reserve funds for capital projects of information technology data center upgrade, renovations to Heritage Hall (Culinary Arts Center) and the Welding annex.

The State of Ohio rescinded a three-year tuition freeze in FY 2010; however, tuition increases were capped at $200 or 3.5 percent (whichever was greater) per year. The College increased tuition from $131.75 to $136.36 effective Fall Semester 2011; $138.89 effective Spring Semester 2012; $146.03 effective Summer Semester 2012. For FY 2014, the state mandated a cap on tuition increases at $100 or 2 percent (whichever was greater) per year. The College increased tuition from $146.03 to $149.60 effective Fall Semester 2013; and increased it again to $153.00 effective Summer Semester 2014. Despite the tuition rate increases, tuition revenue continued to fall with enrollment declines.

Federal Pell grants are reflected in the annual financial statements as non-operating revenue, which is part of the calculation of the campus financial accountability composite score. The College's annual financial statements with independent auditor's reports for fiscal years 2012, 2013 and 2014 notes in the management's discussion and analysis section that *"a decline in federal Pell grants is reflective of the decrease in enrollment and changes in financial aid regulations."* The College experienced three years of consecutive decreases in federal Pell grants. FY 2011 was the last time the College recorded an increase of federal Pell grants.

Table 3 – Non-operating Revenue – Federal Pell Grants

Fiscal Year	Federal Pell Grants (Nonoperating Revenue)
FY 2011	+$4,000,000
FY 2012	($5,200,000)
FY 2013	($6,100,000)
FY 2014	($5,100,000)

Source: Annual financial statements with independent auditor's report, FY 11, 12, 13, 14.

Summary

In summary, as the rates of enrollment, operating and non-operating revenues declined, there was a clear lag in reducing operational expenses, until FY 2013 when wages and benefits were reduced, and in FY 2014, when wages/benefits were reduced again. (So far, there has been minimal financial impact to bargaining members of the Owens Faculty Association (OFA); the period of the OFA collective bargaining agreement extends to October 31, 2015.)

The deterioration of the College's unrestricted net assets and cash/investments resulted in a negative bearing on the College's composite fiscal watch scores.

Table 4 – Cash/Investments, Net Assets, Composite Score

Fiscal Year	Cash/ Investments	Unrestricted Net Assets	Composite FW Score
FY 2010	$32,097,696	$17,589,270	4.00
FY 2011	$20,518,209	$18,598,409	3.20
FY 2012	$13,963,024	$ 9,693,004	2.20
FY 2013	$ 6,004,618	$ 2,551,931	1.10
FY 2014	$ 1,483,772	$ 369,854	1.00
FY 2015	$ 6,057,277	$ (494,565)*	0.70

Source: Annual financial statements with independent auditor's report, FY 10, 11, 12, 13, 14.

Source: Ohio Board of Regents, Campus Accountability, Institutional Financial Ratios Audited Data, FY 10, 11, 12, 13, 14. Link: https://www.ohiohighered.org/campus-accountability

**FY 2015 figures do not reflect the implementation of GASB 68*

Over the past five years, the College has been in a reactive mode. Through the proactive steps of the College, a multitude of positive changes have occurred. In 2013, the College regained the program accreditation of the Registered Nursing program from (NLNAC) now known as the Accreditation Commission for Education in Nursing (ACEN). The College invested significant dollars to strengthen the quality of this program with dedicated facilities in Heritage Hall and additional nursing faculty members from 25 to 35, including six clinical teaching faculty and four lab faculty, all who have master's degrees in nursing. Data reporting and assessment have been bolstered in all academic programs. The legal outcome, while not specifically referenced other than being part of the "ripple effect," has been at a minimal cost to the College, as the State Attorney General Office is the College's representative and has played a significant role in garnering dismissals from the court of claims for no findings of fraud, negligence or breach of contract.

In 2014, the College engaged Burges & Burges Strategists, who has conducted in-depth interviews into the community's perceptions of the College. While the College has been internally focused, the community's perceptions of the institution have suffered. President Bower has placed effective administrators in key positions to improve relations with legislators and community leaders in the education and workforce sectors. Empowering faculty, administration and staff is essential, as the College strives to improve internally with customer service, learning assessment and student engagement. Externally, the College is building and leveraging relations, locally and state-wide. This is all toward an effort to increase enrollment and improve student completion and retention, while impacting the financial bottom line of increasing revenue, whether through tuition, the State Share of Instruction, grants or other alternatives. The recent hiring of an effective, progressive CFO will better position the College with strategic forecasting and budgeting. Additionally, the President may recommend to the Board of Trustees to amend the charter to enable the College to seek local levy funding, which is projected to boost Owens Community College as a robust partner in producing college-and-career-ready students. The College has significant physical plant and capacity and with additional financial revenue, it will be fully positioned to affordably train a skilled workforce, meet employer demand and provide student support services and advising to better prepare students and stimulate new growth in the communities that we serve.

(Exhibit 3 – Owens Community College Financial History, FY 2005 to FY 2014)

FINANCIAL RECOVERY PLAN - SECTION II

II. DESCRIPTION OF EFFORTS OR INITIATIVES PROPOSED/UNDERTAKEN TO ADDRESS THE FINANCIAL DIFFICULTIES, INCLUDING A TIME ESTIMATE TO RESOLVE THE FINANCIAL DIFFICULTIES.

The President and Board of Trustees instituted the following improved oversight and controls for financial stability:

Risk Management

In 2013, the President created a Risk Management Team to assess the accreditation, legal, regulatory and financial impact of proposed new programs, modifications to existing programs and capital expenditures. This advisory team meets monthly and as needed to review submissions and to make recommendations to the President.

The standards for accreditation-impact assessment includes: a) Higher Learning Commission (HLC) approval or notification; b) program specific or organizational accreditation requirements; c) alignment with mission, vision, core values, strategic plan and Board policies; and, d) alignment with HLC – Academic Quality Improvement Program (AQIP) criteria for accreditation and core components.

The standards for legal-impact assessment includes: a) contract review initiation; b) request for proposals for expenses over $25,000; c) Board of Trustee approval as appropriate; d) state contracting requirements where applicable; e) Family Educational Rights and Privacy Act (FERPA) safeguards, if student records are involved; f) property and casualty insurance coverage; g) potential conflicts of interest; and, h) modification or creation of policy and procedures.

The standards for regulatory-impact assessment includes: a) Ohio Board of Regents approval; b) federal financial aid approval from the United States Department of Education; and, c) program approval from another state or agency.

Required information for assessing financial impact includes: a) start-up costs; b) three-year forecast of revenues and expenses; c) measurable expected outcomes; and, d) measurable evidence of success.

Since January 2013, strategic initiatives are assessed and provided with rationales to support stewardship of College resources with executable business plans.

Financial Standards Policy

On February 3, 2015, the Board of Trustees adopted a financial standards policy with strategic and reporting standards.

Strategically, the policy calls for the Board Finance Committee to regularly meet either bi-monthly or monthly; it establishes requirements for maintaining a financial reserve or a net asset position for the purpose of strengthening the College's fiscal condition; and, it institutes long-range forecasting as part of the annual budget process. The Board will also set financial dashboard metrics to continually assess financial performance. During the February 3, 2015 Board of Trustees meeting, Finance Committee Chair Ed Nagle commented. *"The Board recognizes that it may take a few years to achieve the standards set for the reserves, but this policy provides targets and a roadmap for moving the College in the right direction."*

Tactically, the policy ensures that information will be reported between the administration and the Board. Finance has been providing the Finance Committee and the Board with more timely financial information. The monthly financial information includes: headcount and FTE information; year-to-date (YTD) revenues and expenditures; year-end projected revenue and expenditures; a projection of year-end SB6 score; financial metrics; balance sheet; cash flow projections; and investment information. The Board will also receive an informational report of purchase orders/bids/expenditures ranging between $10,000 to $49,999. For any type of purchase requisition/bid of $50,000 or more, the Board's approval will be required. The current open positions report from Human Resources will be accompanied with a position vacancies report for the Board's information.

The policy language was developed in consultation with the chief fiscal officers from Lakeland Community College, Cuyahoga Community College and Lorain County Community College. Specifically, Mike Mayher, CFO Lakeland Community College, guided the Board in the relevance of having clear-stated expectations for prudent, professional financial management and foresight. He commented to the Board on the importance of having the treasurer attest the monthly and annual financial statements and the annual budget as the fiduciary for the financial condition of the institution.

The 3358:11-1-12 Financial Standards policy establishes the process for the Board Finance Committee to meet the statutory Fiscal Watch reporting requirements (Ohio Administrative Code Chapter 126:3-1) for the monthly reviews of revenues, expenditures and encumbrances and if any variances, and for review of the quarterly financial report to the Department of Higher Education.

The policy's purpose is to institute financial standards so that the College's financial condition at any period of the fiscal year maintains a generally acceptable level of prudent professional financial management and foresight. The Board's intention is for the College to achieve certain levels of financial soundness over time, and therefore, it is expected that it will be a matter of time for the College to achieve the financial goals as stated in the policy:

3358:11-1-12 Financial Standards Policy ~ Section 2

(2) Reserve/net asset requirements. The college shall maintain a financial reserve or net asset requirements, as follows:

(a) Unrestricted educational and general current operating fund. The undesignated reserve within this fund balance should be greater than or equal to ten per cent of this fund's total annual expenditures and transfers.

(b) Unrestricted auxiliary fund. The undesignated reserve within this fund balance should be greater than or equal to five per cent of this fund's self-operated annual revenues.

(c) Unrestricted plant fund. The undesignated reserve within this fund balance should be greater than or equal to two per cent of investment in plant. Investment in plant means the original book value (prior to any depreciation) of land improvements, buildings, and building improvements.

Policy Link: https://www.owens.edu/trustees/board_policies/11-1-12.pdf *(Exhibit 4)*

The reserve requirements listed above are included in the performance metrics report provided to the Board.

In April 2013, the Board of Trustees took action on financial exigency (Resolution 2013-04-02-25 Determination of a Response to Budgetary Conditions), which included the elimination of non-bargaining unit personnel positions (Resolution 2013-04-30-20/Statement of Rationale) and the elimination of bargaining unit personnel positions of non-tenured instructors, audiovisual technicians and clinical teaching faculty (Statement of Determination of Required Reduction in Force – Owens Faculty Association – April 30, 2013) and the closure of the Toledo Campus Child Care Center (Statement of Determination of Required Reduction in Force – Owens Faculty Association – April 2, 2013). *(Exhibits 5a, 5b, 5c, 5d, 5e)*

In December 2014, the Board of Trustees again took action on financial exigency (Resolution 2014-12-02-10), which included compensation reductions for non-bargaining unit personnel, the implementation of a voluntary furlough program and an implementation of a reduction in force in accordance with established policies, procedures or applicable collective bargaining agreements. *(Exhibits 6 and 7)*

Reductions - FY 2013, FY 2014 and FY 2015

In the last quarter of FY 2013 and in FY 2014, the College reduced expenses by $16.1 million. These expense reductions included $8.2 million in wages and fringes other than adjunct teaching, $3 million adjunct wages and fringes, $2.4 million capital, $792,000 materials and supplies, $683,000 outside services and other, $603,000 cost of sales and $365,000 travel and food services.

As a part of the FY 2015 budget process and through continuous expense reductions in response to tuition revenue decreases, the College has offset $4.5 million in revenue decreases by reducing wages and fringes and unfilled vacant positions by $3.5 million and reducing operating expenses by $1.4 million.

In the development of the FY 2016 budget, the College continues to offset a projected revenue shortfall and to date, has reached more than $4 million in reductions through reduced salary expenses and increased operational efficiencies.

(Exhibit 8 – Ohio Board of Regents Letter for Declaration of Fiscal Watch, April 21, 2015)

Adoption of a Financial Recovery Plan – FY 2016, FY 2017 and FY 2018

On July 15, 2015, a special meeting was scheduled for the Board of Trustees to adopt the Financial Recovery Plan. *(Exhibit 9)* The plan reflected the financial conditions at the time of adoption. However, financial condition changes during the fiscal year and the Financial Recovery Plan needs to be adaptable to adjust to changes during the fiscal year. Included in the monthly financial report to the Board is an updated financial projection for the Financial Recovery Plan that takes into account changes in the current fiscal year, and uses conservative assumptions to project the financial condition for FY2017 and FY2018. *(Financial Exhibit 4)*

The time line to resolve the College's financial difficulties is pursuant to Ohio Administrative Rule 126:3-1-01 to adopt a financial recovery plan with the purpose to end fiscal watch within three years through achieving a composite score of at least 2.40 for a fiscal year. The matrix exhibit outlines the strategies (financial, human resources/labor relations, enrollment/marketing, academics/programming) and activities to be implemented beginning with fiscal year 2016. *(Financial Exhibit 1)*

FINANCIAL RECOVERY PLAN - SECTION II1 (A)

III. ANALYSIS OF HOW SUCH EFFORTS/INITIATIVES WILL RESOLVE THE FINANCIAL DIFFICULTIES.

Owens Community College has developed the following 4-point financial recovery initiatives to further stabilize finances while fulfilling a vital role as a leading education provider and economic engine within Northwest Ohio.

A. FISCAL STABILITY AND OPERATIONAL EXPENSES

The College is stabilizing its net asset position and financial indicators through aligning projected revenue with operational expenses and implementing prudent financial oversight, controls and cost-saving measures.

Financial stability efforts, begun in FY 2013, continue through the FY 2016 budget development process and in this Financial Recovery Plan and in the matrix. *(Financial Exhibit 1)*

Maumee Learning Center

The College is reducing lease payments. On July 1, 2009, the College entered into a lease agreement with Arrocorp III, LLC for 25,756 square feet of space at 1724 Indian Wood Circle, Maumee, OH for classrooms, laboratories and offices housing Workforce and Community Services. Rent expense is $184,756 per year. Additionally, Arrocorp made leasehold improvements of $1,559,994 to the premises, which is payable by the College over a ten-year amortization period or in a lump sum if a lease is terminated prior to June 2019. Leasehold improvement expense is $25,201 per month or $302,412 per year. Annual FTE enrollment at the Maumee Learning Center was 263.7 FTE in FY 2013; 217.9 FTE in FY 2014; and, 140.6 FTE in FY 2015.

In December 2014, the College issued a request for proposals for real estate services, and the College contracted with The Reichle Klein Group, Inc. (RK). If RK markets the sublease of the Maumee Learning Center and secures a tenant for 27 months, it would defray the lease cost annually by 55 percent to 65 percent. RK's commission is agreed at 5 percent of the gross lease.

As of the writing of this document, a 27-month sublease has been finalized for 64 percent of the Maumee Learning Center premises. The projected savings is $199,264 for FY 2016; $298,904 for FY 2017; and, $298,904 for FY 2018, providing a cumulative total of savings over three fiscal years of $797,072.

The College is in final negotiations to sublease the remaining 36 percent of space at the Maumee Learning Center. If the sublease is finalized by February, the College will realize an additional $64,434 in savings this fiscal year and an additional $167,180 in FY 2017 and FY 2018.

Capital Assets

The College is converting capital assets to cash. The RK real estate service agreement also included the assessment, marketing and sale or lease of property owned by the College at 2249 Tracy Rd, Northwood, OH (88 acres - nine undeveloped land parcels in Lake Township, OH and one undeveloped land parcel in Perrysburg Township, OH). RK will be compensated upon the sale or lease of any or all the properties at the commission rate of 5 percent of the gross lease, 7 percent of the sale price of improved property and 10 percent of the sale price of unimproved land.

Outsource Bookstore Operations

The College has outsourced the bookstore operations on both campuses through executing a bookstore operating agreement with Follett Higher Education Group, Inc., until June 30, 2017 with an option to renew for an additional three, two-year terms. As noted in the resolution to the Board of Trustees on June 17, 2015, Follett is "a leading national provider of campus store services and supplier of course materials, that responded to a request for proposals to create new and improved products and services to address the needs of students and which also support the institution."

A risk-minimization strategy, the outsourced bookstore operation will assist in smoothing revenue and cash fluctuations. For the first four years of the agreement, Follett will provide a guaranteed annual income of $1,000,000. Through effective negotiations, Owens was able to secure very favorable terms for this agreement, including:

- Follett will pay a one-time signing bonus of $150,000 with successful implementation (FY 2016 revenue)
- Follett will provide $7,000 annually in textbook scholarships for each full contract year in the form of gift cards or as an accounts receivable account.
- Follett will purchase all salable and rentable merchandise (including textbooks) from the College within 120 days upon completion of the inventory. Follett shall provide a one-time inventory offset payment of $100,000 within 90 days of the commencement of operations.
- Follett will pay commission in an annual amount equal to the sum of 16.75 percent of all net revenue up to $5 million; plus, 17.10 percent of any part of net revenue over $5 million.

Tuition

On March 13, 2015, the Board of Trustees authorized a tuition increase up to the maximum allowable amount effective for Summer Semester 2015. The Board also authorized the President to implement adjustments to the out-of-state and international tuition schedules and other modifications to the in-state tuition schedule. The *(Financial Exhibit 1)* reflects a revenue enhancement of $345,000 for FY 2016 for tuition.

Subsequent to the Board of Trustees authorization to adjust tuition, the legislature passed Am. Sub. House Bill 64 which eliminated increases to tuition and general fees for the biennium period beginning July 1, 2015. This statutory freeze on tuition and general fees required Owens to revisit tuition, general fee and non-general fees for FY2016.

In a review of the current fee structure and associated operating costs, it was discovered that many of the non-general fees, fees charged to students for services provided, had not been adjusted since the change of the century. In addition, the costs for those services to students, technology and student activities had seen dramatic increase since the last fee adjustment.

In an effort to balance to the fees and associated costs of services provided to students, the Board of Trustees authorized a phased approach to adjusting fees to cover the costs of these necessary student services over the next several years. On December 1, 2015, the Board of Trustees passed a resolution to adjust tuition and general fees to be in compliance with the statutory requirement *(Financial Exhibit 5).* This resolution restored tuition and general fees back to the FY2015 rate of $153 per credit hour. Further, the Board included adjustments to non-general fees for technology, student activities and eLearning to share the costs of these services to students. The result of the adjustment to tuition and fees were to be revenue neutral for FY2016.

With the change in approved tuition and fees, student charges were re-calculated for the Fall term. The Board resolution ensured that no student would pay more for the Fall term than had already been paid under the prior tuition and fee structure. If the re-calculated fees were higher than the amount the student already paid, those additional costs were waived for the student. The Board also required that any student whose tuition and fees were lower under the revised fee structure receive a refund of those fee already paid.

Findlay Child Care Center

The College is identifying cost savings in the operation of the Findlay Campus Child Care Center. The net losses, excluding utility expenses, for the Findlay Child Care Center totaled ($85,741) for FY 2012; ($122,349) for FY 2013; and, ($131,826) for FY 2014.

To prevent the closure of the Center, employees worked with the Parent Committee to develop ways to increase revenue and decrease expenses. By increasing weekly child care rates, adding an annual supply fee, fundraising, adding school-age children in the summer, charging a hold fee for families deciding to keep children home for the summer and requiring parents to daily pack lunches, the Findlay Child Care Center was able to increase revenue by $107,700 and reduce expenses by $97,163. The FY 2016 impact is a savings of $204,863.

As part of a completion-driven tuition strategy, on June 17, 2015, the Board of Trustees authorized a tuition guarantee program effective beginning with Fall Semester 2015. The implementation of a tuition guarantee program is for the purpose of holding tuition rates for Fall Semester 2015 and Spring Semester 2016 for up to three years or until the completion of a degree, whichever comes first. Existing part-time students and new (first-time) full-time students who elect to enroll in at least 15 credit hours in Fall Semester 2015 or Spring Semester 2016 will be eligible for the guarantee at current tuition rates during the time of their participation in the program. Students will be required to sign a completion pledge to maintain continuous enrollment in fall and spring semesters with at least 15 credit hours per semester for three years or until degree completion, whichever comes first; and complete an academic plan by the end of their second semester. The tuition guarantee is part of Owens' "Take 15" initiative that assists students in graduating on time, saving tuition money, and starting career goals sooner.

Additional Operational Reductions

The College has identified additional operational efficiencies which are projected to provide an additional $1,376,640 in expense reductions:

IT software reductions for FY 2015 through FY 2020 were gained through an analysis of software maintenance for the College's ERP system. Seven modules were identified as either not used, underutilized or not mission critical. Through negotiations with the vendor, contract expenses were reduced by $68,740 in FY2015 an additional reduction of $68,000 for FY 2016, and an additional reduction of $21,079 for FY 2017. Communication and telephone software was also reviewed with the determination that portions of Black Box telephone software could be discontinued with FY 2016 savings of $82,000.

The College has not charged a surcharge for payments received by credit cards. On December 1, 2015, the College implemented a surcharge on the use of credit card payments. By conferring these credit card fees, estimated savings of $165,000 with be realized in FY 2016 and beyond.

As enrollment and tuition revenues have decreased, allowances for bad debt and bad debt expenses have decreased. Additionally, with State policy changes for college classes taken by high school students and the development of the College Credit Plus model, the College will not be writing off tuition charges for post-secondary education option students who exceeded the Ohio Department of Education's limit for credit hours taken. These changes are expected to result in reducing bad debt expenses, which will save $500,000 in FY 2016.

The College has developed a program to repurpose existing furniture wherever possible instead of buying new and to sell furniture, equipment and vehicles that are no longer needed. By repurposing furniture in FY 2016, $70,000 will be saved. The College utilizes www.govdeals.com for online auctions of surplus furniture, equipment and vehicles and expects $30,000 from these sales in FY 2016.

A request for proposals for insurance brokerage services resulted in reduced premiums in property, liability and risk insurance in the amount of $106,000. Additionally, an analysis of Bookstore cost of sales resulted in a FY 2016 cost of sales reduction of $50,000 and an analysis of copy center postage usage yielded a $25,000 reduction in expenses for FY 2016.

FINANCIAL RECOVERY PLAN - SECTION III (B)

III. ANALYSIS OF HOW SUCH EFFORTS/INITIATIVES WILL RESOLVE THE FINANCIAL DIFFICULTIES.

B. HUMAN RESOURCES AND LABOR RELATIONS

The College is evolving its organizational capacity through a systemic focus of meeting the needs of students, employers and employees, fostering communication and accountability.

The plan for Human Resources and labor relations addresses four objectives with objectives 1-3, being affected by objective 4.

(1) Size and structure of the College organization.
(2) Compensation and benefits, as components of both College costs and employee retention.
(3) The effective management of turnover as being opportunities for expense reduction (e.g., retirements) and for restructuring and advancement of retained employees through succession or job re-design.
(4) The negotiation of collective bargaining agreements to achieve expense reductions and administrative flexibility.

Through voluntary furloughs, across-the-board wage decreases for non-bargaining unit employees and members of the Fraternal Order of Police and the Owens Support Staff Union bargaining units, reductions in force, and non-replacement of vacant positions, Owens reduced expenses by approximately $3.3 million for FY 2015 and an estimated +/- $3.2 million for FY 2016.

The goal with respect to upcoming Owens Faculty Association bargaining unit negotiations will be to achieve additional significant expense reductions.

Objective 1 ~ Modify Organizational Structure

A primary objective of modifying an organizational structure is to enhance efficiency. Direct reports to the President were reduced from fifteen positions/individuals. This was accomplished by having the Associate VP, Institutional Effectiveness and the Executive Director of Workforce, along with the Office of Institutional Research report to the Vice President, Academic Affairs.

Objective 2 ~ Wages and Benefits

Health Care Administration

Recently, the College changed carriers for health care administration resulting in a $600,000 annual savings. Additionally, the College continues to reduce pharmacy benefit expenses through participation in an employer coalition for group drug purchasing, which reduced spending by 27 percent and provided nearly $670,000 savings over the two-year period of 2013 and 2014. Also, in 2014, the College implemented a consumer-driven high-deductible option under its health care plan.

Prescription Drugs: Group Purchasing

With pharmacy representing up to 30 percent of employer health care claims expense, and the ability to reduce the drug costs through group purchasing arrangements, the College's current approach was reviewed. The College is presently an employer/plan sponsor participant of the Employer's Health Purchasing Coalition (EHPC), which involves total pharmacy membership (employees and dependents) of approximately 630,000. A consideration was made for Ohio's Health Action Council (HAC); however, EHPC is growing regionally (outside Ohio), while HAC remains Ohio-only. In this regard, it is notable that the last two years of Owens' plan experience show positive results: a 27 percent drop over the period in pharmacy spend, from $2,520,000 to $1,851,700 or a $668,000 reduction. This was accomplished without a change in plan design – e.g. an increase in copays. (By comparison, the change in claim payments for "core medical" – i.e. health care excluding pharmacy – has been a 2 percent drop.)

Voluntary Furloughs

As a direct and immediate expense-reduction goal, voluntary furloughs (days off without pay) were offered to non-bargaining unit staff employees. For FY 2015, this has so far resulted in $63,354 in savings (37 participants/250 days/1999 hours). The voluntary furlough program is re-offered for FY 2016, as of July 1, 2015, with a projected savings of $75,000.

Across-the-Board Wage Decreases

Another direct expense savings initiative was the across-the-board reduction of non-bargaining unit employee compensation of 2 percent, 4 percent and 5 percent, effective January 1, 2015. The estimated annual savings will be $235,500 for FY 2016 and $235,500 for FY 2017.

Position Management

Based on a determination as to the relative need for certain positions, positions were eliminated and in some cases, positions were re-designed and placed at lower-cost pay levels. The estimated savings is $3,060,632 for FY 2016.

A regular on-going activity is reviewing the need to fill positions, which become open due to retirement or resignation. Also, the periodic assessment of needs is contemplated in advance of individual employment agreement renewals; (in this regard, non-tenured, full-time faculty positions will be currently reviewed for possible notice of non-renewal).

Objective 3 ~ Effective Management of Employee Retirements

Retirement Initiatives

Given the age and seniority profile of the College employee groups – particularly the full-time faculty – communications regarding retirement benefits and procedures is important. The expense relief achieved when longer-service high-paid employees retire can be significant. In this regard, informational retirement presentations have been facilitated by representatives of the School Employees Retirement System of Ohio (SERS) and State Teachers Retirement System of Ohio (STRS) and MetLife. In consideration of Ohio's pension reform changes being implemented effective August 1, 2017, a brief analysis of a seniority listing of employees (as of July 1, 2015) yields 29 employees who are or will become eligible for retirement, ranging from seniority years of 25.06 to 37.84. From a conservative estimate of say 12 percent of those who are or will become eligible, a conservative projection is calculated of savings of $150,000 for FY 2016 and of $500,000 for FY 2018.

Objective 4 ~ OFA Labor Agreement Bargaining Objectives and Priorities (October 31, 2015 Contract Termination)

College administration is meeting regularly to identify bargaining objectives and priorities prior to the initiation of negotiations involving the collective bargaining agreement which terminates October 31, 2015.

III. ANALYSIS OF HOW SUCH EFFORTS/INITIATIVES WILL RESOLVE THE FINANCIAL DIFFICULTIES.

C. ENROLLMENT AND MARKETING

The College is strengthening connections to prospective students through marketing, promoting opportunities for earning college credit toward a degree and supporting key services that enhance student retention, transfer and completion.

As noted in the introduction, the College recently experienced a steep decline in enrollment. This is not a trend unique to Owens Community College. On one hand, smaller institutions have realized a greater decline than Owens; however, on the other hand, the other large colleges have not faced the scope of the enrollment decline experienced at Owens. In fact, *Exhibit 10* is an excel spreadsheet based on enrollment information from the Ohio Board of Regents for fall enrollment at all 23 Ohio community colleges. When reviewing each institution's preliminary Fall 2014 enrollment information and comparing this to the previous fall semester peak, only one institution saw an increase. There are 19 colleges with a double-digit percentage decrease and 9 colleges (including Owens) saw a double-digit percentage decrease from fall 2013 to fall 2014. According to the American Association of Community Colleges, enrollment declines are a national trend. In a March 2015 report, *Trends in Community College Enrollment and Completion Data, 2015*, information from both the National Center for Education Statistics and the National Student Clearinghouse continue to show a decline in enrollment for community colleges.

Strategic Enrollment Management Plan

The Strategic Enrollment Management (SEM) committee was originally formed in Fall Semester 2012 and was led by the former Associate Vice Provost of Student Services. In 2013, Dr. Betsy Johnson (current Vice President, Enrollment Management, Student Services and Marketing) took on the responsibility of the SEM committee to immediately move the committee forward toward the development of a comprehensive strategic enrollment management plan. This process started in July 2013 with a complete review of enrollment data and trends provided by Institutional Research and continued with monthly meetings reviewing strengths and opportunities and eventually drafted statements that were shared with upper administration in February 2014. The final plan was approved in March 2014 and incorporated recruitment, retention, and completion *(Exhibit 11).* Each committee member then was assigned tasks to monitor and implement. A SEM matrix was developed to review the progress, and was updated in March 2015. *(Exhibit 12)* One example of a task that has been implemented was in the recruitment section and included developing a systematic set of programs and events to recruit students. The first task was to implement an annual signature event. The first Open Houses were held in June 2014 and were recently held again in June 2015. Adjustments were made to the 2015 Open Houses, such as both campuses holding open houses on the same day with almost 400 people in attendance.

In addition to changes based on the SEM plan, the Office of Admissions is also implementing various elements in the overall recruitment process. For example, it is just within the last two years that each recruiter had a caseload and students specifically assigned to them, for which they use various methods of communication to do outreach to caseload students, including email, postcards and phone calls.. In June 2015, organizational structure changes were made to increase the number of recruiters on the Findlay Campus from one to two. Currently, the Office of Admissions is in the process of updating the outreach plan for communication and recruitment in order to improve tracking of where the student is in the enrollment process and identifying such communication methods that are most effective in triggering action. Later this year, the office will begin utilizing texting as a method of communication to both applicants and students. Additionally, the College will be transitioning to a virtual viewbook, which will allow prospective students to self-select information such as the campus location, program/major specific details, financial aid and scholarships, or learning support services. This provides for a unique student experience and allows the College to provide real time information with immediate electronic changes, rather than relying on a paper booklet, which becomes quickly outdated. Finally, technology will be available to allow students to take virtual campus tours. The Office of Admissions will continue to review and improve communication, technology, and the overall student experience to positively impact the recruitment of students.

Ohio Board of Regents Completion Plan

By June 2014, the Ohio Board of Regents required all public colleges and universities to submit a completion plan approved by their respective Board of Trustees. The Regents provided a template for all community colleges to use and described the purpose of the plans in the following way "to

develop a systemic improvement plan for institution-wide policy and practice change that reaches the departmental and classroom levels for direct impact on student persistence and completion." There are six areas of the plan – Connection to the Institution, Successful First-Year Entry, Student Progress, Student Completion, Other Aspects of Completion Success, and Workforce. A small committee was formed that included academic, business and student services representation. The committee utilized student retention information from the College's previous projects, including Higher Learning Commission AQIP action projects, the 2006-2011 Title III Strengthening Institutions Grant, the 2004-2006 MDRC Opening Doors Grant, 2007-2008 Foundations of Excellence, and the 2011-2012 Noel Levitz partnership. The Owens Community College Completion Plan was developed as a collaborative effort using data from Institutional Research while incorporating best practices of Completion by Design models. Additionally, the recommended completion plan aligned with the various academic department success plans and the strategic enrollment management plan. The plan has 15 improvements identified under the 6 categories, approved by the Owens Community College Board of Trustees, June 2014. *(Exhibit 13)* Similar to the SEM plan, each original committee member was assigned tasks to lead implementation and monitor progress. A completion matrix (similar to the SEM plan model) was created and updated in March 2015. *(Exhibit 14)* The completion plan has been a natural next step for Owens in the performance-focus transition on retention and completion. According to the Ohio Board of Regents HEI database, Owens Community College has improved FTE course completion rates from 73.1 percent in 2010-2011 to 77.4 percent in 2013-2014. As Student Services continues to implement what was on the original plan and to add new improvement objectives, the College expects to see continuous increases in completion and retention, which will assist in the institution's financial health.

Americorp College Completion Coaches

The College is in the process of hiring two completion coaches. These were obtained through a grant in partnership with the Ohio Association of Community Colleges. Completion coaches will work with students identified by faculty and staff to assist them in completion. This includes helping students navigate college and connecting them with resources, working with faculty, meeting with students to provide college success coursework in a hands-on workshop format, connecting students to the community, building completion plans, helping students stay on track, and other activities to assist students in their college and career goals.

Promote College Credit Plus Delivery Options

The College was very proactive with the State's new College Credit Plus (CCP) opportunity. In the past, the College offered both the Post-Secondary Enrollment Option Program and Dual Enrollment opportunities for high school students. However, the new state law provides the College with the ability to market to a wider audience. The College developed new marketing materials and invited legal and service district school representatives to attend an informational meeting on January 31, 2015, to which more than 50 people representing 28 different schools were in attendance. Additionally, admissions personnel provided information to students and parents at 41 different evening events that incorporated 89 schools from January 2015 through March 2015. Owens Community College has signed agreements with 91 school districts and is anticipating high school students taking advantage of the College Credit Plus experience. For Owens Community College, the new CCP program has eliminated the prior structure of offsetting districts' expenses, therefore, the projected FY 2016 budget impact is estimated at ($1.5 million). *(Financial Exhibit 1)*

Marketing and Communications Strategy

A fully integrated marketing and communications strategy is a necessity with the College's diverse audiences now more complex, segmented and savvy than at any time in the College's history. The Office of Marketing and Communications' strategy when integrated with the College's academic, recruitment and retention goals will have the greatest opportunity to be effective and advance the College through the recovery process. While the marketing and communications strategy may not be fully quantifiable, the strategy's qualitative results will impact the College's brand initiative and in turn influence the recovery process. All facets of the marketing and communications strategy will incorporate the modern four Cs process of identifying the customer (or audience), and then reaching the customer with a communication (message) in a convenient and cost-efficient way.

The Office of Marketing and Communications has spent the last year redefining and rolling out a new brand for the College with reputation-building as the primary focus. This is a key tool for shaping Owens image within the community and for guiding brand messaging, both of which should positively impact Owens' reputation and student recruitment. The Office of Marketing and Communications continues to implement and expand the brand initiative, branching out to include projects and improvements in several other areas, including marketing, communications, public and media relations, social media and even College culture.

The Office of Marketing and Communications disseminates external marketing messages to target market segments using traditional media, impression-based direct marketing, and brand positioning. All media placements utilize data-driven media research paired with the College's strategic goals in order to produce the most effective results. The new strategic direction to include paid and complementary brand positioning in key target market segments expands the College's reach and frequency during key enrollment periods. All of these initiatives continue to be dynamic. They are evaluated for their return on investment with post-media reports and refined for improvement in either real time or for the next campaign, depending on the media.

While the external marketing messages focus on recruitment, internal marketing is focused on completion and the Office of Marketing and Communications has been an integral part in creating and implementing new completion strategies. The staff is continually reviewing these strategies and researching new strategies to see what can be improved. A redesigned website, a more strategic approach to public and media relations and a more dedicated approach to social media are also expected to contribute positively to the College's academic, recruitment and retention goals. More details about all of these initiatives can be found in *(Exhibit 15)*

FINANCIAL RECOVERY PLAN - SECTION III (D)

III. ANALYSIS OF HOW SUCH EFFORTS/INITIATIVES WILL RESOLVE THE FINANCIAL DIFFICULTIES.

D. ACADEMIC PROGRAMMING

The College is adapting, developing and aligning quality academic programs and educational delivery with labor market needs and job opportunities while fostering student learning, assessment and completion through strategic planning, efficiencies, partnerships and pathways.

Because the College experienced many consecutive years of program and headcount growth prior to the peak in 2009 and 2010, it did not develop many of the standard academic program, course and section management practices, which are in place at other community colleges. A number of academic and programming best practices needed to be adopted, including program review/elimination procedures, course/section management, target class sizes and fill rates, etc. In addition to effective academic program and course management, retention and completion strategies are required to mitigate declines in enrollment. The College experienced an institution-wide student headcount decline of approximately 46 percent since Fall Semester 2009. End of term data for headcount enrollment documents a 26 percent decline (Table 1). While new Fall enrollment numbers will not be available until late September, enrollment is projected to decline an additional 12 percent for Fall Semester 2015.

The effective management and planning for academic programs will contribute to financial recovery in three key ways:
1) Increased revenue from SSI for completion and persistence;
2) efficiencies achieved through program and curriculum design;
and 3) additional revenue gained through new and enhanced partnerships and programs.

Even if the funding formula for SSI did not reward institutions for completion and persistence, the College would be called upon to increase its efforts. The primary design principles of the major two-year college completion frameworks such as Completion by Design (CBD) and Achieving the Dream (AtD) offer simple yet effective action steps: a) Courses and sections students need will be offered (not just those faculty may want to teach); and b) The College will be more restrictive and provide fewer and more specific program options, all of which have a direct path toward a certificate, degree or successful transfer. The current best practices in completion and persistence include: guided pathways, intrusive advising, fewer elective choices, year-long scheduling; curriculum re-design for associate degrees to achieve 65 credits or below, and development of short-term certificates.

Effective practices in curriculum design and maintenance can conserve valuable resources that allow the College to continue to meet the core mission of student success. A year ago, the College began the difficult work to phase out unviable programs and identify current programs that no longer have sufficient student demand or workforce needs. Already, the College phased out a number of low-enrolled, low-demand program options, which some are in teach-out mode and some are already finished. A full five-year plan of the PREP cycle (completed in April) ensures that all programs have sufficient student demand and meet the community needs of Northwest Ohio. Academic Affairs also continues to implement best practices in course/section management principles, including more appropriate fill rates for target section size. This means that fewer sections are scheduled to run with extremely low enrollment with exceptions for clinicals, capstone courses required for graduation, some upper level courses, and for some sections on the Findlay Campus.

The College cannot simply cut; targeted growth is needed in enhanced partnerships and programs. With downward pressure on enrollment, the College must redouble efforts to be responsive to student and employer needs. A great opportunity is the State's College Credit Plus program. The College is a leader in post-secondary options for area K-12 students, and college administration is working toward expanding high school collaborations, including an exploration of the Early College model. Additionally, the College is working to renew and revitalize its academic presence in downtown Toledo and actively exploring international partnerships that may result in a greater number of international students. Innovative community and workforce programs will also contribute new sources of revenue. All new programming will be designed and evaluated for sustainability and direct support of the institutional mission.

Target Class Sizes

An important element of course/section management is the active monitoring of fill rates for courses. This often involves canceling low enrollment sections or combining with other sections where possible. During the Spring Semester 2015, active course section management resulted in approximately $750,000 in savings. Further efficiencies may be achieved by raising the threshold for course cancellation, which has been exceptionally low for years at the College. Below is a draft of proposed fill rate targets for future course/section management

by deans and chairs:

Table 5 – Proposed Fill Rate Targets

COURSE	Proposed Target Fill Rate
Land classes (any campus) (under 10)	75%
Land Courses Toledo (10-15)	65%
Land Courses Toledo (15+)	60%
Land Courses Findlay (10+)	50%
Web Courses (single sections)	50%
Web Courses (multiple sections)	65% - courses that can be combined will be combined.
Single upper level courses/ Ensembles	40%
Clinicals, Applied Lessons, and Internships/Coops (charged by student)	n/a

Some courses may need to run below anticipated targets due to program completion, etc. Departments will be afforded the opportunity to provide a rationale for any course not meeting the targets.

Schedule Management

In addition to target class sizes and appropriate fill rates, active management of the schedule is required to achieve the greatest efficiency. To be truly effective, the master course schedule for all campuses must be built to expected enrollment trends and headcount levels before registration begins. This means moving from an "overbuild" strategy where low-enrollment sections are canceled, to a "right-size" strategy where anticipated capacity is planned for and additional demand is accommodated through section creation. As a reference, combined sections for Spring Semester 2015 yielded savings of $750,000. As noted on the Matrix *(Financial Exhibit 1)*, further budget impacts are projected for FY 2016, a savings of $963,685; for FY 2017, a savings of $700,000; and, for FY 2018, a savings of $500,000. The three-year cumulative total (FY 16, FY 17 and FY 18) is projected to be a savings of $4,791,055.

A yearlong schedule (Summer, Fall, Spring) is developed and available for students to view so they can plan out their degree completion. Any changes to the schedule after it is posted for student view will require the approval of the Vice President of Academic Affairs.

Viable Certificates for Ohio Board of Regents

Certificates under 30 credit hours were submitted by July 1, 2014 and were approved with three exceptions in which further information was requested. The requested supplemental information was submitted in March 2015. Two certificates increased in hours and were resubmitted. Two new certificates were submitted by May 30, 2015. The increase in Ohio Board of Regents approved certificates will increase the State Share of Instruction obtained through completion points. Previously, the College had four certificates. The new submissions will raise this to 35 certificates, if all are approved. As of the writing of this document, the College is waiting for OBR determination as to eligibility toward the SSI.

Identify Unviable Certificates

The program review process (PREP) was redone in March 2015. The following programs are being reviewed during this cycle:

- All Automotive Certificates
- Architectural Engineering Technology
- Auto Body Refinish Technician Certificate
- Auto Body Technician Certificate
- Automotive Service Certificate
- Baking and Pastry Certificate
- CAD Certificate
- CAD Technology
- CISCO Academy Certificate
- Culinary Arts Certificate
- Hospitality Management
- Landscape and Turfgrass Management Program
- LPN Certificate
- Massage Therapy Certificate
- Network Administration Certificate
- Network and Systems Security Certificate and Major
- Networking and Information Systems Support
- Quality Assurance
- Web Design Certificate
- Wide Area Networking

Review of selected programs/certificates submissions were due May 29, 2015. These will be reviewed by the College's curriculum committee. The results will be presented to the Vice President of Academic Affairs.

Phase-out Unviable Programs

Programs will be reviewed for cost, student interest, and need. This will be done through the PREP cycle and also through the review of revenues and costs of programs. The College may need cut those programs with high cost and low returns as well as align program priorities and the needs of the community. Programs will be taught out (one year for certificates and two years for programs). The cumulative impact (FY 16, FY 17, FY 18) amounts to a projected $235,000 in savings, with the potential for additional savings if additional programs are determined to be viable.

In the last year, the following programs and certificates were ended:

- Accounting Software App Certificate
- Advanced Integrated Systems Technology
- Alternative Energy Certificate
- Alternative Energy/Sustain Technology
- Anthropology Concentration
- Application Software Spec Certificate
- Applied Engineering Certificate
- Architectural CAD Operator Certificate
- Biomedical Electronics Certificate
- Bio-Science Technology Certificate
- CAD/CAM Certificate
- Cancer Information Management Certificate
- Cancer Information Management Program
- CNC Operator Certificate
- Computer Numerical Control Certificate
- Computer Systems Certificate
- Construction Inspector Certificate
- Corrections Major
- Culinary Arts Certificate
- Dance Concentration
- Database Option
- Early Child Director's Certificate
- E-Business Technology
- E-Commerce Option
- Education Paraprofessional Major
- Electrical Maintenance Certificate
- Electronic Certificate
- Emergency Management & Plan
- Environment Health/Safety Technology
- Environmental Management Technology
- Expanded Functions Dental Certificate
- Facility Maintenance Certificate
- Fluid Power Maintenance Certificate
- Gender Studies Concentration
- Golf Course/Athletic Field Management
- Help Desk & Systems Support Certificate
- Integrated System Certificate
- Interior Design Certificate
- Interior Design Technology
- International Business Technology Major
- International Studies Concentration
- John Deere Turf Major
- Journalism Concentration
- Machinist Certificate
- Marketing & Sales Certificate
- Medical Reimbursement Spec Certificate
- Medical Transcription Certificate
- Military Science Option
- Music Business Certificate
- Musical Arts Concentration
- Networking Certificate
- ODOT Level 1 Certificate
- ODOT Level II Certificate
- Office Coordination Option
- Operations Management Certificate
- Organizational Leadership Certificate
- Organizational Leadership Major
- Popular Music Certificate
- Pre-Baking and Pastry Certificate
- Pre-Biotechnology Concentration
- Pre-Business Admin Concentration
- Pre-Cancer Info Concentration
- Pre-Cancer Info Management Certificate
- Pre-Culinary Arts Certificate
- Pre-Culinary Arts Concentration
- Pre-Hospitality Management Concentration
- Pre-Professional Engineering Concentration
- Project Management Certificate
- Public Relations & Advertising Transfer
- Public Safety Communication
- Quality Assurance
- Safety Coordinator Certificate
- Surveying Certificate
- Technical Option
- Urban Agriculture/Sustainability Certificate
- Water Treatment Certificate
- Web Development Option
- World Languages Concentration

Fire Science and Emergency Medical Management were combined to one program to better prepare students for jobs. The four education transfers were streamlined into one.

The PREP process for 2015 has identified more programs and certificates for potential elimination in Fall 2015. Massage Therapy Certificate, Massage Therapy Program, System Security Certificate, Web Design Certificate, Quality Assurance Certificate, and Blackbelt and Greenbelt Certificates. Some of these areas will be moved to non-credit.

Explore Program Synergies with Partners

The College has created many partnerships with its transfer institutions. The College currently offers bachelor-level courses from Tiffin University and Spring Arbor University and receives rental from these agreements. Franklin University will begin completion program on the Toledo Campus in Spring of 2016. Students will take three years at Owens and one year at Franklin to obtain a BBA and then additional work at Franklin to obtain an MBA. This would be additional rental and will also be used as a recruitment tool. There are discussions with Bowling Green State University (BGSU) to develop a partnership between Owens culinary program and BGSU's hospitality program, which would bring BGSU students to Owens to obtain a specialization in culinary. The College is exploring the option of a Health Science degree completion on the Findlay Campus through the Ohio State University at Lima. The College is also exploring the potential for offering classes at the Toledo-Lucas County Public Library to increase both visibility and enrollment. The College continues to discuss its interest in forming a potential partnership with Rossford High School (Wood County). Such an option may provide Rossford with space on campus to complete high school courses and as part of College Credit Plus, the opportunity to also incorporate Owens' courses for college credit in the students' schedules. The College is also exploring a potential partnership with Van Buren (Hancock County) related specifically to the STEM (science, technology, engineering and math) program, which may enable students who are interested in specializing in various areas of STEM to spend some of the time in high school developing STEM skills and obtaining college credit in STEM and core general education courses. Such a partnership may also qualify for a grant award available from the STEM Private-Public Partnership grant language in the current budget.

Re-Energize Advisory Boards

Advisory boards are imperative to the relevancy of the programs. Advisory board input allows the College to stay current in job demand and responsive to community and regional needs. In the last six months, the College completed a comprehensive list of board membership for ongoing management. Advisory board composition was reviewed to assure that the right industries were represented. The College is currently working on a standardization of advisory board composition, term length and scope.

Review Contribution Margins for Academic Programs

The College is reviewing programs that run at a loss and those that run with a profit. Equilibrium between the two needs to be established. Additionally, lab fees are being reviewed within the high cost areas to ascertain those lab and course material costs are covered.

Alignment and Redesign of In-demand Job Programming

College administration is strategically aligning and redesigning programming for in-demand jobs. For example, the short-term welding program is undergoing a re-design in the curriculum and changes in the scheduling for offering short-term credit certificates that prepare students for welding jobs. Additionally, the utilization of virtual welding trainers will also accommodate workforce/employer needs. The skilled trades curriculum is also undergoing a redesign to implement an applied engineering degree for students who have no previous experience in the field and skilled trades for those that are currently working in the field.

Increase Gross Margins & Building Utilization

The Workforce and Community Services (WCS) division, which directly reports to the Vice President of Academic Affairs, is reviewing WCS costs/practices and aligning the workforce and credit offerings to eliminate duplication.

The College is currently exploring partnership ideas for rental of space in areas of low utilization including the Findlay Campus, the Center for Emergency Preparedness and Maumee Learning Center. Conversations have occurred with local high schools about holding classes and sporting and social events on the Toledo and Findlay Campuses. WCS and the department of emergency services are reaching out to area police and fire to offer training spaces in CEP. John Deere will annually rent a classroom (EC 168) on the Findlay Campus for on-going training.

Explore Differential Fee Model for High-Cost Programs

As a follow up from the review of contribution margins for academic programs, the College intends to explore differential fee models for high-cost programs. The primary rationale for course-specific fees is that students in high cost programs use more classroom and lab materials. The lab and course fees need to more closely match the actual cost to deliver the materials. Given the College's historical mission of offering high-cost health and occupational programs, a differential fee structure by course is one strategy for the College to continue offering high-cost and in-demand occupational degrees in Northwest Ohio.

Many colleges follow differential tuition or fee models for high cost programs such as health. The College will follow a course by course fee structure as the materials being used are specific to the course. To follow are links to five different models for differential tuition and fees from the web pages of community colleges across the country. These are examples from Texas, Minnesota, Colorado, Arizona and Michigan. Each is structured with slight differences, but the design principle is the same. A simple explanation appears on the tuition and fees page for Pima Community College:

"Pima Community College charges additional tuition, known as differential tuition, for courses that are more costly for the College to offer. Examples of some factors that may make classes cost more to offer include: class size requirements of accrediting agencies, or expensive equipment that must be regularly updated to meet industry standards."

Pima CC (differential by course prefix)
https://www.pima.edu/paying-for-school/costs/differential-tuition.html

Lone Star CC (additional fee per credit hour by program)
http://www.lonestar.edu/tuition.htm

Century College (separate rate by program)
http://www.century.edu/currentstudents/businessoffice/tuitionrates.aspx

Aims CC (three bands of differential - Low/Med/High)
http://www.aims.edu/student/cashier/tuition

Grand Rapids CC (Two Tiers of Differential Tuition)
http://www.grcc.edu/cashier/tuitionratesfees

Academic programming, along with the effective management of processes within Academic Affairs, will be a key component of the College's financial recovery. The strategic priorities for Academic Affairs center on efforts to improve retention and completion, align academic and workforce pathways, as well as the creation of innovative, sustainable programs and partnerships. These efforts not only strengthen the commitment to the institutional mission of student success, but also have the potential to translate into increased revenue from SSI and tuition, as well as additional revenue gained through enhanced partnerships and programs.

III. PRESIDENT'S STRATEGIC PRIORITIES AND CHARTER CHANGE RECOMMENDATION

President's Strategic Priorities

In the President's annual goals reviewed with the Board of Trustees (October 2014), the President has prioritized "Resources" through increasing financial support from the Foundation and from the communities the College serves.

One of the avenues of financial relief for the College's unrestricted fund, for example, may be through transferring support of selected student scholarships from the general fund to either the Owens Foundation or to other College fund development initiatives. For example, the following selected scholarships are supported from the College's unrestricted general fund:

Table 6 – Selected Scholarships – Unrestricted General Fund

Scholarship	FY 2014	FY 2015
Trustees Academic Excellence Scholarships	$50,000	$50,000
Trustees Merit Scholarships	$87,500	$70,598
Registration Rewards Scholarships	$20,303	$50,166
Athletic Scholarships	$828,349	$899,065

Source: Business Affairs, July 6, 2015

The President has provided the following focus and vision for newly hired incumbents in the positions of the Executive Director of the Owens Foundation and the Athletic Director:

Foundation Support

The position, Executive Director of the Owens Foundation, has been vacant for two years. After a successful position search, a new director will serve in the position commencing, July 2015.

The focus and vision for the new director will be to seek private philanthropy to support the services that are responsive to the needs of the students and the College. The Owens Foundation will serve the College during the fiscal watch and in the future through the development of public understanding and philanthropic support for the College's educational scholarship programs and provide fiscal unrestricted resources that support the College's operational requirements, (in part or in whole) which may include:

- athletic scholarships
- organizational/educational membership dues/fees
- fiscal support to improve student retention, persistence, completion

Support may be designated from donors for specific purposes or for general unrestricted with support of the College from the involvement of:

- president, trustees, faculty, and staff and members of the community
- local employers to support employee professional development
- governing board members of the Owens Foundation
- alumni
- citizens investing in the community's future

Athletic Sponsorship Support

The position, Athletic Director, has been vacant for one year. After a successful position search, a new director will serve in the position commencing, July 2015.

The focus and vision for the new director will be to seek private sponsorship to assist in supporting the reduced dependency of the College operational cost for the programs.

The athletic program supports student transfer and completion. Owens Community College is among the nation's top schools for moving student-athletes onto four-year schools. In fact, Owens student-athletes must achieve at least a 2.0 cumulative GPA with 24 completed credit hours. The athletes are provided athletic scholarships through the College operational budget. Expenses for tournament trips and other costs, such as in baseball and softball field game preparations, have been raised by the student-athletes through athletic fundraising and sponsorships. The fund-support initiatives the new athletic director will focus on to assist in supporting the athletic department include:

- raising business and corporate sponsorships
- advertising on the Owens Express website
- developing an athletic booster club

Charter Change Recommendation

In the introduction of Section I, it was noted: *the President may recommend to the Board of Trustees to amend the charter to enable the College to seek local levy funding, which is projected to boost Owens Community College as a robust partner in producing college-and-career-ready students. The College has significant physical plant and capacity and with additional financial revenue, it will be fully positioned to affordably train a skilled workforce, meet employer demand and provide student support services and advising to better prepare students and stimulate new growth in the communities that we serve.*

An objective of a charter change amendment would be to advance Owens Community College in Northwest Ohio, similarly to the economic-driver community colleges in Northeast and Southwest Ohio (Cuyahoga Community College, Lakeland Community College, Lorain County Community College, Sinclair Community College). Specifically, additional long-term revenue through levy support would cultivate partnerships, strengthen relationships and leverage resources to expand the mission of providing students and Northwest Ohio employers with access to affordable quality education and technical training.

With Ohio entering an era in which good jobs require significant education beyond high school, and often a college degree, Owens Community College is a crucial resource for Northwest Ohio's youth, workforce, families and economy. Simply stated, it must prepare tens of thousands of people to succeed in a changing world. Owens must raise educational attainment, update workforce readiness and ensure college affordability. Those actions will help create and retain jobs, rebuild the economy and add family income.

Meeting higher education and job training needs in its diverse district – Lucas, Hancock and Wood Counties and parts of Ottawa and Sandusky Counties – is essential for Northwest Ohio's future. And because Owens is juxtaposed at the midpoint of so many educational and career paths, its success impacts that of our school systems, universities, job training systems and business enterprises.

Owens needs additional resources to be at full strength. It must continuously update technologically relevant job training, improve 2-year and transfer completion rates, add a foundation for students often ill-prepared for college work, and be affordable. Owens needs more funding to address current and future needs. Additional revenue is needed; communities frequently invest in their futures, but Owens as a "state community college" cannot ask for voted local support. With a small levy in its district, Owens would be a stronger force for in expanding jobs, training and education and quality of life in the years ahead.

Owens Community College began exploring the feasibility of a charter change 18 months ago. In 2014 and 2015 several major steps have been completed and data has been collected to help guide the institution through this exploration. These major steps included a communication audit, interviews of influential community leaders, numerous external one-on-one meetings, an internal forum with faculty and staff, internal small group sessions with faculty and staff, and discussion with the state legislators and the Chancellor of the Ohio Board of Regents.

Communication Audit

An outside third party conducted a communication audit to thoroughly review communication materials as part of a comprehensive research process. The College's communication tools were examined for effectiveness and consistency, which included advertising, internal communications, website, social media and earned media. News coverage of Owens was also reviewed to obtain a broader understanding of what messages the press is transmitting and how the College portrays itself in the community. In addition to the assessment of current communications, a series of recommendations for the College were provided. This audit was a mechanism for the College to gain a better understanding of its position in the community and its communication opportunities.

Influential Community Leader Interviews

In-depth interviews were conducted with community leaders between April 15 and May 1, 2014. A list of over 250 individuals was compiled, which included business, education, civic, health, faith-based, and non-profit leaders. Stakeholders hailed from all five counties within Owens Community College's service district, with the majority located in either Lucas or Hancock counties.

External One-on-One Meetings

Owens administrators have been engaged in meetings with community leaders regarding the process of amending the charter and the process of seeking a local levy. Based on the feedback and lack of general knowledge regarding the College's services, programs, financing, etc. – the messaging evolved with a slightly heavier emphasis on communication and education. This evolution has helped provide additional context and understanding as to why it is important for the College to explore additional revenue sources.

Internal Faculty & Staff Open Forum

On May 15, 2014, Dr. Bower shared Owens' priorities and funding situation at a forum with over 200 employees of the College. Following the presentation, six breakout sessions were conducted where participants provided exceptionally frank and strong input with ideas ranging from intensely creative to intensely critical. That is to be expected when a new idea, such as a charter amendment, is presented in an institution that has faced significant enrollment and financial declines. As the process is designed to do, it produced a wide range of feedback, as well as broad institutionally based comments not specifically focused on the actual topic. What participants shared was substantial and helpful as Owens continues to explore this initiative.

Internal Faculty and Staff Small Group Sessions

As a follow-up to the May 2014 campus-wide forum, several small group sessions were held by department throughout June, July and August 2014 to further share the importance of exploring additional revenue sources. These sessions were designed to drill down into the specific nuances of how the College is funded, the constraints we face as a public institution and the opportunities additional revenue streams would provide. Participants were highly engaged and a lengthy question and answer period occurred during each session. Feedback from these small group sessions were positive and faculty and staff who attended indicated a better understanding of the College's priorities.

Meetings with Chancellor and Legislators

President Mike Bower met with and spoke to the Chancellor of the Ohio Board of Regents on several occasions to share progress on this initiative. Owens administrators also met with legislators and elected officials in an effort to keep them informed of the internal and external discussions that were taking place. This provided the College with an opportunity to update legislators about the financial challenges facing the institution, as well as discuss Ohio Revised Code that pertains to amending the College's charter.

FINANCIAL RECOVERY PLAN - SECTION IV

IV. DESCRIPTION OF CONTINGENCY PLANS DESIGNED TO ADDRESS THE FINANCIAL DIFFICULTIES AND OTHER POTENTIAL CIRCUMSTANCES THAT COULD WORSEN THE FINANCIAL DIFFICULTIES.

Despite the efforts and initiatives described in this Plan, Owens Community College has developed contingency plans designed to help the College respond to unforeseen events and circumstances that may occur during the three-year recovery period and beyond. Contingency plans are answers to the question, "what can the College do if the financial situation continues to deteriorate?"

As outlined in Sections II and III, significant policy changes and reductions have already taken place to address the decline in financial position. In addition to these changes, initiatives designed to boost revenue through efficiencies and growth is also under constant development and revision. These changes and reductions will continue to have a positive impact on the financial future. Still, the College must prepare for unforeseen developments through contingency planning.

For the purposes of financial recovery, a contingency plan can be divided into two simple parts: a) measurement of the unforeseen event or circumstance, and b) action to be taken in the event such element comes to fruition. The primary circumstance that has the potential to worsen the College's financial difficulties would be a continued or accelerating decline in FTE student enrollment. A continued or accelerating decline would translate into decrease in tuition revenue, as well as diminished SSI support due to fewer credential and credit hour completions.

The College has made difficult decisions, reductions in force, and program eliminations that are measured in the millions of dollars. It should be noted, therefore, that remaining assets, programs, and personnel are deemed to be mission critical and central to the core identity of the institution and the multiple stakeholders it serves. For this reason, the potential actions outlined in contingency plans should be viewed as "worst case scenario" efforts that would be undertaken for institutional survival should the elements of the recovery plan outlined in Sections II and III not have the intended result of returning the College to a healthy composite ratio.

Because the employees of the College have already made drastic reductions in programs and personnel, the following contingency plans should be seen as potential future actions ***if*** the financial health of the College should continue to get worse. None of the following are under active consideration at the present moment.

Contingency Plan Implementation

If one or more assumptions or initiatives in this financial recovery plan do not come to fruition and result in a projected Senate Bill 6 composite score of 2.40 or less and if replacement initiatives with measurable implementation and outcome results cannot be determined to maintain the projected Senate Bill 6 composite scores in this plan, then one or more of the following contingency plan items may be implemented:

Table 7 – Contingency Planning – "THEN"

Contingency Item	THEN Statement	FY Budget Impact Estimate (Up to)
Memberships	Further reduce or eliminate institutional memberships in national, state, local and professional organizations.	$75,000
Operational Consolidations	Further consolidation of campus operations.	$500,000
College-sponsored activities	Further reduce, eliminate or transfer college-sponsored activities from the College's general operating fund.	$1,450,000
College-sponsored services	Further reduce, eliminate or transfer college-sponsored services from the College's general operating fund.	$225,000
Administrative functions	Further outsource administrative functions.	$645,000
High-cost occupational programs	Reduce or eliminate high-cost academic programs.	$1,800,000

Source: Owens Community College Fiscal Watch Contingency Plan

IMPORTANT NOTE: Given the drastic nature of the reductions previously undertaken, it should be re-stated that the above contingency plans are just that: plans for unforeseen declines in financial position. The people and culture of the College have been through a great deal in the past three years, and simply noting the presence of such actions in a recovery plan has the potential to create uncertainty and anxiety. In plain language, these contingency plans listed above are extreme actions that the College would undertake prior to closing its doors or going under State control.

FINANCIAL RECOVERY PLAN - SECTION V

V. THREE-YEAR FINANCIAL FORECAST, WHICH INCLUDES A DESCRIPTION OF KEY ASSUMPTIONS AND METHODOLOGY TO CORRECT ALL FISCAL CONDITIONS AT THE END OF THE THREE-YEAR PERIOD.

Background

As stated in the introduction of Section I, the College began the reduction of operational expenses in FY 2013 and FY 2014 toward financial stabilization. The exhibit, SB 6 Ratios FY 2011 to FY 2014, is provided for a historical and a comparison reference point. *(Financial Exhibit 3)*

Key Assumptions for FY 2016, FY 2017 and FY 2018

The following description and methodology of key assumptions is for the original three-year financial forecast exhibit for FY 2016, FY 2017 and FY 2018. *(Financial Exhibit 2)* As noted on the exhibit, the original Financial Recovery Plan projected a composite score of 3.10 for FY2017; and 2.70 for FY 2018. (As noted in Section II, pursuant to Ohio Administrative Rule 126:3-1-01: a financial recovery plan is to be adopted with the purpose to end fiscal watch within three years through achieving a composite score of at least 2.40 for a fiscal year.)

However, as described above in Section II - Description of efforts or initiatives proposed/undertaken to address the financial difficulties, including a time estimate to resolve the financial difficulties, the plan reflected the financial conditions at the time of adoption. However, to ensure we have the best projections for the Financial Recovery Plan, we update the FY2017 and FY2018 projections as we move through the fiscal year and have additional information that takes into account changes in the current fiscal year, and conservative assumptions to project FY2017 and FY2018. (Exhibit to be finalized – Certified Resolution)

Table 8 – Three-Year Projections of Composite Scores

Fiscal Year	Original Projected Composite SB 6 Scores	Updated Projected Composite SB 6 Scores
FY 2015	1.20	0.70
FY 2016	2.00	1.70
FY 2017	3.10	2.80
FY 2018	2.70	2.40

Source: Owens Community College Fiscal Watch Contingency Plan

As stated above, the original three-year forecast was calculated given the existing financial conditions at that time. Given that financial conditions change throughout the course of the fiscal year, we monitor results of operations to manage against the targeted SB 6 score. We also update and adjust FY 2017 and FY 2018 SB 6 scores based on up-to-date financial information.

Operating Revenues

- FY 2016 tuition revenue and student fees were updated and revenue calculated from the enrollment targets projected for the current academic year. In comparison to the prior year, FY 2016 projections are for Summer (10.8%), for Fall (12.9%) and for Spring (10.3%). FY 2017 and FY 2018 enrollment and tuition revenue base assumptions are an annual projection of (10%). Strategic enrollment initiatives are assumed to add $200,000 to tuition revenue in FY 2017 and FY 2018.
- Grants and Contracts revenues were provided by the Executive Director, Workforce Training and Community Service and are expected to increase by $685,000 in FY 2016 and remain flat in FY 2017 and FY 2018.
- Sales and Service revenues were provided by the Executive Director, Workforce Training and Community Service and are expected to decrease slightly in FY 2016 and increase by $100,000 due to expanded programming in FY 2017 and FY 2018.
- FY 2016 Miscellaneous Revenue will increase by $150,000 due to a one-time contract signing bonus from the bookstore operating agreement with Follett Higher Education Group, Inc. Miscellaneous revenue is projected to be reduced by $150,000 in FY 2017 and is assumed to be flat in FY 2018.
- FY 2016 Auxiliary revenues are decreased due to the outsourcing of the Bookstore to Follett Higher Education Group, Inc. and are assumed to be flat in FY 2017 and FY 2018.
- Other Income is assumed to be flat in FY 2016, FY 2017 and FY 2018.

Expenses

- Salaries and fringe benefits are reduced in FY 2016, FY 2017 and FY 2018 due to attrition, retirements, non-renewals, vacant position eliminations and delays in replacement, reductions in force, schedule management, across the board wage decreases and voluntary furloughs.
- FY 2016 Supplies are decreased due to reduced Findlay child care center and Bookstore expenses and are assumed to remain flat in FY 2017 and FY 2018.

- FY 2016 Travel, Entertainment and Professional Development expenses are decreased due to reduced food expenses at the Findlay child care center and are assumed to remain flat in FY 2017 and FY 2018.
- FY 2016 Information and Communication expenses are increased from prior year for mailing and computer lease expenses and are projected to remain flat in FY 2017 and FY 2018.
- FY 2016 Occupancy expenses are lower due reduced insurance brokerage costs and nonuse of Owens Tracy Road building and are assumed to remain flat in FY 2017 and FY 2018.
- Cost of Goods Sold is decreased due to the outsourcing of the Bookstore to Follett Higher Education Group, Inc. in FY 2016 and is assumed to remain flat in FY 2017 and FY 2018.
- FY 2016 Outside services are decreased due to negotiated Ellucian (Banner) maintenance cost reductions, Black Box telecommunications software, reduced allocations from Academic Tech funds, and the sublease of 64% of the Arrowhead Learning Center for 6 months in FY 2016 and 12 months in FY 2017 and FY 2018.
- Scholarships and Student Aid are expected to increase in FY 2016 and remain flat on FY 2017 and FY 2018.
- FY 2016 Allowance for Doubtful Accounts is $500,000 lower due to enrollment decreases and elimination of post-secondary enrollment option program (PSEO) write offs and is assumed to remain flat in FY 2017 and FY 2018.
- Depreciation expense is expected to increase by $110,000 in FY 2016 and by $200,000 in FY 2017 and FY 2018.
- Other Expenses are increased in FY 2016 due to the purchase of texting, virtual tour and viewbook recruiting and admissions technologies and are assumed to remain flat in FY 2017 and FY 2018.
- On December 1, 2015, the Board reduced the operating budget by $288,050 to offset the FY 2015 SB 6 score.
- To further assist in offsetting the FY 2015 SB 6 score, the College has frozen 14 postions that would save approximately $800,000 annually.
- The College offered an incentive for faculty retirements and expects to realize savings of $225,000 for the remainder of the fiscal year.

Non-Operating Revenues

- Federal Grants are expected to decrease slightly in FY 2016 and assumed to decline by 10% due to enrollment decreases in both FY 2017 and FY 2018.
- FY2016 State Appropriations are reduced by prior year bridge funding of $2.43 million with an offsetting increase from the State funding from formula of $191,000. Due to completion initiatives, State Appropriations are projected to increase by $200,000 in FY 2017 and by $400,000 in FY 2018.
- Additional State Appropriations were provided to Community Colleges in the State of Ohio budget in FY 2016 and FY 2017 are assumed to remain flat in FY 2018.
- FY 2016 investment income is expected to be decrease by $100,000 and is assumed to remain flat in FY 2017 and FY 2018.
- State Capital Appropriations are based on remaining capital projects in FY 2016 and are assumed to decrease by $1 million in both FY 2017 and FY 2018.
- Capital Grants are known to be $300,000 in FY 2016 and are not included in FY 2017 and FY 2018.

FINANCIAL RECOVERY PLAN

CLOSING STATEMENT

The Board of Trustees, administration, faculty and staff are committed to the mission of serving our students and our communities and are fully invested in the success of Owens Community College. The purpose of the financial recovery plan is to strengthen the institution, which in turn strengthens our communities. Our doors are open to students seeking degrees, skills and employment. Generations of our graduates started their success with Owens Community College, and the Board of Trustees values the vital role of Owens toward advancing our region's workforce in Northwest Ohio and beyond. The financial recovery plan is meant to be a dynamic plan with annual updates from the Board of Trustees on progress toward increasing revenues, aligning expenditures and achieving a Senate Bill 6 composite score of at least 2.40 for a fiscal year. With the adoption of the financial recovery plan, the Board of Trustees recognizes the support of the Chancellor of Higher Education, the Board of Regents staff, the strategy consultants and the chief financial officers of peer institutions in the development of this plan.

"We believe in serving our students and our communities. Your success is our mission."

Owens Community College Board of Trustees
July 15, 2015

APPENDICES

FINANCIAL EXHIBIT 1

EXHIBIT 10

Section III - Financial Recovery Plan Projection Matrix		Notes	Projected FY16 $ Budget Impact	Projected FY17 $ Budget Impact	Projected FY18 $ Budget Impact	Cumulative total of savings/revenue (FY16-FY18)
	FINANCIAL STABILITY AND OPERATIONS					
1	Financial Reporting to the Board (5-year Forecast, Balance Sheets, Purchasing Reports, Personnel Reports, Analysis/Narrative for the Financial Statements)	New BOT Policy approved by BOT 2/2/15				
2	Develop a 3-year forecast for OBOR (Exh 18)	Utilizing projection tool with SB6 Ratio calculator				
3	Sublease all or portion of premises at Maumee Learning Center (Arrowhead Park)	Pending sublease for 64% of premises; agreement for 27 mo. to defray lease cost	($175,000)	($124,549)	($11,671)	($785,769)
4	Convert capital assets to cash: 2249 Tracy Rd; 88 acres of farmland	Listed & marketed by commercial realtor				
5	Outsourcing: Bookstore	Follett operation to begin 7/23/15 (FY16 signing bonus); Risk minimization strategy (eliminate revenue and cash fluctuations -> $1 million annual guaranteed commissions through FY2019)	$150,000	$0	$0	$150,000
6	Tuition schedule modifications	BOT authorization - 3/13/15	$345,000	$0	$0	$1,035,000
7	Operational reductions		($1,355,561)	($21,079)	$0	($4,108,841)
7a	IT software reductions	Ellucian $68,000 (FY2015) $122,698 (FY2016), $21,079 (FY2017); Black Box telephone software ($82,000 FY2016)	($204,698)	($21,079)	$0	($656,252)
7b	Confer credit card fees		($165,000)	$0	$0	($495,000)
7c	Reduce bad debt expense		($500,000)	$0	$0	($1,500,000)
7d	Furniture sales/repurposing	Furniture sales ($30,000) and repurposing ($70,000);	($100,000)	$0	$0	($300,000)
7e	Bookstore cost of sales	Reduced purchasing of inventory	($50,000)	$0	$0	($150,000)
7f	Re-bid general insurance	RFP pending (new insurance broker)	($106,000)	0	$0	($318,000)
7g	Copy center postage		($25,000)	$0	$0	($75,000)
7h	Findlay Childcare Center	Revenue increase of $107,700 and expense reduction of $97,163 identified	($204,863)	$0	$0	($614,589)
	HUMAN RESOURCES/LABOR RELATIONS					
8	Compensation & Benefits		($3,500,657)	($265,025)	($500,000)	($11,532,021)
8a	Voluntary Furloughs	Annual ask of NBU staff, professional & administrative participants (For calendar year 2015 asked yielded - 37 participants, 250 days, 1999 hours)	($75,000)	$0	$0	($225,000)
8b	Across-the-board wage decreases	Wages reductions to for non-bargaining unit employees, Support staff union & FOP	($235,500)	($235,500)	$0	($1,177,500)
8c	Position management	Attrition, retirements, non-renewals, delay in replacing vacancies, job abolishments, job restructuring/individual compensation adjustments	($3,160,632)	$0	($500,000)	($9,981,896)
8d	Collective Bargaining	OSSU, FOP	($29,525)	($29,525)		($147,625)
9	Retirement planning education	Presentations to employees (STRS/SERS & MetLife)				
	ENROLLMENT AND MARKETING					
10	Continue to implement Strategic Enrollment Management (SEM) Plan		$300,000	$200,000	$200,000	$1,500,000
10a	SEM - Recruitment	Improve use of scholarship and financial aid to maximize recruitment and retention; developing systemic set of programs and events for recruitment; implement and maintain a coordinated marketing and communication plan				

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APPENDICES

FINANCIAL EXHIBIT 1 *(continued)*

Section III - Financial Recovery Plan Projection Matrix		Notes	Projected FY16 $ Budget Impact	Projected FY17 $ Budget Impact	Projected FY18 $ Budget Impact	Cumulative total of savings/revenue (FY16-FY18)
10b	SEM - Retention	Implement degree audit and academic planning software; assess, expand and improve Early Alert; improve career exploration opportunities, focusing on internships and co-ops; create a culture of student centered delivery of educational instruction and services	Projected revenues resulting from these sub-initiatives are included above.			
10c	SEM - Completion	Review academic curriculum - specifically verifying pre and co-requisites reducing credit hours required in degrees, and developing a year long centralized schedule; improve follow up tools used by advisors for probation students; develop advising strategies for gatekeeper courses to improve success				
11	Continue to implement OBR Completion Plan; Tuition Guarantee		$190,600	$200,000	$400,000	$1,371,800
11a	OBR - Connection to the Institution	Determine loss and momentum points throughout the student experience; Improve relationships and programming with local schools	Projected revenues resulting from these sub-initiatives are included above.			
11b	OBR - Successful First Year Entry	Develop advising strategies for gatekeeper courses to improve success; Incorporate Completion by Design principles into Program Review and Evaluation Process (PREP)				
11c	OBR - Student Progress	Improve early intervention based on grades; Expand use of Early Alert				
11d	OBR - Student Completion	Implement degree audit and academic planning software; develop a year long centralized schedule to provide pathway for completion; implement career connection or internships/co-ops into programs currently lacking this opportunity				
11e	OBR - Other aspects of Completion	Review current and update as necessary and develop new polices and procedures to support student completion; Improve data decision making by developing data sets that support understanding of completion rates on different populations				
11f	OBR - Workforce	Analyze data from NW Ohio and align course offering to current local labor market; Identify common skills needed and verify content offered in courses meets that need; Review current program advisory board membership and adjust as needed to make sure meeting employer needs				
11g	Tuition Guarantee request	Support the completion agenda by offering tuition guarantee to degree seeking students who enroll in 15 credits or more fall/spring consecutively, sign the pledge, and develop an academic plan with his/her advisor by end of the second semester in the program. This will begin Fall 2015 if approved by the Ohio Board of Regents.				
12	91 CCP agreements signed. College Credit Plus payment structure change	Eliminated prior structure of offsetting districts expenses	($1,515,000)	Analysis of FY2016 pilot year necessary prior to projections for FY17-FY18		($4,545,000)
13	Marketing campaign & branding initiative	Overhaul of branding (new commercials, billboards, HS sponsorships); New outreach strategies (postcards from admissions reps, monthly electronic postcards to current students from advisor). Website redesign (enhanced organization and ease of navigation, highlight career-focused programs)	Projected revenues resulting from these initiatives are included in #11 above.			
	ACADEMICS AND PROGRAMMING					
14	Schedule management	Establish target class sizes; Comprehensive analysis of section and course offerings	($963,685)	($700,000)	($500,000)	($4,791,055)

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APPENDICES

FINANCIAL EXHIBIT 1 *(continued)*

Section III - Financial Recovery Plan Projection Matrix		Notes	Projected FY16 $ Budget Impact	Projected FY17 $ Budget Impact	Projected FY18 $ Budget Impact	Cumulative total of savings/revenue (FY16-FY18)
15	Submit viable certificate programs for OBR approval	Certificates under 30 credit hrs. submitted by July 1, 2014. 2 new certificates submitted by May 30, 2015. If all are approved, 35 certificates will be available in effort to increase the SSI obtained through completion points.	Awaiting OBR determination as to eligibility for SSI			
16	Phase out unnecessary, unproductive, and unaffordable programs (e.g., Medical Assisting (Findlay), Golf, Urban Agriculture, Cancer Information Mgmt)	Programs reviewed for cost, student interest, and need. Eliminate programs with high cost and low returns; Align program priorities and the needs of the community.	($45,000)	($40,000)	($20,000)	($235,000)
17	Explore programmatic and community synergies to leverage underutilized space (on Toledo and Findlay campuses) and enhance service district presence		$13,000	$16,000	$8,000	$79,000
17a	*New* Post-Secondary Partnerships	Examples - Franklin University, OSU Lima (FY2017), NWSCC/Terra/UT Collaboration MOU, BGSU Concurrent Enrollment	$8,000	$16,000	$8,000	$64,000
17b	*New* High School Partnerships	Lucas, Hancock & Wood Counties K-12 districts				$0
17c	*New* Community/Business Partnerships	Exploring - Examples: John Deere/Findlay Implement; Toledo-Lucas County Public Library	$5,000	$0	$0	$15,000
18	Increase gross margins for WCS	Ex. New Truck Driving Program; increased building utilization at Center for Emergency Preparedness		$100,000	$100,000	$300,000
19	Explore differential program fees for high-cost programs to offset expenses	Medical Imaging FY16, Other Health Programs FY17	($150,000)	($300,000)		($1,050,000)

	Tasks Explored --> No resulting savings	Notes
	Increase gross margins for CFPA	Rental increases will price out of market
	Outsource snow, maintenance, custodial, groundskeeping and transportation	Quotes not competitive with in-house operation
	Explore Health Action Council (HAC) for prescription buying	Current partnership w/ EHPC more robust than HAC
	Create Faculty Senate	Budget neutral
	Increase gross margins for Events	Personnel reduction (savings included in reduction-in-force)
	Identify opportunities for IT outsourcing and/or hosting	FY2017 opportunity
	Tuition: 2% increase for FY2016	BOT authorization on 3/13/15; State budget bill predicted to prevent such an increase
	Modify organizational structure for enhanced efficiency and communication	Reduced Presidential direct reports to 10; budget neutral
	Conduct compensation analysis	Cost prohibitive
	Explore immediate possibilities for OFA savings	Proposed that OFA members temporarily waive 1/1/15 wage increase (Rejected); Proposed voluntary rate reduction for summer courses (Rejected); Non-renewal of 3 non-tenured faculty contracts
	Identify unviable certificate programs (based on enrollment and graduation rates)	Formal review of selected programs/certificates ongoing. Budget neutral
	Re-energize advisory boards; identify and align with labor market needs	Work with advisory boards is ongoing; Results budget neutral
	Welding program restructure for short-term training	Curriculum re-design (change of pre-requisite) and utilization of virtual welding trainers to accommodate workforce/employer needs.

APPENDICES

FINANCIAL EXHIBIT 1 *(continued)*

Section III - Financial Recovery Plan Projection Matrix		Notes	Projected FY16 $ Budget Impact	Projected FY17 $ Budget Impact	Projected FY18 $ Budget Impact	Cumulative total of savings/revenue (FY16-FY18)
Charter Change Exploration (ongoing)		**Notes**				
	Communication audit & media scan	The College's advertising, internal communications, website, social media, news coverage, and earned media were analyzed for effectiveness and consistency. Recommendations provided.				
	Identified and interviewed influential community leaders	38 in-depth interviews were conducted with community leaders and a list of over 250 individuals was compiled from business, education, civic, health, faith-based, and non-profit sectors representing all five counties.				
	35+ one-on-one meetings	Owens administrators engaged in meetings with community leaders regarding the process of amending the charter and the process of seeking a local levy.				
	Faculty & staff forum with 5 breakout sessions	May 15, 2014 - Over 200 faculty and staff were briefed about priorities and funding. Six breakout sessions were conducted, including one on the Findlay campus. Substantial input and feedback was gathered.				
	12+ small group sessions with faculty & staff	Small group sessions were held by department throughout June-Aug to further share importance of exploring additional revenue sources. Participants were highly engaged and responded favorably to the information provided.				
	Meetings with Chancellor and legislators	Meetings were productive. Legislators had questions pertaining to ORC and Chancellor's office provided feedback regarding the Charter Change process.				
	Align/review messaging (media/marketing)	Targeted for Summer/Fall 2015 media and marketing activities				
	Refine case statement for financial resources, org assistance, and support by local leaders	Taskforce discussed the need for this step and will schedule a work session to conduct exercise.				
	Conduct systemic market research	Survey tool is being designed. Waiting to hear back on funding				
	Test feasibility with key constituencies	Slated for 1st or 2nd week of May - waiting on funding				
	Identify and cultivate strategic relationships that are essential for Owens' sustainability	Need to identify those relationships outside of individuals to build (i.e. TPS, UT, etc.)				
	Recruit, develop and deploy external champions, sponsors, and validators	Tier I contact list - revised and assigned				
	Recruit, develop and deploy internal champions and validators	An initial group of internal stakeholders interviewed for feedback				
	Begin strategic, systemic grassroots outreach to make the case for charter change	Two items above (internal/external stakeholders) will need to be in place prior to implementation of systematic grassroots outreach				
	Take steps toward OBR approval for charter change in Nov. 2015	Need to revisit "Memo to File" with regard to what will be identified and submitted to OBR for Charter Change				

APPENDICES

FINANCIAL EXHIBIT 2

EXHIBIT 18 - SECTION IV THREE-YEAR FINANCIAL FORECAST - FY 2015, FY 2016, FY 2017, FY 2018 — **Projected FY2015, FY2016, FY2017 and FY2018 Senate Bill 6 Ratios** — **With $754,296 Additional SSI and $530,000 Expense Reductions**

	A	B	C		D	E	F	Primary Reserve 50%		Viability 30%		Net Income 20%		Composite Score
NEW GASB 34/35 Format	Expendable Net Assets	Plant Debt	Revenues, Operating + Nonoperating		Operating Expenses	Nonoperating Expenses	Change in Total Net Assets	Ratio	Score	Ratio	Score	Ratio	Score	
			Net of negative revenues (expenses)	State Capital Appropriations		(Asset Disposal)	= C - (D + E)	= A / D		= A / B		= F / C		
FY2015	**$ 811,337**	**$4,406,622**	**$ 83,597,510**	**$ 4,150,000**	**$ 87,306,027**	**$ -**	**$ 441,483**	**0.009**	**1**	**0.184**	**1**	**0.005**	**2**	**1.20**
FY2016	**$ 2,625,616**	**$3,262,062**	**$ 76,494,127**	**$ 3,300,000**	**$ 78,434,143**	**$ -**	**$1,359,984**	**0.033**	**1**	**0.805**	**3**	**0.017**	**3**	**2.00**
FY2017	**$ 5,227,756**	**$2,079,502**	**$ 72,950,102**	**$ 2,000,000**	**$ 73,860,326**	**$ -**	**$1,089,776**	**0.071**	**2**	**2.514**	**5**	**0.015**	**3**	**3.10**
FY2018	**$ 4,759,542**	**$896,942**	**$ 70,048,078**	**$ 1,000,000**	**$ 73,028,655**	**$ -**	**($1,980,577)**	**0.065**	**2**	**5.306**	**5**	**(0.028)**	**1**	**2.70**

	Projected FY2015	Projected FY2016	FY2016 Changes	Projected FY2017	FY2017 Changes	Projected FY2018	FY2018 Changes
Operating Revenue							
Tuition & Fees (Net of Scholarship)	$ 20,133,903	$ 18,654,176	($1,479,727)	$ 17,048,035	($1,606,141)	$ 15,433,893	($1,614,141)
Grants & Contracts	$ 4,031,291	$ 4,716,291	$685,000	$ 4,716,291		$ 4,716,291	
Unearned Revenue		$ -		$ -		$ -	
Sales & Service	$ 242,000	$ 217,900	($24,100)	$ 317,900	$100,000	$ 417,900	$100,000
Miscellaneous	$ -	$ 150,000	$150,000	$ -	($150,000)	$ -	
Indirect Cost Recovery	$ -	$ -		$ -		$ -	
Plant Funds	$ -	$ -		$ -		$ -	
Auxiliaries	$ 7,017,893	$ 2,964,440	($4,053,453)	$ 2,964,440		$ 2,964,440	
Other Income	$ 276,866	$ 276,866	$0	$ 276,866		$ 276,866	
Total Operating Revenue	**$ 31,701,952**	**$ 26,979,672**		**$ 25,323,531**	**$ (1,656,141)**	**$ 23,809,390**	
Operating Expenses							
Salaries, wages and fringe benefits	$ 54,834,819	$ 50,202,337	($4,632,482)	$ 45,574,148	($4,628,189)	$ 44,554,148	($1,020,000)
Supplies	$ 1,372,725	$ 1,291,738	($80,987)	$ 1,291,738		$ 1,291,738	
Travel, entertainment and professional development	$ 392,247	$ 375,600	($16,647)	$ 375,600		$ 375,600	
Information and communications	$ 2,917,666	$ 2,943,060	$25,394	$ 2,943,060		$ 2,943,060	
Occupancy	$ 4,215,692	$ 3,677,857	($537,835)	$ 3,656,778	($21,079)	$ 3,656,778	
Cost of goods sold	$ 4,471,407	$ 1,575,050	($2,896,357)	$ 1,575,050		$ 1,575,050	
Outside services	$ 8,945,109	$ 8,414,771	($530,338)	$ 8,290,222	($124,549)	$ 8,278,551	($11,671)
Scholarships and other student aid	$ 1,100,541	$ 1,242,500	$141,959	$ 1,242,500		$ 1,242,500	
Allowance for doubtful accounts	$ 1,700,000	$ 1,200,000	($500,000)	$ 1,200,000		$ 1,200,000	
Depreciation	$ 6,489,891	$ 6,600,000	$110,109	$ 6,800,000	$200,000	$ 7,000,000	$200,000
Other	$ 761,000	$ 806,300	$45,300	$ 806,300		$ 806,300	
						$ -	
						$ -	
Total Operating Expenses	**$ 87,201,097**	**$ 78,329,213**		**$ 73,755,396**	**$ (4,573,817)**	**$ 72,923,725**	
Operating Income (loss)	**$ (55,499,145)**	**$ (51,349,541)**		**$ (48,431,865)**		**$ (49,114,335)**	
Non-Operating Revenue (Expenses)							
Federal Grants	$ 18,286,395	$ 18,189,798	($96,597)	$ 16,401,915	($1,787,883) 10% decrease	$ 14,614,032	($1,787,883) 10% decrease
State Appropriations	$ 33,016,474	$ 30,753,570	($2,262,904)	$ 30,953,570	$200,000	$ 31,353,570	$400,000
Additonal State Appropriations		$ 754,296	$754,296	$ 1,512,363	$758,067	$ 1,512,363	
Investment Income	$ 371,086	$ 271,086	($100,000)	$ 271,086		$ 271,086	
Other Revenue	$ -	$ -		$ -		$ -	
Interest Expense	$ (104,930)	$ (104,930)		$ (104,930)		$ (104,930)	
Other Expense	$ -	$ -		$ -		$ -	
(Loss) on Disposal of Assets	$ -	$ -		$ -		$ -	
Total Non-Operating Revenue	**$ 51,569,025**	**$ 49,863,820**		**$ 49,034,004**		**$ 47,646,121**	
Income/(Loss) Before Other Financing	**$ (3,930,119)**	**$ (1,485,720)**		**$ 602,140**		**$ (1,468,214)**	
State Capital Appropriations	$ 4,150,000	$ 3,000,000		$ 2,000,000	($1,000,000)	$ 1,000,000	($1,000,000)
Capital Grants		$ 300,000		$ -	($300,000)	$ -	
Other	$ 221,602			$ -			
Other Financing	**$ 4,371,602**	**$ 3,300,000**		**$ 2,000,000**		**$ 1,000,000**	

APPENDICES

FINANCIAL EXHIBIT 3

OWENS STATE COMMUNITY COLLEGE FY2011 - FY2014 Senate Bill 6 Ratios

	A	B	C		D	E	F	Primary Reserve 50%		Viability 30%		Net Income 20%		Composite Score
	Expendable Net Assets	Plant Debt	Revenues, Operating + Nonoperating		Operating Expenses	Nonoperating Expenses	Change in Total Net Assets	Ratio	Score	Ratio	Score	Ratio	Score	
			Net of negative revenues (expenses)	State Capital Appropriations		(Asset Disposal)	= C - (D + E)	= A / D		= A / B		= F / C		
FY2011	**$ 18,730,558**	**$ 7,477,454**	**$ 130,865,141**	**$ 1,894,794**	**$ 134,016,474**		**$ (1,256,539)**	**0.140**	**3**	**2.505**	**5**	**(0.009)**	**1**	**3.20**
FY2012	**$ 9,693,004**	**$ 6,273,615**	**$ 116,555,191**	**$ 94,232**	**$ 126,157,980**		**$ (9,508,557)**	**0.077**	**2**	**1.545**	**4**	**(0.082)**	**0**	**2.20**
FY2013	**$ 2,551,931**	**$ 5,962,323**	**$ 106,029,559**	**$ 592,396**	**$ 116,605,538**	**$ -**	**$ (9,983,583)**	**0.022**	**1**	**0.428**	**2**	**(0.094)**	**0**	**1.10**
FY2014	**$ 369,854**	**$ 4,406,622**	**$ 93,989,032**	**$ 3,418,192**	**$ 100,059,996**	**$ -**	**$ (2,652,773)**	**0.004**	**1**	**0.084**	**1**	**(0.027)**	**1**	**1.00**

	FY2013	FY2014		Difference from FY2013
Operating Revenue				
Tuition & Fees (Net of Scholarship)	$ 27,472,048	$ 24,546,356	-10.65%	-2,925,692
Grants & Contracts	$ 3,901,693	$ 3,324,876	-14.78%	-576,817
Unearned Revenue				
Sales & Service	$ 85,654	$ 85,856	0.24%	202
Miscellaneous	$ -	$ -		
Indirect Cost Recovery	$ -	$ -		
Plant Funds	$ -	$ -		
Auxiliaries	$ 9,626,742	$ 7,293,369	-24.24%	-2,333,373
Other Income	$ 436,207	$ 333,130	-23.63%	-103,077
Total Operating Revenue	**$ 41,522,344**	**$ 35,583,587**	-14.30%	-5,938,757
Operating Expenses				
Salaries, wages and fringe benefits	$ 73,873,245	$ 62,221,695	-15.77%	-11,651,550
Supplies	$ 4,310,599	$ 4,487,011	4.09%	176,412
Travel, entertainment and professional development	$ 1,082,643	$ 666,518	-38.44%	-416,125
Information and communications	$ 4,583,629	$ 3,837,687	-16.27%	-745,942
Occupancy	$ 3,720,439	$ 3,912,574	5.16%	192,135
Cost of goods sold	$ 7,130,311	$ 6,688,769	-6.19%	-441,542
Outside services	$ 8,093,502	$ 7,264,983		
Scholarships and other student aid	$ 5,325,348	$ 2,349,590	-55.88%	-2,975,758
Allowance for doubtful accounts	$ 2,010,000	$ 1,761,900		
Depreciation	$ 5,893,928	$ 6,210,891	5.38%	316,963
Other	$ 435,917	$ 553,449	26.96%	117,532
	$ -	$ -		
Total Operating Expenses	**$ 116,459,561**	**$ 99,955,066**	-14.17%	-16,504,495
Operating Income (loss)	**$ (74,937,217)**	**$ (64,371,480)**		
Non-Operating Revenue (Expenses)				
Federal Grants	$ 28,622,293	$ 23,571,329	-17.65%	-5,050,964
State Appropriations	$ 35,531,108	$ 34,463,030	-3.01%	-1,068,078
Investment Income	$ 353,814	$ 371,086	4.88%	17,272
Other Revenue	$ -	$ -		
Interest Expense	$ (145,977)	$ (104,930)	-28.12%	41,047
Other Expense	$ -	$ -		
(Loss) on Disposal of Assets	$ -	$ -		
Total Non-Operating Revenue	**$ 64,361,238**	**$ 58,300,515**	-9.42%	-6,060,723
Income/(Loss) Before Other Financing	**$ (10,575,979)**	**$ (6,070,965)**		
State Capital Appropriations	$ 592,396	$ 3,418,192	477.01%	2,825,796
Capital Grants				
Other		$ -		
Other Revenues	**$ 592,396**	**$ 3,418,192**		
Increase (Decrease) in Net Position	$ (9,983,583)	$ (2,652,773)	-73.43%	7,330,810
Expendable Net Position - Beginning	$ 96,688,045	$ 86,704,462		
Non-expendable Assets	$ 2,551,931	$ 369,854	-85.51%	-2,182,077
Expendable Net Position - Ending	$ 86,704,462	$ 84,051,689		$ -

APPENDICES

FINANCIAL EXHIBIT 4

OWENS
COMMUNITY COLLEGE

BOARD OF TRUSTEES

TUITION AND NON-GENERAL FEES RECOMMENDATION
RESOLUTION 2015-12-01-12

NOW, THEREFORE, BE IT HEREBY RESOLVED that effective for fiscal year 2016, the Board of Trustees approves tuition and non-general fees, effective for Fall Semester 2015, as follows:

In-state Tuition – Instructional and General Fee	$153.00/Credit Hour
Non-General Fees – 6 or more credit hours:	
Academic Technology Fee	$6.00/Credit Hour
Administrative Technology Fee	$10.25/Credit Hour
Student Activity Fee	$2.00/Credit Hour
Computer-Usage Fee	$2.00/Credit Hour
E-Learning Fee (On-line Class)	$20.00/Credit Hour On-line Class

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SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the Board of Trustees by majority vote of such Trustees at a meeting duly noted and held December 1, 2015. Such resolution(s) were adopted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this December 2, 2015.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

APPENDICES

FINANCIAL EXHIBIT 5

SB 6 with Preliminary FY15 Score

Projected FY2015, FY2016, FY2017 and FY2018 Senate Bill 6 Ratios

NEW GASB 34/35 Format	A Expendable Net Assets	B Plant Debt	C Revenues, Operating + Nonoperating		D Operating Expenses	E Nonoperating Expenses	F Change in Total Net Assets	Primary Reserve 50% Ratio	Primary Reserve 50% Score	Viability 30% Ratio	Viability 30% Score	Net Income 20% Ratio	Net Income 20% Score	Composite Score
			Net of negative revenues (expenses)	State Capital Appropriations		(Asset Disposal)	= C - (D + E)	= A / D		= A / B		= F / C		
FY2015 Projected	**$ 811,337**	**$4,406,622**	**$ 83,597,510**	**$ 4,150,000**	**$ 87,306,027**	**$ -**	**$ 441,483**	**0.009**	**1**	**0.184**	**1**	**0.005**	**2**	**1.20**
FY2015 Actual	**$ (494,559)**	**$3,207,962**	**$ 85,403,290**	**$ 4,053,966**	**$ 90,745,143**	**$ -**	**$ (1,287,887)**	**(0.005)**	**1**	**(0.154)**	**0**	**(0.014)**	**1**	**0.70**
FY2016 Initial Projected	**$ 2,625,616**	**$3,262,062**	**$ 76,948,423**	**$ 3,300,000**	**$ 78,434,143**	**$ -**	**$1,814,280**	**0.033**	**1**	**0.805**	**3**	**0.023**	**3**	**2.00**
FY2016 YTD Projected	**$ 738,705**	**$2,207,225**	**$ 75,746,776**	**$ 3,370,305**	**$ 77,883,817**	**$ -**	**$1,233,264**	**0.009**	**1**	**0.335**	**2**	**0.016**	**3**	**1.70**
FY2017 Initial Projected	**$ 5,527,756**	**$2,079,502**	**$ 74,462,466**	**$ 2,000,000**	**$ 73,560,326**	**$ -**	**$2,902,140**	**0.075**	**2**	**2.658**	**5**	**0.038**	**4**	**3.30**
FY2017 Revised Projected	**$ 3,483,177**	**$1,194,806**	**$ 73,135,264**	**$ 2,000,000**	**$ 72,390,791**	**$ -**	**$2,744,473**	**0.048**	**1**	**2.915**	**5**	**0.037**	**4**	**2.80**
FY2018 Initial Projected	**$ 5,359,542**	**$896,942**	**$ 71,560,441**	**$ 1,000,000**	**$ 72,728,655**	**$ -**	**($168,214)**	**0.074**	**2**	**5.975**	**5**	**(0.002)**	**1**	**2.70**
FY2018 Revised Projected	**$ 3,545,414**	**$310,000**	**$ 70,922,691**	**$ 1,000,000**	**$ 71,860,455**	**$ -**	**$62,236**	**0.049**	**1**	**11.437**	**5**	**0.001**	**2**	**2.40**

Operating Revenue	Projected FY2015	Actual FY2015	Difference FY2015	FY2016 Initial Projected FY2016	FY2016 Initial Projected FY2016 Changes	FY2016 Projected Year-End FY2016	FY2017 Projected Year-End Initial FY2017	FY2017 Projected Year-End Revised FY2017	FY2018 Projected Year-End Initial FY2018	FY2018 Projected Year-End Revised FY2018
Tuition & Fees (Net of Scholarship)	$ 20,133,903	$ 24,493,573	$ 4,359,670	$ 18,654,176	($1,479,727)	$ 16,776,779	$ 17,048,035	$ 15,099,101	$ 15,433,893	$ 13,589,191
Grants & Contracts	$ 4,031,291	$ 2,813,238	$ (1,218,053)	$ 4,716,291	$685,000	$ 4,565,274	$ 4,716,291	$ 4,473,968	$ 4,716,291	$ 4,384,489
Unearned Revenue				$ -			$ -	$ -	$ -	$ -
Sales & Service	$ 242,000	$ 88,494	$ (153,506)	$ 217,900	($24,100)	$ 217,900	$ 317,900	$ 213,542	$ 417,900	$ 209,271
Miscellaneous	$ -	$ -		$ 150,000	$150,000		$ -	$ -	$ -	$ -
Indirect Cost Recovery	$ -	$ -		$ -			$ -		$ -	$ -
Plant Funds	$ -	$ -					$ -	$ -	$ -	$ -
Auxiliaries	$ 7,017,893	$ 5,650,263	$ (1,367,630)	$ 2,964,440	($4,053,453)	$ 2,191,803	$ 2,964,440	$ 2,147,967	$ 2,964,440	$ 2,105,008
Other Income	$ 276,866	$ 297,041	$ 20,175	$ 276,866	$0	$ 1,189,125	$ 276,866	$ 1,165,343	$ 276,866	$ 1,142,036
Total Operating Revenue	**$ 31,701,952**	**$ 33,342,609**	**$ 1,640,657**	**$ 26,979,672**		**$ 24,940,882**	**$ 25,323,531**	**$ 23,099,922**	**$ 23,809,390**	**$ 21,429,995**
Operating Expenses										
Salaries, wages and fringe benefits	$ 54,834,819	$ 57,147,064	$ (2,312,245)	$ 50,202,337	($4,632,482)	$ 50,989,051	$ 45,274,148	$ 45,274,148	$ 44,254,148	$ 44,254,148
Supplies	$ 1,372,725	$ 3,781,703	$ (2,408,978)	$ 1,291,738	($80,987)	$ 1,888,563	$ 1,291,738	$ 1,888,563	$ 1,291,738	$ 1,888,563
Travel and professional development	$ 392,247	$ 613,535	$ (221,288)	$ 375,600	($16,647)	$ 248,787	$ 375,600	$ 248,787	$ 375,600	$ 248,787
Information and communications	$ 2,917,666	$ 3,051,286	$ (133,620)	$ 2,943,060	$25,394	$ 2,397,734	$ 2,943,060	$ 2,457,678	$ 2,943,060	$ 2,519,120
Occupancy	$ 4,215,692	$ 4,209,899	$ 5,793	$ 3,677,857	($537,835)	$ 3,442,532	$ 3,656,778	$ 3,597,446	$ 3,656,778	$ 3,759,331
Cost of goods sold	$ 4,471,407	$ 4,223,348	$ 248,059	$ 1,575,050	($2,896,357)	$ 1,468,133	$ 1,575,050	$ 1,468,133	$ 1,575,050	$ 1,468,133
Outside services	$ 8,945,109	$ 7,303,352	$ 1,641,757	$ 8,414,771	($530,338)	$ 8,114,475	$ 8,290,222	$ 8,195,620	$ 8,278,551	$ 8,277,576
Scholarships and other student aid	$ 1,100,541	$ 2,752,678	$ (1,652,137)	$ 1,242,500	$141,959	$ 1,276,860	$ 1,242,500	$ 1,026,860	$ 1,242,500	$ 1,026,860
Allowance for doubtful accounts	$ 1,700,000	$ 1,127,114	$ 572,886	$ 1,200,000	($500,000)	$ 1,222,304	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000
Depreciation	$ 6,489,891	$ 6,088,650	$ 401,241	$ 6,600,000	$110,109	$ 6,600,000	$ 6,800,000	$ 6,800,000	$ 7,000,000	$ 7,000,000
Other	$ 761,000	$ 389,305	$ 371,695	$ 806,300	$45,300	$ 186,500	$ 806,300	$ 200,000	$ 806,300	$ 200,000
Total Operating Expenses	**$ 87,201,097**	**$ 90,687,934**	**$ (3,486,837)**	**$ 78,329,213**		**$ 77,834,940**	**$ 73,455,396**	**$ 72,357,236**	**$ 72,623,725**	**$ 71,842,519**
Operating Income (loss)	**$ (55,499,145)**	**$ (57,345,325)**	**$ (1,846,180)**	**$ (51,349,541)**		**$ (52,894,058)**	**$ (48,131,865)**	**$ (49,257,314)**	**$ (48,814,335)**	**$ (50,412,524)**
Non-Operating Revenue (Expenses)										
Federal Grants	$ 18,286,395	$ 18,596,658	$ 310,263	$ 18,189,798	($96,597)	$ 18,879,694	$ 16,401,915	$ 16,991,724	$ 14,614,032	$ 15,292,552
State Appropriations	$ 33,016,474	$ 33,062,633	$ 46,159	$ 30,753,570	($2,262,904)	$ 31,926,201	$ 30,953,570	$ 33,043,618	$ 31,353,570	$ 34,200,144
Additional State Appropriations				$ 754,296	$754,296		$ 1,512,363	$ -	$ 1,512,363	$ -
Investment Income	$ 371,086	$ 401,390	$ 30,304	$ 271,086	($100,000)		$ 271,086	$ -	$ 271,086	$ -
Other Revenue	$ -	$ -		$ -			$ -		$ -	$ -
Interest Expense	$ (104,930)	$ (57,209)	$ 47,721	$ (104,930)		$ (48,877)	$ (104,930)	$ (33,555)	$ (104,930)	$ (17,936)
Other Expense	$ -	$ -		$ -			$ -		$ -	$ -
(Loss) on Disposal of Assets	$ -	$ -		$ -			$ -		$ -	$ -
Total Non-Operating Revenue	**$ 51,569,025**	**$ 52,003,472**	**$ 434,447**	**$ 49,863,820**		**$ 50,757,017**	**$ 49,034,004**	**$ 50,001,787**	**$ 47,646,121**	**$ 49,474,760**
Income/(Loss) Before Other Financing	**$ (3,930,119)**	**$ (5,341,853)**	**$ 1,411,734**	**$ (1,485,720)**		**$ (2,137,041)**	**$ 902,140**	**$ 744,473**	**$ (1,168,214)**	**$ (937,764)**
State Capital Appropriations	$ 4,150,000	$ 4,053,966	$ (96,034)	$ 3,000,000		$ 3,370,305	$ 2,000,000	$ 2,000,000	$ 1,000,000	$ 1,000,000
Capital Grants				$ 300,000			$ -	$ -	$ -	
Other	$ 221,602	$ -	$ (221,602)				$ -			
Other Financing	**$ 4,371,602**	**$ 4,053,966**	**$ (317,636)**	**$ 3,300,000**		**$ 3,370,305**	**$ 2,000,000**	**$ 2,000,000**	**$ 1,000,000**	**$ 1,000,000**
Increase (Decrease) in Net Position	$ 441,483	$ (1,287,887)	$ (1,729,370)	$ 1,814,280		**$ 1,233,264**	$ 2,902,140	$ 2,744,473	$ (168,214)	$ 62,236
Net Expendable Assets	$ 811,337	$ (494,559)	$ (1,305,896)	$ 2,625,616		**$ 738,705**	$ 3,640,844	$ 3,483,177	$ 3,472,631	$ 3,545,414

	FY17	FY18
Enrollment	90.00%	90.00%
Misc Revenue	98.00%	98.00%
Oper Ex	0.00%	0.00%
SSI	3.50%	2.50%
Occupancy	4.50%	4.50%
Mat & Sup	0.00%	0.00%
COGS	0.00%	0.00%
Info & Comm	2.50%	2.50%
Outside Services	1.00%	1.00%

APPENDICES

EXHIBIT 1

1a. Owens Enrollment and SSI: As enrollment declined from FY2010 through FY2014, SSI fluctuated from FY2009 through FY2011 but remained stable from FY2012 through FY2014. The College has benefited from and become dependent upon stop loss being included in the State funding formulas. Stop loss pick up amounts for FY2012, FY2013, FY2014 and FY2015 are $1,180,882, $1,532,266, $1,062,965 and $2,413,512 respectively.

1b. Owens Enrollment, Operating Revenues and Total Operating Expenses: As enrollment has declined from FY2010 through FY2014, operating revenues have declined at the same rate. Since FY2009, total operating expenses have been greater than operating revenues.

1c. Overview of Enrollment, Tuition, Revenue, SSI, and Expenses.

1d. Owens Enrollment, Operating Revenues and Operating Expenses excluding Wages and Fringe Benefits: As enrollment declined from FY2010 through FY2014, operating expenses excluding wages and fringes (and including unfunded capital projects) stayed constant from FY2010 through FY2012, and declined at a lesser rate than enrollment in FY2013 and FY2014.

1e. Wages by Category and FTE: With the exception of adjunct wages, no category of wages declined along with enrollment.

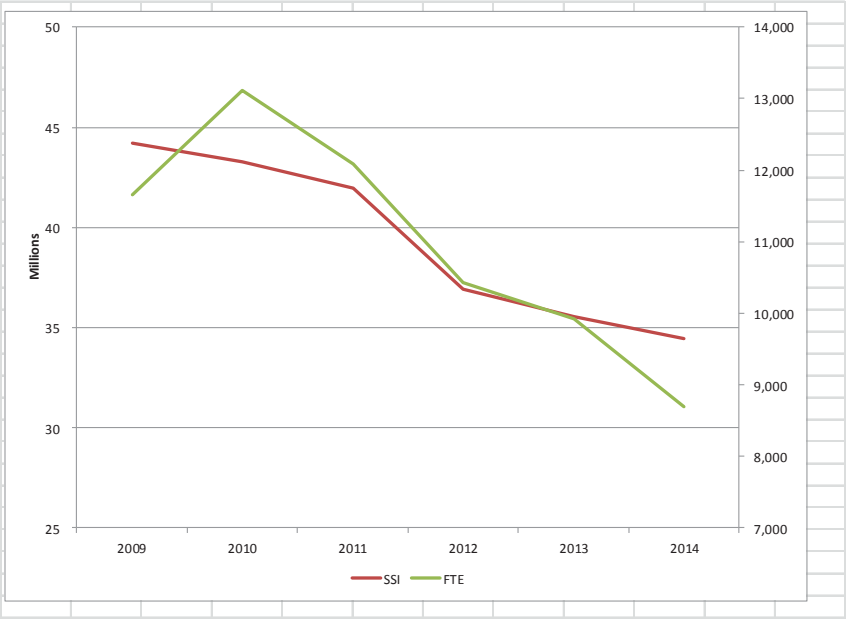
1f. Administration and Staff Wages by Category and FTE: As enrollment declined from FY2010 through FY2014, full time staff wages increased until FY2014 and administration and part time wages remained constant until FY2014.

1g. Teaching Wages and FTE: As enrollment declined from FY2010 through FY2014, adjunct wages decreased at the same rate as enrollment. Faculty wage expenses have remained constant. Lab assistant wage expenses remained constant from FY2009 through FY2012 and declined at a lesser rate than enrollment in FY2013 and FY2014.

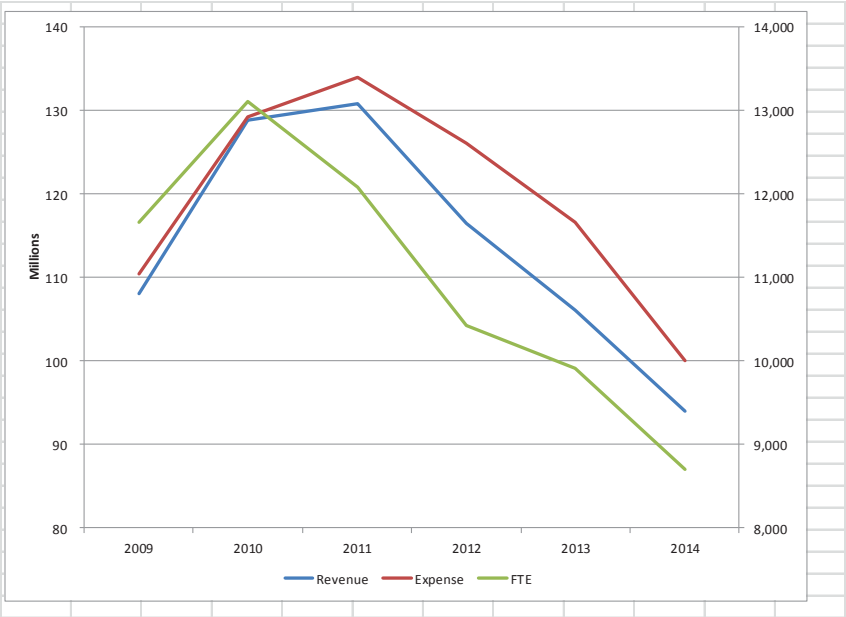
In summary, reserves were used for capital expenditures and additional employees that did not “pay for themselves with increased enrollment”. Employee expenses were reduced in FY2013 for FY2014, three years into Owens enrollment decline.

APPENDICES

EXHIBIT 1 *(continued)*



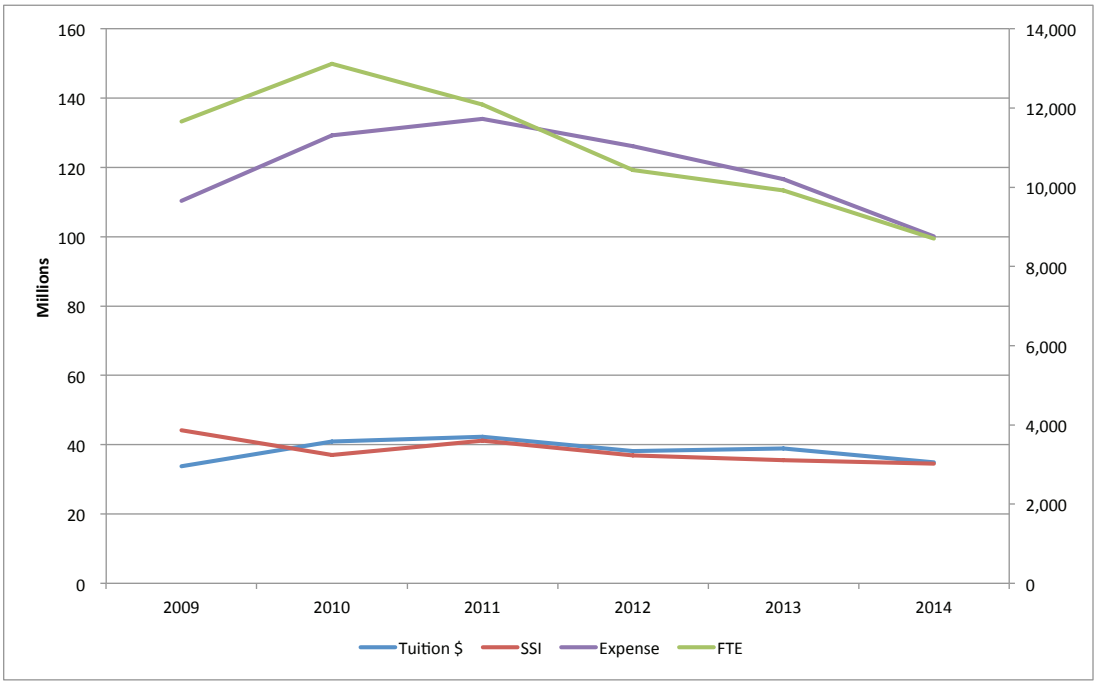
1a. Owens Enrollment and SSI



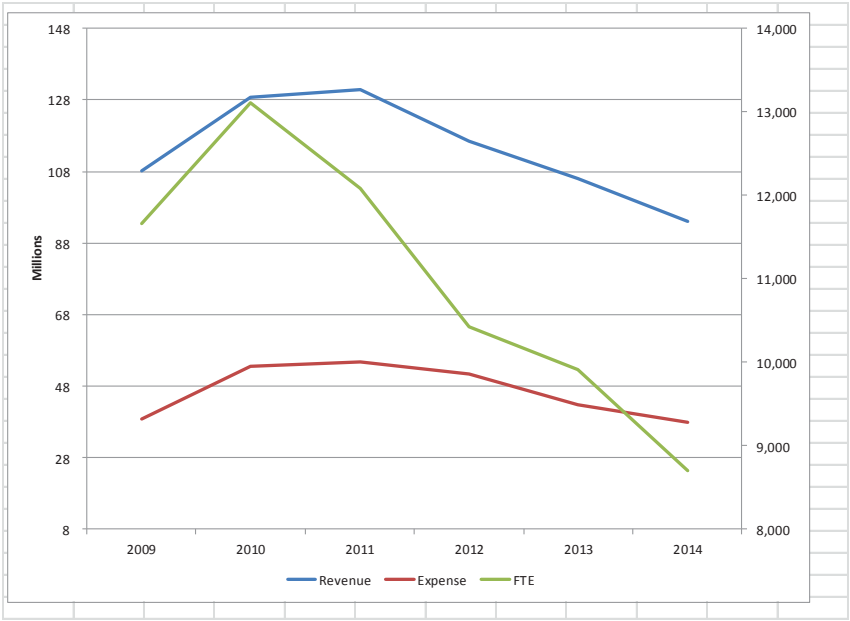
1b. Owens Enrollment, Operating
Revenues and Total Operating Expenses

APPENDICES

EXHIBIT 1 *(continued)*



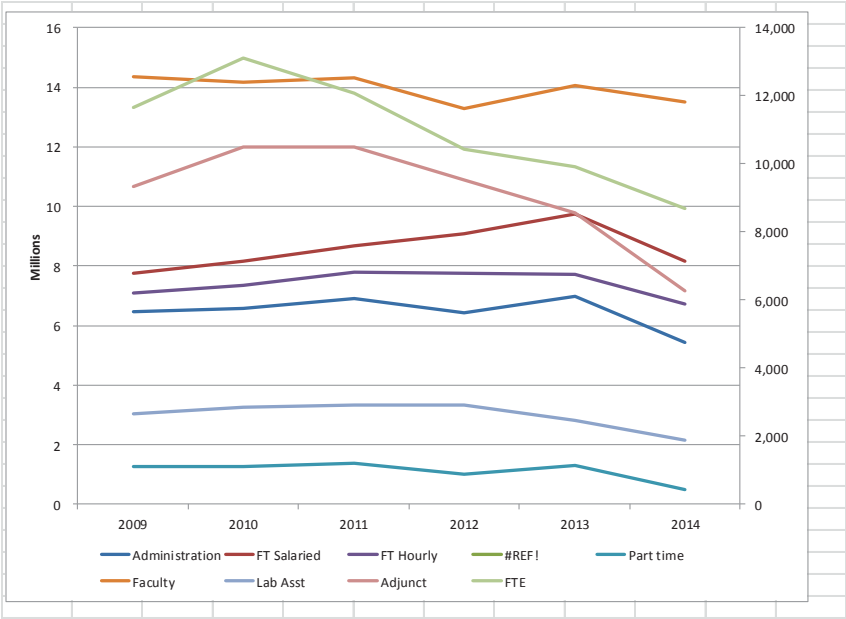
1c. Owens Enrollment, Tuition Revenue, SSI and Expenses



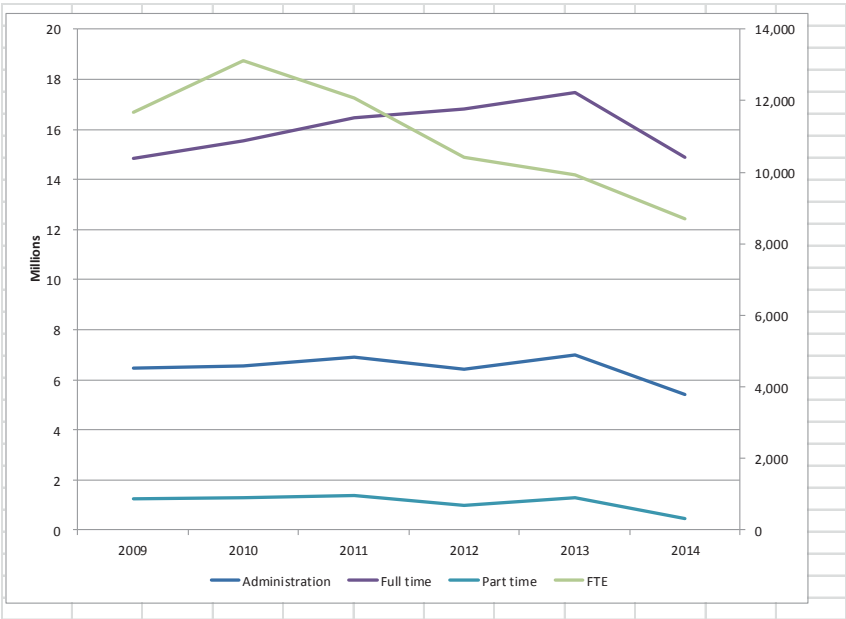
1d. Owens Enrollment, Operating Revenues and Operating Expenses excluding Wages and Fringe Benefits

APPENDICES

EXHIBIT 1 *(continued)*



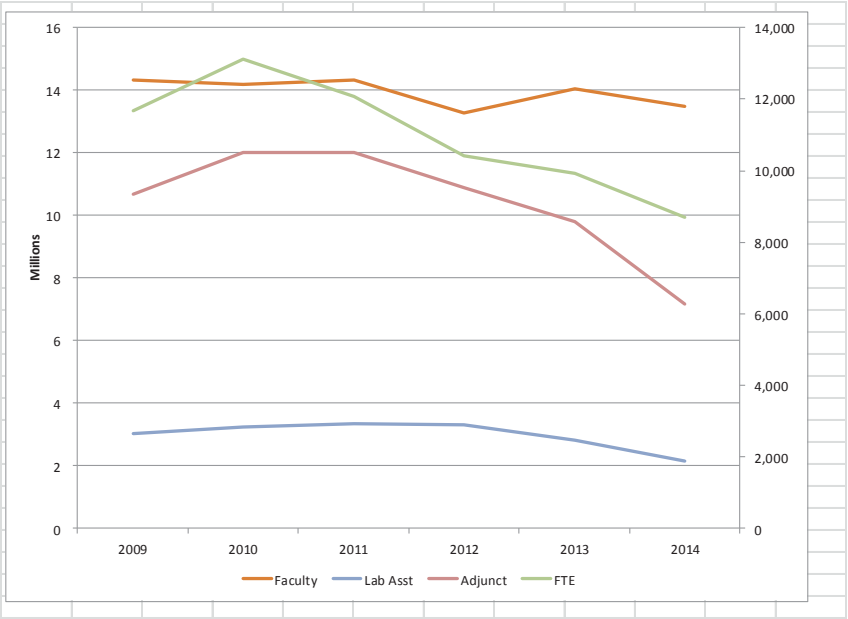
1e. Wages by Category and FTE



1f. Administration and Staff Wages
by Category and FTE

APPENDICES

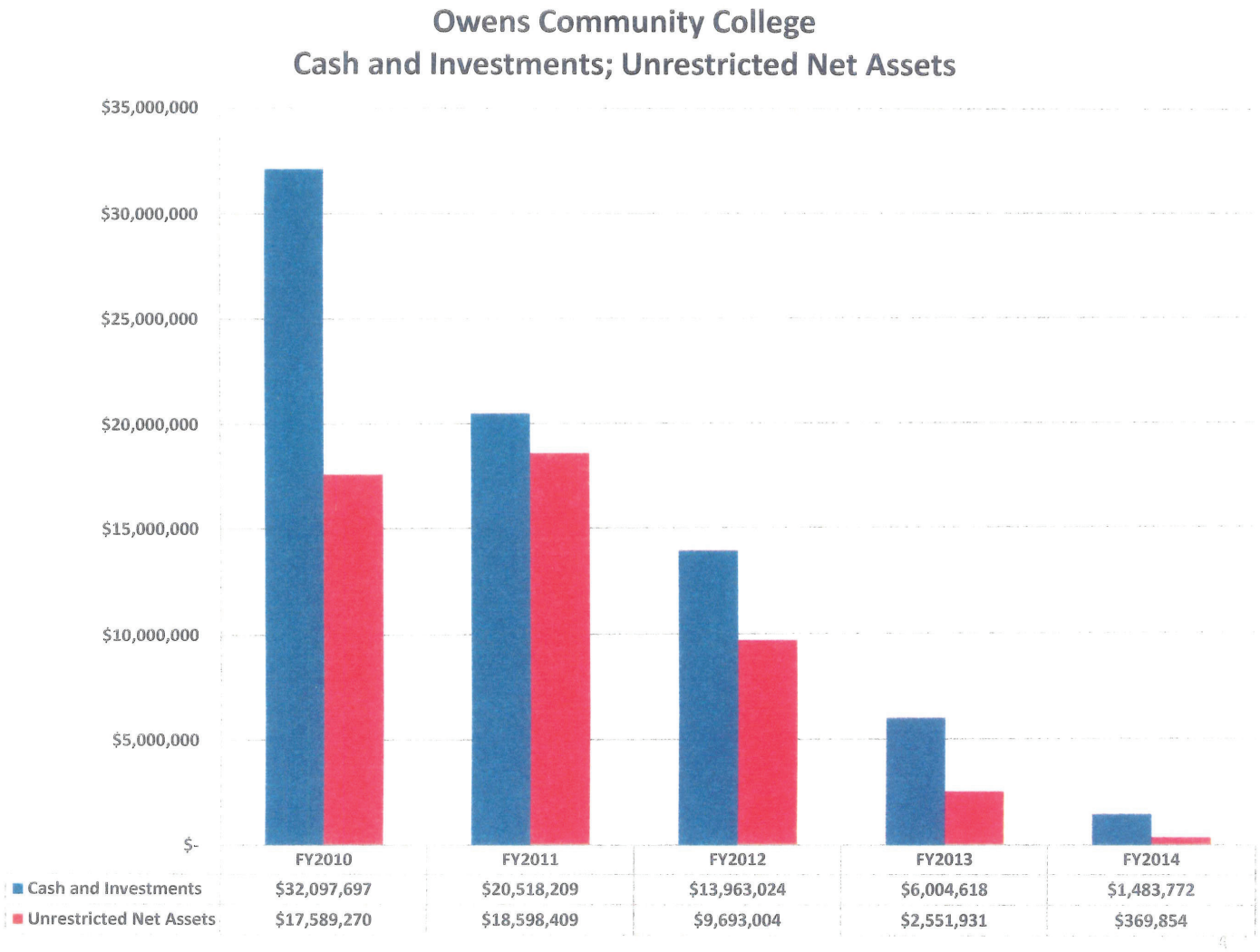
EXHIBIT 1 *(continued)*



1g. Teaching Wages and FTE

APPENDICES

EXHIBIT 2



	FY2010	FY2011	FY2012	FY2013	FY2014
Cash and Investments	$32,097,697	$20,518,209	$13,963,024	$6,004,618	$1,483,772
Unrestricted Net Assets	$17,589,270	$18,598,409	$9,693,004	$2,551,931	$369,854

APPENDICES

EXHIBIT 3

Owens Community College Financial History - 10 Fiscal Years

	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Cash & Equivalents	10,985,585	13,851,083	13,682,430	10,433,157	4,920,942	18,736,081	5,372,614	5,550,989	5,383,030	1,318,956
Investments	7,530,131	6,522,582	9,785,564	13,368,174	15,830,089	13,361,616	15,145,595	8,412,035	621,588	164,816
Total Cash & Investments	18,515,716	20,373,665	23,467,994	23,801,331	20,751,031	32,097,697	20,518,209	13,963,024	6,004,618	1,483,772
Increase/ (Decrease)		1,857,949	3,094,329	333,337	-3,050,300	11,346,666	-11,579,488	-6,555,185	-7,958,406	-4,520,846
						Stimulus $$			Accum Change	-17,031,944
Operating Revenue	51,295,033	53,892,468	53,906,561	41,310,518	42,879,273	49,049,960	48,291,079	44,635,463	41,522,344	35,583,587
Nonoperating Revenue (State)*	37,278,515	38,852,601	41,119,456	58,552,545	65,234,299	79,721,710	82,328,590	71,713,206	64,361,238	58,300,515
Total Revenue	88,573,548	92,745,069	95,026,017	99,863,063	108,113,572	128,771,670	130,619,669	116,348,669	105,883,582	93,884,102
Operating Expense	85,694,677	91,518,179	96,090,765	103,774,981	110,409,945	129,217,257	133,801,002	125,961,458	116,459,561	99,955,067
Income (Loss) Before Other Revenue	2,878,871	1,226,890	-1,064,748	-3,911,918	-2,296,373	-445,587	-3,181,333	-9,612,789	-10,575,979	-6,070,965
Other Revenue (Cap Approp)**	4,935,946	3,376,430	3,608,695	6,825,362	2,360,609	9,621,642	1,924,794	104,232	592,396	3,418,192
Increase/ (Decrease) in Net Position	7,814,817	4,603,320	2,543,947	2,913,444	64,236	9,176,055	-1,256,539	-9,508,557	-9,983,583	-2,652,773
Net Increase (Decrease) in Cash	-829,679	2,865,498	-168,653	-3,249,273	-5,512,215	13,815,139	-13,363,467	178,375	-167,959	-4,064,074

* Includes State Subsidy, Pell grants, investment income and interest expense.

** Includes State Capital appropriations.

Source:Annual financial statements with independent auditor's repors.

APPENDICES

EXHIBIT 4

3358:11-1-12 FINANCIAL STANDARDS POLICY.

(A) Policy statement. The purpose of this rule is to institute financial standards so for any fiscal year, whole or part, the financial condition of the college maintains a generally acceptable level of prudent professional financial management and foresight.

(B) Strategic standards.

(1) The board of trustees finance committee shall meet bi-monthly, unless the committee chair deems a monthly meeting schedule necessary for a certain fiscal period.

(2) Reserve/net asset requirements. The college shall maintain a financial reserve or net asset requirements, as follows:

(a) Unrestricted educational and general current operating fund. The undesignated reserve within this fund balance should be greater than or equal to ten per cent of this fund's total annual expenditures and transfers.

(b) Unrestricted auxiliary fund. The undesignated reserve within this fund balance should be greater than or equal to five per cent of this fund's self-operated annual revenues.

(c) Unrestricted plant fund. The undesignated reserve within this fund balance should be greater than or equal to two per cent of investment in plant. Investment in plant means the original book value (prior to any depreciation) of land improvements, buildings, and building improvements.

(3) Long-range forecast. A long-range five-year forecast shall be prepared and presented as a component of the annual budget presentation to the board of trustees, which includes the institution's expected financial trends under clearly stated assumptions:

(a) The institution's expected financial performance as compared to the institution's maintenance of a financial reserve or net asset requirements.

(b) A reporting of financial dashboard metrics.

(C) Reporting. For the board of trustees to take a required action, it is essential that data, information, reports and recommendations flow regularly from the president or administrative designee to the board, which shall be accomplished through separate, or any combination of, finance, personnel, planning, committee reports or the president's recommendation to the board.

(1) Regular meetings of the board. The regular meeting agendas shall include reports from:

(a) Finance. Included in these reports are a financial analysis narrative and the presentation of the interim (monthly) financial statements, a\ report of purchase orders, bids and expenditures (where board approval is required if the cost is fifty thousand dollars or more). For informational purposes, a report of purchase orders, bids and expenditures will also include a listing of purchase orders issued where the amount is ten thousand dollars or more but less than fifty thousand dollars.

(b) Personnel. Included in these reports are position vacancies and other personnel changes.

(c) Planning. Included in these reports will be annual plans, goals and budgets and any interim progress reports on such matters; however, such may be incorporated into a finance report.

(2) Finance committee meetings of the board. The finance committee meeting agendas shall include a financial narrative report, which may include a financial analysis, interim (monthly) financial statements, quarterly reports, financial dashboard metrics, annual budget, year-end financial statements (prior to the board receiving the annual budget and year-end audited financial statements).

(3) Balance sheets. The interim (monthly) and year-end financial statements shall include the presentation of balance sheets.

(4) Treasurer. The treasurer/chief financial officer shall identify, document, and communicate the magnitude of positive or negative financial trends and the subsequent impact of operational or financial changes in the presentation of interim (monthly) financial statements, quarterly or year-end reporting and the annual budget. Attest. The treasurer/chief financial officer shall attest to the board the institution's maintenance, or lack thereof, of minimum or projected minimum, financial reserve or net asset positions with the adoption of the annual budget and at each occurrence a financial report is presented to the board.

Effective date: 2/20/2015

Patricia M. Jezak
Certification

2/10/2015
Date

Promulgated under: 111.15
Statutory authority: 3358.08
Rule amplifies: 3358.08
Prior effective dates: N/A

APPENDICES

EXHIBIT 5a

Determination of a Response to Budgetary Conditions
RESOLUTION 2013-04-02-25

WHEREAS, Owens Community College has projected budgetary shortfalls for fiscal year 2013 ($2.8 million) and for fiscal year 2014 (in excess of $7.5 million); and,

WHEREAS, there has been a material decrease in student enrollment from the original projection of 11,500 FTE, which provided the basis of the fiscal year 2013 approved budget, to an actual enrollment of approximately 8,700 tuition-paying FTE; and,

WHEREAS, for reasons of economy, cost saving measures have been and are being implemented to address the revenue reductions, budget shortfalls and to replenish the reserves, which include:

- Leaving vacant positions unfilled and reducing part-time hours;
- Increasing employee contributions for health benefits;
- Reducing travel and professional development expenses;
- Reducing purchases for materials, supplies, equipment and outside services;
- Delaying campus maintenance and technology replacements;
- Renegotiating utility and out-sourced service contracts;
- Implementing energy conservation measures;
- Increasing class sizes;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees adopts the College's good faith determination that a reduction in the workforce is required due to substandard enrollment and rigorous economies; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to implement the reduction in force in accordance with policies, procedures and bargaining agreements; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to balance the budget by fostering revenue streams and implementing reductions, which includes auxiliary operations, immediately and in the long term in order to preserve institutional resources supporting instruction, student services and for mission-critical purposes.

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of gher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the oard of Trustees by majority vote of such Trustees at a meeting duly noted and held April 2, 2013. Such resolution(s) were opted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its mmittees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements cluding Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and e in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this April 2, 2013.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

APPENDICES

EXHIBIT 5b

Owens Community College
Statement of Rationale and Supporting Documentation
Abolishment of Positions - Hourly/Non-Bargaining Unit Staff
To Be Completed by June 30, 2013

April 30, 2013

Introduction

This document describes and serves as a statement of rationale and supporting documentation of the abolishment of positions within the hourly/non-bargaining unit staff, to be effective May 31, 2013 and June 30, 2013 for reasons of economy.

Owens Community College is part of the University System of Ohio (USO) which, according to the USO website, is one of the largest, comprehensive public systems of higher education in the nation, and it includes 14 universities with 24 regional branch campuses, 23 community colleges and more than 120 adult workforce education and training centers. Since inception in 1965 as a technical college, Owens Community College offers rigorous, high-quality career and transfer programs and prepares and trains students for advanced higher education or to enter the workforce. Owens Community College is a political subdivision, as authorized by Ohio Revised Code Chapter 3358. The College's legal district encompasses the counties of Wood, Lucas, Hancock and parts of Sandusky and Ottawa. The 360-acre main campus is in Perrysburg Township and serves the greater-Toledo metropolitan area. The 60-acre campus in Findlay serves Hancock County. The College has learning centers in Maumee and downtown Toledo and a distance learning program that serves in-state and out-of-state students.

Statement of Rationale

Due to a declining student enrollment in fiscal years 2012 and 2013, the College has a current budgetary deficit and cannot maintain the current levels of staffing and operations. Specifically, Owens Community College has a projected shortfall of revenue as the actual full-time equivalent (FTE) enrollment, which provided the basis for the fiscal year 2013 (FY 2013) Unrestricted Operating Budget, is significantly less than projected. The preliminary College budget for FY 2013 was approved by the Board of Trustees on June 12, 2012, and it was based on the annualized FTE enrollment projection of 11,500 students. Then, in October 2012, the FY 2013 College budget was adjusted based on actual Fall Semester 2012 enrollment data of 9,600 tuition-paying FTEs. As announced on March 7, 2013, an additional budget adjustment is necessary, based on Spring Semester 2013 enrollment data of 8,700 tuition-paying FTEs. As a result, there is a $2.8 million revenue shortfall of the FY 2013 College budget. In order to address the revenue shortfall for the fiscal year ending June 30, 2013, and to substantially restore cash reserves, expenses are being reduced and adjusted. Furthermore, in the development of the FY 2014 College budget for the period of July 1, 2013, to June 30, 2014, based on a FTE flat enrollment projection of 8,700 tuition-paying FTE, an additional shortfall in excess of $7.5 million must be addressed.

On April 2, 2013, the Board of Trustees made a good faith determination that a reduction in the workforce is required, and the Board recognized the President's authority to implement the reduction in force and to balance the budget for the current and upcoming fiscal years. Among other measures, the reduction in the workforce includes the reduction of hourly/non-bargaining unit staff.

APPENDICES

EXHIBIT 5b

Based on the current projected revenue shortfall for FY 2013 ($2.8 million) and an additional projected shortfall for FY 2014 in excess of $7.5 million as well as the need to restore reserves, Owens Community College must abolish, *for reasons of economy*, certain filled positions within the hourly/non-bargaining unit staff. The reason of economy rationale associated with the positions abolishment is based on the appointing authority's estimated amount of savings with respect to salary and benefits of some $946,000.

The abolishment of hourly/non-bargaining unit staff positions is done in good faith and not as a subterfuge for discipline. The reduction in force is being implemented in accordance with the policies of the Board of Trustees.

Abolishment of Positions of Full-time Hourly Staff (Salary/Fringe Savings of $563,640)

Table 1

Position Title (Alpha Order)	Position Number	Rationale	Salary/Fringe Savings	Effective Date
Adaptive Technology Assistant	SS0265	Funding for both an Assistant and a Specialist for Adaptive Technology cannot be maintained. These two positions have similar duties which can be absorbed by the Specialist.	$37,689	5/31/2013
Administrative Assistant, Associate Vice Provost, Student Affairs	SS0269	This position formerly supported the Associate Vice Provost (AVP) for Student Affairs, the office of which is being eliminated due to budgetary constraints. Administrative subordinates to the former AVP will report directly to the Provost's Office.	$56,010	5/31/2013
Administrative Assistant, Student Services (Findlay) (1 of 2)	SS0049	With the reduction in enrollment and in the number of students being served by the Findlay Campus, a reduction of one administrative assistant for Student Services is necessary.	$36,096	5/31/2013
Administrative Assistant (Findlay) (1 of 2)	SS0113	These two administrative assistant positions were formerly supporting three department chair positions on the Findlay Campus. In January 2013, the three chair positions were eliminated and replaced by one Director of Administrative Services the support of which, in challenging economies, requires only one Administrative Assistant.	$40,593	5/31/2013
Assistant Director, Security (Findlay)	SS0231	The position is no longer required as the Department of Public Safety is eliminating security officers and transitioning to a fully sworn police force to effectuate enhanced services and cost savings.	$56,421	5/31/2013
Assistant Supervisor, Custodial (Third Shift)	BG0056	The third shift custodial service has been designated to have two less positions resulting in reduced supervisory needs.	$54,461	5/31/2013
Loan Specialist (1 of 3)	SS0060	With three Loan Specialists and declining enrollment, the current caseload can be handled by two Loan Specialists.	$46,510	5/31/2013
Specialist, Accounts Receivable	SS0121	To effect a reduction in personnel within the Bursar's/Collections Department, the duties of this position will be distributed among three other Specialists -- Student Billing, Non-student Billing Specialist and Accounting & Data Entry (Findlay)	$38,953	6/30/2013

EXHIBIT 5b *(continued)*

Specialist, Events	PF0298	A reduction in personnel within the Events area is necessary as a reduced volume of internal special events (due to budget constraints) makes it possible to distribute the remaining duties to others in the Events area.	$59,205	5/31/2013
Specialist, Quality	PF0331	With recent implementation of this position, the effectiveness of the position in redistributing the report writing/record keeping of assessment and quality initiatives has not yet been realized and budget constraints require the work be re-absorbed by the supervisor.	$55,294	5/31/2013
Specialist, Student Outreach (Findlay)	SS0248	To implement a strategic enrollment management approach with limited funding, it is necessary to have the current full-time recruiters (representatives) working the caseload to ensure transition from prospect to applicant to enrollee.	$34,013	5/31/2013
Systems Operator (1 of 2)	SS0250	The functions currently performed by two Systems Operators can be streamlined for cost savings and be absorbed by other individuals, primarily the remaining Systems Operator.	$48,395	5/31/2013

Abolishment of Positions of Part-time Hourly Staff (Salary/Fringe Savings of $382,334)

Table 2

Position Title (Alpha Order)	Position Number	Rationale	Salary/Fringe Savings	Effective Date
Administrative Assistant/ Receptionist, Facility Services	PP0129	Savings can be realized in eliminating the part-time support position considering that the implementation of a software program for electronic submission of work orders has resulted in a reduced volume of phone calls.	$16,604	5/31/2013
Academic Advisors (22 of 22)	PP0172 PP0173 PP0174 PP0175 PP0176 PP0184 PP0185 PP0186 PP0187 PP0188 PS0043 PS0044 PP0169 PP0170 PP0171 PP0177 PP0179 PP0181 PP0189 PP0190 PP0191 PP0192	To effectively implement a strategic enrollment management approach with limited funding, it is imperative that the advising caseloads be undertaken by full-time advisors.	$ 77,300	6/30/2013
Audiovisual Technician (Findlay)	PP0139	The Audiovisual Unit of the College consists of tech support for AV equipment - a function which can be absorbed the technical support efforts of the ITS department.	$26,873	5/31/2013

EXHIBIT 5b *(continued)*

Clerk, Copy/Mail Center (Findlay)	PS0039	Reduced hours of service for the Copy Center to realize savings necessitates reducing service personnel.	$13,248	6/30/2013
Clerk, Library	PP0074	Waning utilization and activity of the Library facilities necessitates the elimination of the part-time Library Clerk in the context of declining enrollment and revenues.	$21,321	5/31/2013
Coordinator, CPR Training Ctr.	PP0128	The CPR training component is being moved to the School of Health, Education, and Human Services to be administered by the Chair of the Emergency Medical Management program to reduce administrative costs.	$37,939	5/31/2013
Gallery Coordinator	PP0148	With limited funding the Gallery can be managed by the Fine and Performing Arts department and can be staffed through the use of student workers and students seeking an internship in gallery management.	$19,293	5/31/2013
Reference Librarian	PP0030	Waning utilization and activity of the Library facilities necessitates the elimination of the part-time Reference Librarian in the context of declining enrollment and revenues.	$37,781	5/31/2013
Representative, Admissions	PP0194	To effectively implement a strategic enrollment management approach with limited funding, it is necessary to have the current full-time recruiters (representatives) working the caseload to ensure transition from prospect to applicant to enrollee.	$21,317	5/31/2013
Administrative Assistant /Receptionist, Criminal Justice/Fire Science (Days)	PS0036	The need for 1.5 positions to administratively assist the programs is alleviated because the School of Public Safety is being dissolved as an administrative entity. The programs within the School of Public Safety will join other Schools within the College in order to save expenditures.	$14,401	5/31/2013
Specialist, Career Education	PP0119	For cost cutting measures, Career Services functions will be handled by other departments (e.g., the Career Advising function will be handled by 1-2 full-time advisors within the Advising Department).	$24,183	6/30/2013
Student Outreach Specialist (2 of 2)	PP0035 and PS0055	To effectively implement a strategic enrollment management approach with limited funding, it is necessary to have the current full-time recruiters (representatives) working the caseload to ensure transition from prospect to applicant to enrollee.	$19,511 $13,931	5/31/2013
Specialist, Testing Services (2 of 2)	PS0031 and PS0034	The reduction of two part-time Testing Services Specialists is necessary to bring the number of personnel commensurate with declining enrollment levels.	$19,316 $19,316	5/31/2013

Supporting Documentation

Owens Community College has experienced consecutive semesters of flat and declining enrollment, as shown in Table 3 from Integrated Postsecondary Education Data System (IPEDS) data.

EXHIBIT 5b *(continued)*

Table 3

Year	Unduplicated Headcount Combined Campuses	Unrestricted Revenue
2007	27,710	$82,266,666
2008	29,286	$86,119,943
2009	32,012	$91,176,874
2010	32,237	$99,542,726
2011	27,493	$98,763,677
2012	23,730	$89,095,117
2013	TBD	$87,149,323 (Budgeted)

Table 3 also reflects the reduction in unrestricted revenue since 2010. The State of Ohio has consecutively reduced the College's share of the State Share of Instruction funding, which has resulted in declining revenue and challenging economic conditions to keep the College operating in the black.

In order to address the immediate and future shortfalls of revenue impacting College operations, the College President must balance the budget, foster revenue streams and implement reductions, which includes among other measures, expenses, personnel and auxiliary operations, for the preservation of institutional resources supporting instruction, student services and for mission-critical purposes.

Attachments

- Certified Resolution 2013-04-02-25 Determination of a Response to Budgetary Conditions, April 2, 2013
- FY 2013 Unrestricted Fund Balance
- FY 2014 Budget Projection

Mike Bower, Ph.D.
President
Owens Community College
April 30, 2013

H. Richard Rowe
Board of Trustees
Owens Community College
April 30, 2013

EXHIBIT 5b *(continued)*

OWENS
COMMUNITY COLLEGE

Determination of a Response to Budgetary Conditions
RESOLUTION 2013-04-02-25

WHEREAS, Owens Community College has projected budgetary shortfalls for fiscal year 2013 ($2.8 million) and for fiscal year 2014 (in excess of $7.5 million); and,

WHEREAS, there has been a material decrease in student enrollment from the original projection of 11,500 FTE, which provided the basis of the fiscal year 2013 approved budget, to an actual enrollment of approximately 8,700 tuition-paying FTE; and,

WHEREAS, for reasons of economy, cost saving measures have been and are being implemented to address the revenue reductions, budget shortfalls and to replenish the reserves, which include:

- Leaving vacant positions unfilled and reducing part-time hours;
- Increasing employee contributions for health benefits;
- Reducing travel and professional development expenses;
- Reducing purchases for materials, supplies, equipment and outside services;
- Delaying campus maintenance and technology replacements;
- Renegotiating utility and out-sourced service contracts;
- Implementing energy conservation measures;
- Increasing class sizes;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees adopts the College's good faith determination that a reduction in the workforce is required due to substandard enrollment and rigorous economies; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to implement the reduction in force in accordance with policies, procedures and bargaining agreements; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to balance the budget by fostering revenue streams and implementing reductions, which includes auxiliary operations, immediately and in the long term in order to preserve institutional resources supporting instruction, student services and for mission-critical purposes.

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the Board of Trustees by majority vote of such Trustees at a meeting duly noted and held April 2, 2013. Such resolution(s) were adopted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this April 2, 2013.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

EXHIBIT 5b *(continued)*

OWENS COMMUNITY COLLEGE
UNRESTRICTED FUND
FY2013

	Adopted Budget 11,500 FTE	Adjusted Budget 9,600 FTE	Projected Actual 8,700 FTE
State Subsidy	35,432,155	35,432,155	35,432,155
Access Challenge	0	0	0
Federal Support	30,000	30,000	30,000
Tuition	44,502,059	38,625,632	35,786,648
Student Fees	9,195,600	7,676,327	7,112,117
Sales & Service	364,900	364,900	364,900
Other Revenue	849,200	849,200	849,200
Workforce Development	4,171,109	4,171,109	4,171,109
Total Revenue	94,545,023	87,149,323	83,746,129
Salaries	54,277,122	49,608,141	49,608,141
Fringe Benefits	17,069,460	16,170,031	16,170,031
Materials & Supplies	2,585,468	2,145,938	2,145,938
Travel & Food Service	637,295	559,295	559,295
Information/Communications	3,336,531	3,397,950	3,397,950
Maintenance Services	827,499	786,124	786,124
Utilities & Insurance	3,366,350	3,366,350	3,366,350
Other Expenditures	8,473,317	7,859,002	7,859,002
Cost Allocation Chargeback	(441,592)	(441,592)	(441,592)
Cost of Sales	2,681,343	2,118,261	2,118,261
Capital	200,000	100,000	100,000
Total Expenditures	93,012,793	85,669,500	85,669,500
Transfers Out/(In)	1,064,300	888,478	888,478
Operating Income/(Loss)	467,930	591,345	(2,811,849)

EXHIBIT 5b *(continued)*

OWENS STATE COMMUNITY COLLEGE
FY2014 Proposed Budget

FTE's	8,700
State Subsidy	34,369,190
Federal Support	50,000
Tuition	35,931,870
General Fees	3,069,360
Student Activity Fees	138,469
Other Student Fees	1,161,800
Lab Fees	2,175,000
Sales and Service	275,000
Other Revenue	450,000
Application Fee	344,172
Late Registration Fee	163,000
Tutor Fee	48,000
CEP	125,000
Dual/PSEOP	2,065,050
Fire/Police	247,806
Union Contract Training	3,216,570
Workforce Development	750,000
Revenue Before Transfers	84,580,287
Student Fees Transferred	1,260,943
Total Revenue	85,841,230
Salaries	50,839,443
Salaries - CEP	173,162
Salaries - Workforce	712,041
	51,724,646
Fringe Benefits	16,312,904
Material & Supplies	2,145,938
Travel & Food Services	559,295
Information & Communications	3,397,950
Maintenance Services	786,124
Utilities & Insurnace	3,366,350
Other Expenditures	4,517,500
Cost Allocation Chargeback	(441,592)
Cost of Sales	2,118,261
Capital	100,000
CEP	166,649
Dual/PSEOP	2,065,050
Fire/Police	247,806
Union Contract Training	3,926,076
Workforce Development	721,632
Expenses Before Transfers	91,714,589
Transfers:	
Student Fees	1,260,943
Scholarships	987,500
Net Income/(Loss)	(8,121,802)

EXHIBIT 5c

ELIMINATION OF POSITIONS FOR NON-BARGAINING UNIT PERSONNEL
RESOLUTION 2013-04-30-20

WHEREAS, with Resolution 2013-04-02-25, the Owens Community College Board of Trustees adopted the College's good faith determination that a reduction in workforce is required due to substandard enrollment and for reasons of economy; and,

WHEREAS, the reduction in force is being implemented in accordance with the policies of the Board of Trustees, and the President recommends the abolishment of certain filled positions within the hourly/non-bargaining unit staff for reasons of economy;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees approves the separations listed below, due to the abolishment of hourly/non-bargaining unit staff positions for reasons of economy, which is done in good faith and not as a subterfuge for discipline, effective May 31, 2013.

FULL-TIME POSITION TITLE	POSITION NUMBER
Adaptive Technology Assistant	SS0265
Administrative Assistant (Findlay)	SS0113
Administrative Assistant, Associate Vice Provost, Student Affairs	SS0269
Administrative Assistant, Student Services (Findlay)	SS0049
Assistant Director, Security (Findlay)	SS0231
Assistant Supervisor, Custodial (Third Shift)	BG0056
Loan Specialist	SS0060
Specialist, Events	PF0298
Specialist, Student Outreach (Findlay)	SS0248
Specialist, Quality	PF0331
Systems Operator	SS0250

PART-TIME POSITION TITLE	POSITION NUMBER
Administrative Assistant /Receptionist, Criminal Justice/Fire Science (Days)	PS0036
Administrative Assistant/Receptionist, Facility Services	PP0129
Audiovisual Technician (Findlay)	PP0139
Clerk, Library	PP0074

EXHIBIT 5c *(continued)*

PART-TIME POSITION TITLE ~ *continued*	POSITION NUMBER
Coordinator, CPR Training Center	PP0128
Gallery Coordinator	PP0148
Reference Librarian	PP0030
Representative, Admissions	PP0194
Specialist, Testing Services	PS0031
Specialist, Testing Services	PS0034
Student Outreach Specialist	PS0055
Student Outreach Specialist	PP0035

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees approves the separations listed below, due to the abolishment of hourly/non-bargaining unit staff positions for reasons of economy, which is done in good faith and not as a subterfuge for discipline, effective June 30, 2013.

FULL-TIME POSITION TITLE	POSITION NUMBER
Specialist, Accounts Receivable	SS0121

PART-TIME POSITION TITLE	POSITION NUMBER
Clerk, Copy/Mail Center (Findlay)	PS0039
Specialist, Career Education	PP0119
Academic Advisors	PP0172 PP0173 PP0174 PP0175 PP0176 PP0184 PP0185 PP0186 PP0187 PP0188 PS0043 PS0044 PP0169 PP0170 PP0171 PP0177 PP0179 PP0181 PP0189 PP0190 PP0191 PP0192

EXHIBIT 5c *(continued)*

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the Board of Trustees by majority vote of such Trustees at a meeting duly noted and held April 30, 2013. Such resolution(s) were adopted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this May 1, 2013.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

~ For purposes of the Financial Recovery Plan Exhibit – the incumbent names have been removed. 6-30-15 PJ

APPENDICES

EXHIBIT 5d

Owens Community College
Statement of Determination of Required Reduction in Force
Owens Faculty Association
April 30, 2013

Synopsis

The statement of determination serves to document a reduction in force as the result of a decrease in student enrollment and challenging economic conditions. Specifically, among other things, it addresses the non-renewal of contracts for non-tenured instructors, audiovisual technicians and clinical teaching faculty, expiring over the next three and a half months. Practical means of alleviating the difficulty have been reviewed and no such means that might be undertaken would achieve the necessary alleviation. The reduction in force will impact bargaining unit members in the Owens Faculty Association. Therefore, in accordance with Section 12.02.00 of Article 12, Reduction in Force/Retrenchment and Organizational Change, of the collective bargaining agreement between Owens Community College (College) and Owens Faculty Association (OFA), the Board of Trustees is hereby notifying the OFA in writing, along with specifying the amount of the reduction and providing supporting budgetary information.

Budget Overview

Owens Community College has a projected shortfall of revenue, as the actual full-time equivalent enrollment, which provided the basis for the Fiscal Year 2013 (FY 2013) Unrestricted Operating Budget, is significantly less than projected. The preliminary College budget for FY 2013 was approved by the Board of Trustees on June 12, 2012, and it was based on the annualized full-time equivalent (FTE) enrollment projection of 11,500 students. Then in October 2012, the FY 2013 College budget was adjusted based on actual Fall Semester 2012 enrollment data of 9,600 tuition-paying FTEs. As announced on March 7, 2013, an additional budget adjustment is necessary, based on Spring Semester 2013 enrollment data of 8,700 tuition-paying FTEs. As a result, there is a $2.8 million revenue reduction of the FY 2013 College budget. In order to address the revenue shortfall for the fiscal year ending June 30, 2013, and to substantially restore cash reserves, expenses are being reduced and adjusted. Furthermore, in the development of the FY 2014 College budget for the period of July 1, 2013 to June 30, 2014, based on a FTE flat enrollment projection of 8,700 tuition-paying FTE, a shortfall in excess of $7.5 million must be addressed.

On March 5, 2013, the College President informed the Board of Trustees of the budgetary shortfalls for FY 2013 and FY 2014. Additionally, enrollment and budgetary information was shared in meetings and communications with both union leadership and in an open invitation to employees on March 7, March 14 and March 19, 2013. A Statement of Determination as to reductions of bargaining unit positions within the Toledo Campus Childcare Center was provided to Owens Faculty Association leadership on April 3, 2013. Further information has been provided during several conferences over the month of April with Owens Faculty Association leadership.

On April 2, 2013, the Board of Trustees made a good faith determination that a reduction in the workforce is required, and the Board recognized the President's authority to implement the reduction in force and to balance the budget for the current and upcoming fiscal year. Among other measures, the reduction in the workforce includes the reduction of bargaining unit staff.

Statement of Determination/Amount of Reduction

Therefore, based on the current projected revenue shortfall for FY 2013 ($2.8 million) and projected shortfall for FY 2014 (in excess of $7.5 million) as well as the need to restore reserves, it is necessary for Owens Community College to reduce the workforce, as a result of decreased student enrollment and rigorous economies experienced since FY 2011. The reduction in the workforce includes, among other things, the reduction of non-tenured instructors, audiovisual technicians and clinical teaching faculty.

EXHIBIT 5d *(continued)*

Positions for Elimination - Table 1

Position Title	Rationale
Audiovisual Technicians (2 of 4)	The Audiovisual Unit of the College consists of technology support for AV equipment, which is a function that can be absorbed by the technical support efforts of the ITS department.
Faculty, Urban Agriculture	Three-year appointment ends May 8, 2013; Urban Agriculture degree has not met approval for offering by the Ohio Board of Regents.
Instructor, Business Management	Formerly held Chair position was eliminated to avoid duplication of academic administration on Findlay and Toledo Campuses; subsequent appointment cannot be maintained due to budget constraints.
Instructor, Com/Hum/Lang	Formerly held Chair position was eliminated to avoid duplication of academic administration on Findlay and Toledo Campuses; short-term appointment cannot be maintained due to budget constraints.
Clinical Teaching Faculty, Exercise Science (2 of 2)	The cost of offering sections with low enrollments can no longer be absorbed by the College. Sections must be reduced or combined and covered by the full-time instructor, Exercise Science.

The abolishment of these positions is done in good faith and not as a subterfuge for discipline. Therefore, the reduction in force shall be implemented in accordance with the collective bargaining agreement and/or the policies of the Board of Trustees.

Enrollment and Budgetary Information In Support of the Determination

The College has experienced consecutive semesters of flat and declining enrollment, as shown in Table 2 from Integrated Postsecondary Education Data System (IPEDS) data.

Table 2

Year	Unduplicated Headcount Combined Campuses	Unrestricted Revenue
2007	27,710	$82,266,666
2008	29,286	$86,119,943
2009	32,012	$91,176,874
2010	32,237	$99,542,726
2011	27,493	$98,763,677
2012	23,730	$89,095,117
2013	TBD	$87,149,323 (Budgeted)

Table 2 also reflects the reduction in unrestricted revenue since 2010. The State of Ohio has consecutively reduced the College's share of the State Share of Instruction funding, which has resulted in declining revenue and economic conditions making it difficult to keep the College in the black.

The budgetary information above and attached hereto is being provided in accordance with the provisions of the collective bargaining agreement. The Statement fully supports that, as of June 30, 2013, the College will no longer be able to absorb financial losses while supporting and improving the quality of instruction, maintaining student support and building the financial reserves of the College.

Supporting Documentation

- Certified Resolution 2013-04-02-25 Determination of a Response to Budgetary Conditions, April 2, 2013
- FY 2013 Unrestricted Fund Balance
- FY 2014 Budget Projection

Mike Bower, Ph.D.
President
Owens Community College
April 30, 2013

H. Richard Rowe
Chair, Board of Trustees
Owens Community College
April 30, 2013

EXHIBIT 5d *(continued)*

OWENS
COMMUNITY COLLEGE

Determination of a Response to Budgetary Conditions
RESOLUTION 2013-04-02-25

WHEREAS, Owens Community College has projected budgetary shortfalls for fiscal year 2013 ($2.8 million) and for fiscal year 2014 (in excess of $7.5 million); and,

WHEREAS, there has been a material decrease in student enrollment from the original projection of 11,500 FTE, which provided the basis of the fiscal year 2013 approved budget, to an actual enrollment of approximately 8,700 tuition-paying FTE; and,

WHEREAS, for reasons of economy, cost saving measures have been and are being implemented to address the revenue reductions, budget shortfalls and to replenish the reserves, which include:

- Leaving vacant positions unfilled and reducing part-time hours;
- Increasing employee contributions for health benefits;
- Reducing travel and professional development expenses;
- Reducing purchases for materials, supplies, equipment and outside services;
- Delaying campus maintenance and technology replacements;
- Renegotiating utility and out-sourced service contracts;
- Implementing energy conservation measures;
- Increasing class sizes;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees adopts the College's good faith determination that a reduction in the workforce is required due to substandard enrollment and rigorous economies; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to implement the reduction in force in accordance with policies, procedures and bargaining agreements; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to balance the budget by fostering revenue streams and implementing reductions, which includes auxiliary operations, immediately and in the long term in order to preserve institutional resources supporting instruction, student services and for mission-critical purposes.

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the Board of Trustees by majority vote of such Trustees at a meeting duly noted and held April 2, 2013. Such resolution(s) were adopted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this April 2, 2013.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

EXHIBIT 5d *(continued)*

OWENS COMMUNITY COLLEGE
UNRESTRICTED FUND
FY2013

	Adopted Budget 11,500 FTE	Adjusted Budget 9,600 FTE	Projected Actual 8,700 FTE
State Subsidy	35,432,155	35,432,155	35,432,155
Access Challenge	0	0	0
Federal Support	30,000	30,000	30,000
Tuition	44,502,059	38,625,632	35,786,648
Student Fees	9,195,600	7,676,327	7,112,117
Sales & Service	364,900	364,900	364,900
Other Revenue	849,200	849,200	849,200
Workforce Development	4,171,109	4,171,109	4,171,109
Total Revenue	94,545,023	87,149,323	83,746,129
Salaries	54,277,122	49,608,141	49,608,141
Fringe Benefits	17,069,460	16,170,031	16,170,031
Materials & Supplies	2,585,468	2,145,938	2,145,938
Travel & Food Service	637,295	559,295	559,295
Information/Communications	3,336,531	3,397,950	3,397,950
Maintenance Services	827,499	786,124	786,124
Utilities & Insurance	3,366,350	3,366,350	3,366,350
Other Expenditures	8,473,317	7,859,002	7,859,002
Cost Allocation Chargeback	(441,592)	(441,592)	(441,592)
Cost of Sales	2,681,343	2,118,261	2,118,261
Capital	200,000	100,000	100,000
Total Expenditures	93,012,793	85,669,500	85,669,500
Transfers Out/(In)	1,064,300	888,478	888,478
Operating Income/(Loss)	467,930	591,345	(2,811,849)

EXHIBIT 5d *(continued)*

OWENS STATE COMMUNITY COLLEGE
FY2014 Proposed Budget

FTE's	8,700
State Subsidy	34,369,190
Federal Support	50,000
Tuition	35,931,870
General Fees	3,069,360
Student Activity Fees	138,469
Other Student Fees	1,161,800
Lab Fees	2,175,000
Sales and Service	275,000
Other Revenue	450,000
Application Fee	344,172
Late Registration Fee	163,000
Tutor Fee	48,000
CEP	125,000
Dual/PSEOP	2,065,050
Fire/Police	247,806
Union Contract Training	3,216,570
Workforce Development	750,000
Revenue Before Transfers	84,580,287
Student Fees Transferred	1,260,943
Total Revenue	85,841,230
Salaries	50,839,443
Salaries - CEP	173,162
Salaries - Workforce	712,041
	51,724,646
Fringe Benefits	16,312,904
Material & Supplies	2,145,938
Travel & Food Services	559,295
Information & Communications	3,397,950
Maintenance Services	786,124
Utilities & Insurnace	3,366,350
Other Expenditures	4,517,500
Cost Allocation Chargeback	(441,592)
Cost of Sales	2,118,261
Capital	100,000
CEP	166,649
Dual/PSEOP	2,065,050
Fire/Police	247,806
Union Contract Training	3,926,076
Workforce Development	721,632
Expenses Before Transfers	91,714,589
Transfers:	
Student Fees	1,260,943
Scholarships	987,500
Net Income/(Loss)	(8,121,802)

APPENDICES

EXHIBIT 5e

Owens Community College
Statement of Determination of Required Reduction in Force – Owens Faculty Association
Toledo Campus Child Care Center Closure
April 2, 2013

Synopsis

The statement of determination serves to document a reduction in force as a result of a decrease in student enrollment and challenging economic conditions. Specifically, it addresses the closure of the Owens Community College Child Care Center on the Toledo Campus, effective July 1, 2013. Practical means of alleviating the difficulty have been reviewed and no such means that might be undertaken would achieve such alleviation. The impact of the pending closure will result in the reduction of bargaining unit members. Therefore, in accordance with Section 12.02.00 of Article 12, Reduction in Force/Retrenchment and Organizational Change, of the bargaining agreement between Owens Community College (College) and Owens Faculty Association (OFA), the Board of Trustees is hereby notifying the OFA in writing, along with specifying the amount of the reduction and providing supporting budgetary information.

Budget Overview

Owens Community College has a projected shortfall of revenue, as the actual full-time equivalent (FTE) enrollment, which provided the basis for the Fiscal Year 2013 (FY 2013) Unrestricted Operating Budget, is significantly less than projected. The preliminary College budget for FY 2013 was approved by the Board of Trustees on June 12, 2012, and it was based on the annualized full-time equivalent (FTE) enrollment projection of 11,500 students, excluding Workforce and Community Services for-credit class enrollment. Then in October 2012, the FY 2013 College budget was adjusted based on actual Fall Semester 2012 enrollment data of 9,600 tuition-paying FTEs. As announced on March 7, 2013, an additional budget adjustment is necessary, based on Spring Semester 2013 enrollment data of 8,700 tuition-paying FTEs. As a result, there is a $2.8 million revenue reduction of the FY 2013 College budget. In order to address the revenue shortfall for fiscal year ending June 30, 2013 and to substantially restore cash reserves, expenses are being reduced and adjusted. Furthermore, in the development of the FY 2014 College budget for the period of July 1, 2013 to June 30, 2014, based on a FTE flat enrollment projection of 8,700 tuition-paying FTE, a shortfall in excess of $7.5 million must be addressed.

Toledo Campus Child Care Center

The Child Care Centers serve as a benefit for employees, a service to students and as a learning laboratory for the Early Childhood Education program.

Historically, the College has annually subsidized the operation of the Child Care Centers. Much attention over the past several fiscal years has been given to reducing the annual losses resulting from the operations of the campus child care centers. The operating losses for the Toledo Child Care Center continue, even after employing multiple cost saving strategies, as Table 1 indicates:

Table 1

Toledo Campus Child Care Center	FY 2011	FY 2012	FY 2013 (For the 8th month ending February 28, 2013)
Operating (Loss)	($363,959)	($288,396)	($214,614)

In order for the College to operate within its budgetary means, the College must reduce and adjust expenses: immediately and for the long term. The closure of the Toledo Campus Child Care Center will relieve the College from annually subsidizing the operating loss, estimated $340,000 to $364,000. This will provide immediate and long term cost savings to the College.

On March 5, 2013, the College President and the Board Treasurer informed the Board of Trustees of the budgetary shortfalls for FY 2013 and FY 2014. Additionally, enrollment and budget information was shared in meetings and communications with both union leadership and in an open invitation to employees on March 7, March 14 and March 19, 2013.

EXHIBIT 5e *(continued)*

Statement of Determination/Amount of Reduction ~ Toledo Campus Child Care Center

Therefore, based on the current projected revenue shortfall for FY 2013 ($2.8 million) and projected shortfall for FY 2014 (in excess of $7.5 million) as well as the need to restore reserves, it is necessary for Owens Community College to reduce the workforce, as result of decreased student enrollment and rigorous economies experienced since FY 2011. The reduction in the workforce includes, among other things, the reduction of bargaining unit positions within the Toledo Campus Childcare Center.

The abolishment of bargaining unit positions is done in good faith and not as a subterfuge for discipline. Accordingly, the reduction in force shall be implemented in accordance with the bargaining agreement and/or the policies of the Board of Trustees.

Enrollment and Budgetary Information In Support of the Determination

The College has experienced consecutive semesters of flat and declining enrollment, as shown in Table 2 from Integrated Postsecondary Education Data System (IPEDS) data.

Table 2

Year	Unduplicated Headcount Combined Campuses	Unrestricted Revenue
2007	27,710	$82,266,666
2008	29,286	$86,119,943
2009	32,012	$91,176,874
2010	32,237	$99,542,726
2011	27,493	$98,763,677
2012	23,730	$89,095,117
2013	TBD	$87,149,323 (Budgeted)

Table 2 also reflects the reduction in unrestricted revenue since 2010. The State of Ohio has consecutively reduced the College's share of the State Share of Instruction funding, which has resulted in declining revenue and difficult economic conditions to keep the College in the black.

During this time of economic challenge, the College President, as authorized in his position by the Board of Trustees, has determined that institutional resources for instruction and mission-critical purposes must not be adversely affected by elective resource allocations from other areas such as auxiliary functions.

The budgetary information with this Statement of Determination is being provided 90 days prior to the planned reduction (substantially in advance of the notice provision within the collective bargaining agreement). The Statement fully supports that, as of June 30, 2013, the College will no longer be able to absorb financial losses while supporting and improving the quality of instruction, student support and building the financial reserves of the College.

It is recognized that the Owens Faculty Association may wish to evaluate the above information, (which has substantially been provided as of March 14, 2013 or earlier) and make recommendations concerning the Toledo Child Care Center.

Supporting Documentation

Toledo Child Care Center, FY 2011, FY 2012 and YTD 2013

Certified Resolution, Determination of a Response to Budgetary Conditions, April 2, 2013

Mike Bower, Ph.D.
President
Owens Community College
April 2, 2013

H. Richard Rowe
Chair, Board of Trustees
Owens Community College
April 2, 2013

EXHIBIT 5e *(continued)*

OWENS STATE COMMUNITY COLLEGE
TOLEDO CHILD CARE CENTER

	February 2013	June 2012	June 2011
Dept of Human Services	$ 137,290	$ 277,392	$ 204,374
USDA Food Program	13,506	46,348	43,490
Program Revenue	211,337	355,684	375,933
Total Revenue	$ 362,133	$ 679,424	$ 623,798
Salaries	$ 384,864	$ 637,721	$ 642,475
Fringe Benefits	131,622	217,760	230,476
Materials & Supplies	6,772	13,912	14,558
Transportation & Prof Development	3,389	2,861	4,315
Food Service	37,864	66,179	65,122
Information/Communications	8,050	13,650	11,068
Printing, Mail, Advertising	2,002	3,090	1,254
Maintenance Services	0	0	377
Utilities & Insurance	0	343	637
Bad Debts, Bank & Credit Card Fees	1,326	11,616	1,485
Transportation Rental	0	0	9,313
Other Expenditures	858	689	6,676
Total Expenditures	$ 576,747	$ 967,820	$ 987,757
Transfers Out/(In)	0	0	0
Operating Income/(Loss)	$ (214,614)	$ (288,396)	$ (363,959)

APPENDICES

EXHIBIT 6a

Determination of a Financial Exigency
RESOLUTION 2014-12-02-10

WHEREAS, due to substandard enrollment for consecutive fiscal years 2011, 2012, 2013, 2014 and 2015, which has resulted in successive decreases in revenue and reserves, the College cannot maintain the current levels of staffing and operations; and,

WHEREAS, in reviewing the budget and current enrollment, adjustments to balance the budget must be implemented as the College foresees the need to reduce expenses due to projected revenue shortfalls for fiscal years 2015 and 2016 budgets; and,

WHEREAS, to restore fiscal health, the College must maintain a balanced budget and achieve required financial indicators pursuant to Ohio Administrative Code Chapter 126:3-1; and,

WHEREAS, the President recommends the implementation of rigorous economies of the budget and the development of a financial recovery plan requiring the College to be more entrepreneurial and focused on student completion while sharing difficult sacrifices, which include but are not limited to:

(1) Analyze general operating spending to ensure it supports the College mission
(2) Enhance revenue through strategic enrollment growth, retention and completion
(3) Explore and develop long-term revenue sources
(4) Reduce employment costs through attrition, reductions in the workforce and reduced salaries and wages

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees adopts a good faith determination of financial exigency due to substandard enrollment and rigorous economies requiring a reduction in the workforce and reductions in salaries and wages (Appendix IV); and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to implement a reduction in force in accordance with policies, procedures and bargaining agreements; and,

BE IT FURTHER RESOLVED that the Board of Trustees recognizes the President's authority to balance the budget by implementing expense reductions, which includes auxiliary and general operations, immediately and in the long term in order to preserve institutional resources supporting instruction, student services and for mission-critical purposes; and,

BE IT FURTHER RESOLVED that the Board of Trustees approves the recommendations of the President to:

(1) Offer a voluntary furlough program;
(2) Review compensation grades for positions and align compensation within appropriate pay grade ranges; and,

EXHIBIT 6a *(continued)*

(3) Implement an across-the-board reduction of non-bargaining unit employee compensation, effective January 1, 2015, as follows:
   i. A two percent annual reduction for employees with a base salary under $60,000
   ii. A four percent annual reduction for employees with a base salary from $60,000 to $84,000
   iii. A five percent annual reduction for employees with a base salary over $84,000

BE IT FURTHER RESOLVED that the Board of Trustees accepts President Mike Bower's request for a contractual amendment resulting in a six percent reduction to his annual salary.

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the Board of Trustees by majority vote of such Trustees at a meeting duly noted and held December 2, 2014. Such resolution(s) were adopted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this December 2, 2014.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

APPENDICES

EXHIBIT 6b

Owens Community College
Determination of Financial Exigency Requiring
Reduction-in-Force to be Completed by June 30, 2015

December 2, 2014

Introduction

This document describes and affirms the need, for reasons of economy, for Owens Community College to immediately reduce budgeted expenses. In addition to other operational cost reduction strategies, it is necessary to identify expense reduction measures for the budget including but not limited to position eliminations, prior to the period ending June 30, 2015. This statement of determination of financial exigency is the result of a substandard enrollment and rigorous economic conditions. Other practical means of alleviating the difficulty have been reviewed and no such means that might be undertaken would achieve the necessary alleviation by the fiscal year end. Such a reduction in force will impact bargaining and non-bargaining unit members. The reduction in force will be implemented in accordance with the policies of the Board of Trustees and/or any applicable collective bargaining agreement. Specifically, pursuant to Section 12.02.00 of the collective bargaining agreement with Owens Faculty Association (OFA), the Board of Trustees is hereby notifying the OFA in writing, along with specifying the amount of the reduction necessary and providing supporting budgetary information.

Statement of Rationale

Due to declining student enrollment in fiscal years 2011, 2012, 2013, 2014 and 2015, the College cannot maintain the current levels of staffing and operations and restore fiscal health. To restore fiscal health, the College must 1) maintain a balanced budget and 2) achieve required financial indicators established pursuant to Ohio Administrative Code Chapter 126:3-1.

1) Budget
   The College's Summer 2014 and Fall 2014 enrollment, which provided the basis for the fiscal year 2015 (FY 2015) Unrestricted Operating Budget, is significantly less than projected. The preliminary College budget for FY 2015 was approved by the Board of Trustees on June 11, 2014, based on the annualized FTE enrollment projection of 8,390 students. Actual Summer Semester 2014 and Fall Semester 2014 enrollment declines required the College to implement additional expense reductions of $2.2 million. Based on projected Spring Semester 2015 enrollment declines, approximately $1.7 million in expense reductions will be needed to offset projected revenue decreases and to balance the FY 2015 College budget. In order to address the revenue shortfall for the fiscal year ending June 30, 2015, and to substantially restore cash reserves, expenses must be reduced and adjusted. Furthermore, in the development of the FY 2016 College budget for the period of July 1, 2015 to June 30, 2016, based on a FTE enrollment decline projections of 10 percent to 15 percent, an additional revenue shortfall in excess of $6 million must be addressed.

2) State Financial Indicators
   Measures of the financial condition of the College, pursuant to state regulations, involve an analysis focused on a composite score from 0 to 5 involving three ratios: 1) viability 2) primary reserves and 3) net income. A composite score of 1.75 or lower for two consecutive years places the College in the status of Fiscal Watch. In FY 2013, the College's ratio was 1.1. In FY 2014, the College's ratio is expected to be determined to be 1.0 based on the recently submitted FY 2014 financial audit. Thus,

EXHIBIT 6b *(continued)*

the Board of Regents will likely certify a declaration of Fiscal Watch for Owens Community College sometime in early calendar year 2015. Moreover, the College must achieve a ratio of 2.4 or better for Fiscal Watch to be terminated. An increase in net income will positively impact each of the three measures within the composite score. Moreover, based on current projections for enrollment, expenses and revenues, the College must increase expendable net assets by at least $3 million in order to achieve a ratio of 2.4 or better.

Good Faith Determination

For the foregoing reasons, the College is making a good faith determination that a reduction in the workforce is required. The Board of Trustees recognizes the President's authority to implement a reduction in force and to balance the budget for the current and upcoming fiscal years. Among other measures, a reduction in the workforce includes the reduction of hourly/non-bargaining positions, salaried non-bargaining positions and bargaining positions.

While $2.2 million in expenses has already been reduced from the FY 2015 budget over the last few months, additional cuts of at least $1.7 million are needed to offset projected revenue decreases to balance the FY 2015 budget. Because of an additional projected revenue decrease for FY 2016 in excess of $6 million as well as the need to restore expendable net assets, Owens Community College must abolish, *for reasons of economy*, certain filled positions.

The identification of positions for abolishment will be done in good faith. A reduction in force will be implemented in accordance with the policies of the Board of Trustees and/or applicable collective bargaining agreements and college procedures.

Supporting Documentation

The College has experienced consecutive years of declining enrollment, as shown in Table 1 from Higher Education Information (HEI) data.

Table 1

Year	Full-time Equivalency	Total Revenue
2010	13,774.7	$128,771,670
2011	12,685.8	$130,619,669
2012	10,935.7	$116,348,669
2013	10,285.0	$105,883,582
2014	9,064.2	$93,884,102

Table 1 also reflects the reduction in total revenue since 2010 from audited financial statements. Tuition income decreases and reductions in the amount of the College's State Share of Instruction have resulted in declining revenue and challenging economic conditions. Current projections for FY 2015 estimate a Full-time Equivalency of 7,700 and Total Revenue of $84,100,000.

In order to address the immediate and future revenue decreases impacting College operations, the College President must balance the budget, foster revenue streams, and implement expense reductions, which includes among other measures, reducing personnel and auxiliary operations, for the preservation of institutional resources supporting instruction, student services, and for mission-critical purposes.

Attachments

1. 2012 Audited Statement of Revenue, Expenses and Changes in Net Assets (FY 2011 & FY 2012)
2. 2014 Audited Statement of Revenue, Expenses, and Change in Net Assets (FY 2013 & FY 2014)

EXHIBIT 6b *(continued)*

Owens State Community College

Statement of Revenue, Expenses, and Changes in Net Assets

	Year Ended June 30 2012	Year Ended June 30 2011
Revenue		
Operating revenue:		
Student tuition and fees - Net of scholarship allowances of $23,216,068 (2012) and $26,142,327 (2011)	$ 27,920,158	$ 30,204,904
Grants - Federal, state, and local	4,238,630	4,809,309
Sales and services	212,925	303,108
Auxiliary enterprises - Net of scholarship allowances of $723,706 (2012) and $686,002 (2011)	11,491,639	12,323,542
Other operating revenue	772,111	650,216
Total operating revenue	44,635,463	48,291,079
Operating expenses:		
Educational and general:		
Salaries, wages, and benefits	74,601,278	79,299,952
Supplies	3,416,959	3,776,266
Travel, entertainment, and professional development	1,278,437	1,377,185
Information and communication	5,283,983	5,356,857
Occupancy	3,665,114	3,728,488
Cost of goods sold	8,920,558	9,365,986
Outside services	8,259,836	9,055,490
Scholarships and other student aid	12,858,831	15,526,791
Allowance for doubtful accounts	2,002,431	1,200,100
Depreciation	5,229,745	4,603,094
Other	444,286	510,793
Total operating expenses	125,961,458	133,801,002
Operating Loss	(81,325,995)	(85,509,923)
Nonoperating Revenue		
State appropriations	36,911,421	35,823,815
Federal stabilization funds (ARRA)	-	6,112,380
Investment income	249,365	623,649
Interest expense	(196,522)	(215,472)
Pell grants	34,748,942	39,984,218
Net nonoperating revenue	71,713,206	82,328,590
Loss Before Other Revenue	(9,612,789)	(3,181,333)
Other Revenue		
Capital appropriations	94,232	1,894,794
Capital grants	10,000	30,000
Total other revenue	104,232	1,924,794
Decrease in Net Assets	(9,508,557)	(1,256,539)
Net Assets		
Beginning of year	106,196,602	107,453,141
End of year	**$ 96,688,045**	**$ 106,196,602**

EXHIBIT 6b *(continued)*

Owens State Community College

Statements of Revenue, Expenses, and Changes in Net Position

	Year Ended June 30	
	2014	2013
Operating Revenue		
Student tuition and fees - Net of scholarship allowances of $22,809,330 (2014) and $24,750,237 (2013)	$ 24,546,356	$ 27,472,048
Grants - Federal, state, and local	3,324,876	3,901,693
Sales and services	85,856	85,654
Auxiliary enterprises - Net of scholarship allowances of $573,682 (2014) and $814,012 (2013)	7,293,369	9,626,742
Other operating revenue	333,130	436,207
Total operating revenue	35,583,587	41,522,344
Operating Expenses		
Educational and general:		
Salaries, wages, and benefits	62,221,695	73,873,245
Supplies	4,487,011	4,310,599
Travel, entertainment, and professional development	666,518	1,082,643
Information and communication	3,837,687	4,583,629
Occupancy	3,912,574	3,720,439
Cost of goods sold	6,688,769	7,130,311
Outside services	7,264,983	8,093,502
Scholarships and other student aid	2,349,590	5,325,348
Allowance for doubtful accounts	1,761,900	2,010,000
Depreciation	6,210,891	5,893,928
Other	553,449	435,917
Total operating expenses	99,955,067	116,459,561
Operating Loss	(64,371,480)	(74,937,217)
Nonoperating Revenue(Expense)		
State appropriations	34,463,030	35,531,108
Investment income	371,086	353,814
Interest expense	(104,930)	(145,977)
Pell grants	23,571,329	28,622,293
Net nonoperating revenue	58,300,515	64,361,238
Loss Before Other Revenue	(6,070,965)	(10,575,979)
Other Revenue		
Capital appropriations	3,418,192	592,396
Decrease in Net Position	(2,652,773)	(9,983,583)
Net Position		
Beginning of year	86,704,462	96,688,045
End of year	**$ 84,051,689**	**$ 86,704,462**

APPENDICES

EXHIBIT 6c

Supplement to the Reduction in Force to be Completed by June 30, 2015

WAGE/GRADE REDUCTIONS

Title	Position #	Rationale	Salary as of 1/1/2015	Post-reduction salary	Grade Reduction	Effective Date
Director, Events/Senior Administrative Coordinator (Findlay)	PF0200	Eliminate clerical support of AVP; shrinking scope of operations	$72,943	$66,339	10 to 9	03/01/15
Director, Organizational Development and Chief Diversity Officer	AD0114	Eliminate responsibility for Org Dev	$81,961	$75,922	14 to 13	03/01/15
Associate Vice President, Institutional Effectiveness	AD0121	No longer supervising IR staff	$84,550	$78,000	13 to 12	03/01/15
Executive Director, Government and Community Relations	AD0149	No longer supervising Marketing Department	$101,756	$91,045	14 to 13	03/01/15
Deputy Chief Information Officer	AD0127	Reduced role (Director)	$108,527	$97,107	14 to 13	03/01/15
Dean, Library	AD047	Reduced role (Director)	$101,566	$88,694	14 to 12	04/16/15

EXHIBIT 6c *(continued)*

Supplement to the Reduction in Force to be Completed by June 30, 2015

POSITION ABOLISHMENTS

Position Title	Position #	Rationale	Salary/ Fringe Savings	Eff. Date (Last Day)
Administrator, Humanities (Part-Time)	PP0198	Courses offered and students served in the area have decreased requiring less administrative support.	$28,619.14	02/16/15
Director, Gateway to College	GRP028	Program's past/current revenues do not cover associated personnel expenses.	$82,010.00	06/01/15
Academic Lab Technician, Science	PF0214	The lab support will be reduced from 5 to 4 technicians to align personnel with science lab section decreases.	$40,184.23	08/14/15
Secretary, School of Liberal Arts	SS0082	Each of the departments within the school has secretary to complete necessary duties.	$44,922.74	02/23/15
Secretary, Health Professions	SS0085	Each of the departments within the school has secretary to complete necessary duties.	$64,422.90	02/01/15
Manager, Library (Findlay)	PF0215	With lessened administrative responsibilities (due to decreased circulation and decentralized budgeting), the Manager's duties can be combined with that of the Director of the Library.	$90,917.43	04/15/15
Technician, Computer Labs	SS0102	Centalized management software (SCCM) reduces the number of computer technicians needed to physically support the classrooms.	$63,499.37	02/16/15
Technician Computer Labs	EE in posn SS0104 bumped ee out of SS0239	Centalized management software (SCCM) reduces the number of computer technicians needed to physically support the classrooms.	$69,673.57	02/23/15
Systems Operator II	SS0288	System operators will be reduced from 2 to 1 operators to align with departmental needs.	$66,082.48	02/16/15
Receptionist/Administrative Assistant, Human Resources	SS0166	Duties can be combined with that of Administrative Assistant, HR VP	$38,119.89	02/16/15

EXHIBIT 6c *(continued)*

Specialist, Procurement	PF0048	Procurement and purchase order processing duties have decreased by 78% since FY2008.	$82,603.75	04/17/15
Customer Service, Public Safety (Findlay)	SS0284	Due to decreased enrollment, DPS Customer Service Centers at each campus will operate with reduced hours eliminating the need for a designated representative for customer service.	$39,031.20	02/26/15
Administrative Assistant, Associate Vice President (Findlay)	SS0113	Duties will be carried out by department administrative assistants on Toledo Campus and/or shifted to Findlay's administrative assistant for HR.	$39,780.60	02/16/15
Specialist, Testing Services (Findlay)	SS0256	Duties can be covered by the other testing specialist located at the Findlay Campus.	$34,078.44	02/16/15
Representative, Business Development & Workforce & Community ServicesCoordinator	PF0384	Responsibilities for sales/business development can be redistributed amongst five other WCS representatives to effectuate cost savings.	$95,682.72	04/15/15
Manager, Grants	PF0054	The duties and responsibilities of this position can be distributed to other employees and/ or outsourced as a cost savings measure.	$85,013.79	04/15/15
Secretary, Alumni Relations	SS0199	Current responsibilities can be sufficiently completed with one full-time person versus two.	$36,567.15	02/23/15
Events Specialist (FT-> PT)	PF0390	Rental revenue generated by evening and weekend events exceed employee costs to staff the events which necessitates shifting a FT position to a PT position.	$28,337.64	04/15/15
Specialist, Accounting - Findlay (FT->PT)	SS0243	Due to declining enrollments, full-time service in student accounts is not necessary.	$16,336.28	02/16/15

EXHIBIT 7

3358:11-5-10 Reduction in force policy.

For a variety of reasons during the life of any institution, circumstances may dictate that a reduction in force is necessary. These reasons may include lack of work; lack of funds; or abolishment of positions due to reorganization for efficient operations or reasons of economy. Should any of the aforementioned reasons result in the reduction in force, Owens community college will make a reasonable effort to reassign the affected employees to other positions at the college before enacting a reduction in force.

With respect to employees covered by a negotiated agreement, the college will comply with all of the provisions set forth in said agreement.

(A) Delegation. The board directs the president to make such a determination of implementing a reduction in force when circumstances may dictate the necessity.

(B) Implementation. The vice president of human resources will implement procedures consistent with this rule and for purposes of legal compliance.

Effective date: 11/8/2014

Patricia M. Jezak
Certification

10/29/2014
Date

Promulgated under:	111.15
Statutory authority:	3358.08
Rule amplifies:	3358.08
Prior effective dates:	3/7/2002, 12/29/2003, 7/13/2007

EXHIBIT 7 *(continued)*

OWENS COMMUNITY COLLEGE
PROCEDURES

Reduction in Force **Board Policy No.: 3358:11-5-10**

PROCEDURES AND GUIDELINES:

(A) Introduction.

Whenever the College determines that a reduction in force shall occur, any layoff of employees shall be in accordance with these procedures. A reduction in force of college staff may occur any time during the year and may be based on lack of funds, lack of work, abolishment of positions due to reorganization for efficient operation, or reasons of economy. Layoffs or position eliminations and any resulting displacement of staff members will generally occur in accordance with the procedures below. In the case of faculty and staff covered by collective bargaining agreements, the applicable terms of such agreement will apply for purposes of a reduction in force.

(B) Approval.

(1) The unit or department of the College planning a reduction in force must submit its request in writing to Human Resources and provide supporting information and justification. Human Resources may prescribe a form for this purpose. The submission must be made at least 30 days in advance of the proposed date for initiating a reduction in force. The documentation must state the reasons for the reduction in force.

(2) The unit or department should review and reduce temporary staff prior to any reduction of non-temporary staff. Staff members to be laid off should be considered for vacancies within other units of the college for which they are qualified.

(3) A unit or department may not implement a reduction in force until approval is obtained from the President or designee.

The College shall define those positions which will be subject to a reduction in force and the number of employees to be laid off. The order of layoffs within a title/classification will generally be determined by College seniority. A staff person's job performance, skills, training and qualifications will also be considered. Seniority is defined as the staff member's current continuous full time service with the College. Between employees with equal lengths of College service, ties will be broken by considering the lengths of service within the affected area, department, unit and title/classification.

EXHIBIT 7 *(continued)*

(C) Notice of Layoff or Abolishment.

In the case of a reduction in the workforce, the College shall notify the affected employee(s) in writing at least 30 calendar days prior to implementing layoff.

Each layoff or abolishment notice shall contain the following information:

(1) The reason for layoff or abolishment;
(2) The effective date of the layoff or abolishment;
(3) The right of the employee to appeal a layoff or abolishment pursuant to the Non-Bargaining Employee Grievance Policy.

(D) Order of Layoffs.

Among those in the unit or department with the same title/classification(s) subject to layoff, the College will lay off staff in the following order provided the remaining department members have the necessary qualifications and present abilities to perform the remaining duties. Employees within the same title/classification shall be laid off in the inverse order of their length of continuous full-time service with the College.

(1) Temporary staff in the same title/classification
(2) Part-time staff in the same title/classification
(3) Full-time staff in the same title/ classification

(E) Displacement Rights.

Staff members subject to layoff or staff members whose positions have been abolished may have certain displacement rights. Displacements rights are generally limited to the department involved in the reduction of force. These staff members may exercise any such displacement rights in the following order:

(1) A staff member who is to be laid off or whose position is to be abolished may fill an available department vacancy within his or her title/classification.
(2) If no available vacancy exists, the staff member will ordinarily displace the least senior department/unit staff member within the title/classification of the abolished position or from which he or she is laid off.

Staff members who are unable to exercise displacement rights will be laid off. In addition, no staff member may fill a vacancy or displace another employee where the position requires certain qualifications not possessed by the staff member or where the latter is not able to perform the required duties. Qualifications are established by a position description for the position, by title/classification specifications, or by bona fide occupational qualifications for the position(s).

A staff member exercising displacement rights to a position will be paid according to the pay range assigned to the classification into which the staff member moved.

EXHIBIT 7 *(continued)*

Staff members must notify Human Resources, in writing, of their intention to exercise their displacement rights within five calendar days after receipt of notice of layoff or displacement.

Staff members who do not provide timely notice of their intention to displace, who decline placement into a vacant position, or who otherwise decline any displacement rights to which they may be entitled, waive such rights.

(F) Reinstatement.

Laid-off employees will be offered, in accordance with their seniority, reinstatement if, within a period of one (1) year from the date of layoff, an appointment becomes available in the same or equivalent academic department or non-instructional unit and in the same title/classification to which they were assigned at the time they became subject to layoff. The College will maintain a recall-of-laid-off-staff-members list by title/classification in descending order of seniority. A staff member offered recall from layoff will be notified of the offer of reinstatement or reemployment by certified letter. It is the staff member's responsibility to verify that Human Resources has an accurate mailing address on file, and to notify Human Resources of any change in the staff member's mailing address. Absent extraordinary circumstances, a recalled staff member who does not report to work within ten (10) calendar days of written notice of recall waives any reinstatements rights and will be removed from the recall list.

A staff member's right to reinstatement will immediately cease if he or she secures another position at the College, retires from the college, refuses or waives reinstatement, does not successfully complete any applicable pre-employment screening process in place, or if a year has passed since the layoff.

The College will not directly replace a laid-off employee, or an employee whose position has been abolished, with a new hire into the same title/classification in the department or unit involved within one (1) year of his or her termination of employment.

Effective November 8, 2014

APPENDICES

EXHIBIT 8

April 21, 2015

Rich Rowe
Chair, Board of Trustees
Owens Community College
Post Office Box 10,000
Toledo, Ohio 43699

Dear Chairman Rowe:

The composite score for your institution for the period of July 1, 2013 to June 30, 2014 is 1.0. As you know, the composite score the prior year was 1.1. Pursuant to Ohio Administrative Rule 126:3-1-01, paragraph C, the Chancellor shall declare fiscal watch if any of the criteria set forth in paragraph B has been satisfied for reasons other than natural disaster. Paragraph B(3) states a criteria for fiscal watch is a composite score of 1.75 or less for the last two consecutive years.

Please closely review Rule 126:3-1-01, (http://codes.ohio.gov/oac/126%3A3-1), as the rule outlines the steps required to be taken by institutions declared to be in fiscal watch.

Below is a list of a few key requirements of the rule:

A. Within ninety days of the declaration of fiscal watch the institution shall **adopt a financial recovery plan** with the purpose to end fiscal watch within three years, which is to be approved by the Chancellor. The financial recovery plan shall contain:

1. An analysis of the financial difficulty of the state university or college and the causes of all significant revenue or expenditure problems;
2. A description of efforts or initiatives proposed or undertaken by the state university or college to address the financial difficulties, including an estimation of the time required to resolve the financial difficulties;
3. An analysis of how these efforts or initiatives have resolved or will resolve the financial difficulties;
4. A description of contingency plans designed to address the financial difficulties, and other potential circumstances that could worsen the financial difficulties;
5. A financial forecast for three years, including a description of key assumptions and methodology which will correct all fiscal conditions at the end of the three year period;
6. Such other information, reports, and documentation as the Chancellor may request.

25 South Front Street
Columbus, Ohio 43215

phone 614.466.6000
fax 614.466.5866
web **www.OhioHigherEd.org**

EXHIBIT 8 *(continued)*

Please begin the process of creating your financial recovery plan and we will inform you shortly of any other information, reports and documentation that are requested to be included in your plan.

B. As well as adopting a financial recovery plan the rule requires you to **consult with the Auditor of State**. Please let us know if we can assist you in connecting with the Office of the Auditor to comply with this requirement.

As you review the rule for the full list of requirements of an institution declared to be in fiscal watch, please also review the **additional reporting obligations** of state university or college under fiscal watch and board of trustees, which pertain to the quarterly reporting and a required annual report, as well as any interim report that is requested by the Governor, either chamber of the General Assembly, or the Chancellor.

Finally, the rule also sets forth procedures and criteria to terminate a fiscal watch of which we can turn our attention to once the other requirements of the rule are satisfied and the composite scores improve. However, the first of three required criteria to be met is that the institution has **a composite score of at least 2.40** for a fiscal year.

Please let us know if we can be of any assistance or provide additional guidance on the rule and its requirements.

Sincerely,

John Carey
Chancellor, Board of Regents

Cc: President Mike Bower

APPENDICES

EXHIBIT 9

Board of Trustees
July 15, 2015
EXHIBIT NO. 4

FINANCIAL RECOVERY PLAN

RESOLUTION 2015-07-15-05

WHEREAS, in a letter dated April 21, 2015 from the Chancellor, Ohio Board of Regents, the Owens Community College Board of Trustees was notified of the declaration of fiscal watch pursuant to Ohio Administrative Rule 126:3-1-01, paragraph C; and,

WHEREAS, pursuant to paragraph B(3) of the Ohio Administrative Rule 126:3-1-01, criteria for a fiscal watch is a campus financial accountability composite score of 1.75 or less for two consecutive years and the composite scores for Owens Community College were 1.10 for fiscal year 2013 and 1.00 for fiscal year 2014; and,

WHEREAS, within ninety days of the declaration, the rule requires the institution to adopt a financial recovery plan with the purpose to end fiscal watch, which is to be approved by the Chancellor; and,

WHEREAS, the President recommends the financial recovery plan, which contains the requisites of:

(1) An analysis of the financial difficulty and the causes of all significant revenue or expenditure problems
(2) A description of efforts or initiatives proposed or undertaken and an estimation of the time required for the college to resolve the financial difficulty
(3) An analysis of how these efforts or initiatives have or will resolve the financial difficulty
(4) A description of the contingency plan designed to address the financial difficulty and other potential circumstances that could worsen the financial difficulty
(5) A financial forecast for three years, which will correct all fiscal conditions at the end of the three-year period; and,

WHEREAS, other mandated actions of the rule include:

(1) The Auditor of State to provide a written report to the Board of Trustees outlining the nature of the financial accounting and reporting and recommendations for corrective action
(2) The Board of Trustees to establish a process of the monthly review of revenues, expenditures and encumbrances and the approval of expenditures and encumbrances and supporting documentation that may substantiate any departure from any approved level
(3) The Treasurer and the President to provide to the Board of Trustees and the Board of Regents, a quarterly financial report and any significant changes or areas of noncompliance to the adopted financial recovery plan
(4) The Board of Trustees to make an annual report on the anniversary of the fiscal watch declaration to the state offices, as listed in the rule;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Trustees adopts the financial recovery plan.

APPENDICES

EXHIBIT 10

Community College	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Prelim Fall 2014	% Change 2004 to 2013	% Change 2008 to 2013	% Change 2012 to 2013	% Change 2013 to 2014	Highest Enrollment peak in comparison to 2014
Belmont Technical College	1,741	1,643	1,714	1,742	1,798	2,200	2,319	2,078	1,652	1,313	1,044	-25%	-27%	-21%	-20%	-55%
Central Ohio Technical College	2,788	3,059	3,103	3,112	3,599	4,377	4,524	4,281	3,931	3,758	3,530	35%	4%	-4%	-6%	-22%
Cincinnati State Tech & Community College	8,783	8,608	8,438	8,815	8,606	10,326	11,133	10,785	11,042	11,942	10,707	36%	39%	8%	-10%	-4%
Clark State Community College	3,515	3,472	3,339	3,392	3,597	4,510	5,010	5,168	5,636	5,653	5,060	61%	57%	0%	-10%	-10%
Columbus State Community College	21,371	22,014	22,745	23,056	24,482	28,539	30,513	30,921	25,970	25,360	23,858	19%	4%	-2%	-6%	-23%
Cuyahoga Community College	26,961	26,751	26,340	26,488	27,814	31,024	31,909	31,301	30,435	29,267	27,104	9%	5%	-4%	-7%	-15%
Eastern Gateway Community College	1,658	1,697	1,601	1,744	1,831	2,095	2,209	2,441	2,561	2,927	3,067	77%	60%	14%	5%	5%
Edison State Community College	3,150	3,130	3,085	3,079	3,251	3,357	3,558	3,459	3,127	2,946	2,796	-6%	-9%	-6%	-5%	-21%
Hocking Technical College	5,392	5,470	5,581	5,254	5,645	6,193	6,332	5,786	4,485	4,409	3,415	-18%	-22%	-2%	-23%	-46%
James A. Rhodes State College	2,871	3,045	3,347	3,380	3,640	4,117	4,195	3,969	3,460	3,344	3,657	16%	-8%	-3%	9%	-13%
Lakeland Community College	8,741	8,627	8,788	9,172	9,201	9,612	9,996	9,683	9,447	8,964	8,277	3%	-3%	-5%	-8%	-17%
Lorain County Community College	9,905	10,189	10,521	10,824	11,180	12,783	13,404	12,933	12,694	12,276	11,726	24%	10%	-3%	-4%	-13%
Marion Technical College	2,240	2,100	2,043	2,126	2,350	2,654	2,735	2,789	2,742	2,691	2,463	20%	15%	-2%	-8%	-12%
North Central State College	3,364	3,151	3,195	3,152	3,257	3,586	3,635	3,382	2,886	2,958	2,926	-12%	-9%	2%	-1%	-20%
Northwest State Community College	3,425	3,563	2,881	3,192	3,185	3,617	5,238	4,463	4,296	4,656	2,612	36%	46%	8%	-44%	-50%
Owens State Community College	20,931	21,139	19,633	21,053	22,178	23,445	19,640	16,669	16,903	15,213	12,577	-27%	-31%	-10%	-17%	-46%
Rio Grande Community College	1,661	1,587	1,528	1,607	1,386	1,512	1,649	1,695	1,689	1,731	1,718	4%	25%	2%	-1%	-1%
Sinclair Community College	23,428	22,762	22,951	22,629	23,465	25,589	26,043	25,144	24,027	22,853	20,878	-2%	-3%	-5%	-9%	-20%
Southern State Community College	2,358	2,310	2,366	2,438	2,584	3,363	3,728	3,352	2,686	2,431	2,456	3%	-6%	-9%	1%	-34%
Stark State College of Technology	6,489	7,140	7,920	8,632	9,516	12,610	14,709	15,494	15,252	14,963	14,123	131%	57%	-2%	-6%	-9%
Terra State Community College	2,634	2,488	2,324	2,582	2,664	3,222	3,560	3,501	3,192	2,898	2,603	10%	9%	-9%	-10%	-27%
Washington State Community College	2,216	2,329	2,316	2,225	2,081	2,192	2,365	2,226	1,895	1,787	1,578	-19%	-14%	-6%	-12%	-33%
Zane State College	1,866	1,845	1,934	2,076	2,312	2,585	2,856	2,941	2,918	3,652	2,891	96%	58%	25%	-21%	-21%
	167,488	168,119	167,693	171,770	179,622	203,508	211,260	204,461	192,926	187,992	171,066	12%	5%	-3%	-9%	-19%
						1	15	3		4						

Source: Ohio Board of Regents Fall Enrollment, 2004 through Preliminary Headcount Fall 2014
From data:
https://www.ohiohighered.org/sites/ohiohigher
ed.org/files/uploads/data/statistical-
profiles/enrollment/headcount_institution_cam
pus_04-13.pdf and
https://www.ohiohighered.org/sites/ohiohigher
ed.org/files/uploads/data/statistical-
profiles/enrollment/pb_rpt_2014_STATE.pdf

APPENDICES

EXHIBIT 11

Strategic Enrollment Management Plan Final
March 2014

1. **Recruitment - Utilize student, community, employer and market data to recruit students and meet fiscally sustainable enrollment targets.**
    a. Improve the use of scholarships and financial aid to maximize recruitment and retention efforts
        i. Review viability of creating new scholarships
        ii. Review viability of career focused scholarships
        iii. Review viability of GED specific scholarships

    b. Develop a systematic set of programs and events to recruit students (using current students and employees)
        i. Implement an annual signature event
        ii. Assess and improve career focused visitation days
        iii. Investigate opportunity for non-athletic student summer camps
        iv. Create a program to reach parents/families/guardians

    c. Implement and maintain a coordinated marketing and communication plan
        i. Redesign the College website
        ii. Review, enhance and develop specific marketing and communication strategies

2. **Retention - Implement ongoing efforts involving faculty, staff and others to improve retention.**
    a. Provide effective academic assistance and system-wide process improvements to support our students.
        i. Implement chosen Degree Audit & Academic Planning (software) by Action Project #3 committee
        ii. Assess, expand and improve Early Alert
        iii. Implement use of Blackboard electronic gradebook for all courses (transfer grades to Banner)

    b. Create opportunities for career exploration
        i. Promote existing opportunities for students to explore careers.
        ii. Create an institutional-wide proposal to coordinate internships and co-ops.
        iii. Implement a job shadowing and informational interview program for different academic programs by utilizing alumni
    c. Create a culture of student centered delivery of educational instruction and services.
        i. Provide Professional Development for stakeholders to know their impact on retention
        ii. Utilize standards to improve student experiences

3. **Completion - Improve programs, services and processes to support student completion.**
    a. Review all academic program curriculum
        i. Identify appropriate Pre and Co- Requisites and ensure accuracy in student system
        ii. Reduce credit hours in academic programs helping students complete faster while meeting new OBR requirements
        iii. Develop year-long centralized schedule

    b. Implement opportunities for advisor intervention to keep students on path to completion
        i. Review and improve probation and follow-up tools utilized by advisors
        ii. Determine “gatekeeper” courses and develop advising strategies around these for students to have earlier success

APPENDICES

EXHIBIT 12

Strategic Enrollment Management Plan Progress

SEM Plan Part 1a: Recruitment: Improve the use of scholarships and financial aid to maximize recruitment and retention efforts

Tasks	Status	Responsible	Start / End
1. Review viability of creating new scholarships	Not started	Andrea Morrow/Exec Director of Foundation	May 2015-December 2015
2. Review viability of career focused scholarships	Not started	Andrea Morrow/Exec Director of Foundation	May 2015-December 2015
3. Review viability of GED specific scholarships	Not started	Andrea Morrow/Exec Director of Foundation	May 2015-December 2015

NOTE – This complete strategy is put on hold until an Executive Director of Foundation is hired. In January 2015 a new Financial Aid Director was hired and will do research on best practices to be ready for when we have the Executive Director of the Foundation on board to help assist with raising monies.

APPENDICES

EXHIBIT 12 *(continued)*

SEM Plan Part 1b: Recruitment: Develop a systematic set of programs and events to recruit students (using current students & employees)

Tasks	Status	Responsible	Start / End
1. Implement an annual signature event a. Identify date for the Toledo and Findlay Campuses b. Begin marketing strategies for event	Dates being considered, marketing being drawn up for publication and promotion	Admissions	9/2014 – ongoing
2. Assess and improve career focused visitation days	Dates established and promoted. Students are able to sign up online. Dates: 10/15 – Catholic and Private, 10/24 – Health, Education & Nursing, 11/7 – All Majors, 11/21 – STEM and Fine Arts, 12/5 – Business and Criminal Justice	Admissions (with assistance from Academic Departments	6/2014 – 12/2014
3. Investigate opportunity for non-athletic student summer camps	Not yet started – this will require coordination with finance office	Admissions, Betsy Johnson, Laurie Sabin	
4. Create a program to reach parents/families/guardians	Explore Owens was brought back into regular rotation. Dates are published and available for sign up on the website. A separate session for families and support systems will be revamped for Reg Rocks, and the intent is to bring into the fold after trial run in 2015.	Admissions	6/2014 - ongoing

EXHIBIT 12 *(continued)*

SEM Plan Part 1c: Recruitment: Implement and maintain a coordinated marketing and communication plan

Tasks	Status	Responsible	Start / End
1. Redesign the College website	IFactory was engaged to assist us with the complete overhaul of the website. Biweekly meetings have occurred and progress continues to be made. Layout of main page and inside content pages reviewed and approved in January 2015. Next step is review of content. Overall still in progress	Laurie Sabin overseeing project with committee	7/2014 - expect to launch new site in May or June
2. Review, enhance and develop specific marketing and communication strategies	Branding and points of pride developed and College open forums held in November. New commercials rolled out in November 2014. Mini communication plans in development for internal and external communication. Overall still in progress	Marketing/Communications/PR	7/2014 – ongoing

EXHIBIT 12 *(continued)*

SEM Plan Part 2a: Recruitment: Provide effective academic assistance and system-wide process improvements to support out students

Tasks	Status	Responsible	Start / End
1. Implement chosen Degree Audit & Academic Planning (software) by Action Project #3 committee	On hold due to budget constraints.	Betsy Johnson	
2. Assess, expand and improve Early Alert Assessing occurs after each semester by Institutional Effectiveness and reports are housed on the intranet Expanding tasks: Develop guidelines for expanded use of Early Alert a) Develop dynamic triggers – when student misses 1st class, misses 1st assignment, or fails to log in for 5 days. b) Develop scheduled communications – status updates at various times ie; before or after major exam, at mid-semester, before end of withdrawal period, etc. c) Create more positive and action oriented messages directing students to resources. i) faculty group forming Spring 2015 ii) implementation/IT set up – Summer 2015 iii) new messaging beginning Fall 2015	Assessment occurs regularly Expanding incorporated into OBR completion plan and is ongoing Improvement ties into assessment and is ongoing Currently reviewing new option in Blackboard called "Retention Center" that which immediately gives faculty information on students based on specific parameters - ie, missed an assignment, hasn't logged in, etc.	Faculty/Chairs/Deans	06/2014 - ongoing
3. Implement use of Blackboard electronic gradebook for all courses (transfer grades to Banner)	On hold due to technology limitations.	Denise Smith	

APPENDICES

EXHIBIT 12 *(continued)*

SEM Plan Part 2b: Retention: Create Opportunities for Career Exploration

Tasks	Status	Responsible	Start / End
1. Promote existing opportunities for students to explore careers. a. Identify existing experiential learning opportunities and resources for students (internship / co-op / volunteer / extracurricular) i. Survey on-campus resources ii. Survey school processes across college iii. Explore inclusion of regional/national programs b. Develop website/database to match students with opportunities and collect performance data c. Develop campus and community-wide awareness of opportunities i. Informational materials (posters, web content, literature) for 1. Students 2. Employers 3. Faculty 4. Advisors 5. Alumni	a. Completed b. Website template has been developed and will be implemented for Business programs. We will be meeting with other school to see about rolling this out to them c. In progress	a. Theis/Shutina/Giordano b. Shutina/ITS c. Shutina, Deans	a. 9/2014 - 11/2014 b. 12/2014-2/2015 c. ongoing
2. Create an institutional-wide proposal to coordinate internships and co-ops a. Develop processes/procedures for experiential learning (Pilot School of Business, Information and Public Service through OMIC grant) i. Site proposal and approval ii. Student selection iii. Faculty oversight and responsibility iv. Academic credit guidelines b. Create institutional-wide proposal/processes to	a. Completed b. In progress c. In progress d. In progress	a. Shutina/Faculty b. Deans/Shutina c. Shutina/Advisors/Chairs d. Shutina/Chairs	a.10/2014-12/2014 b.10/2014-7/2015 c. ongoing- 1st report due 2/2015
coordinate internships/co-ops c. Place students in internship/co-op positions d. Report on progress/performance to OMIC, College			
3. Implement a job shadowing and informational interview program for different academic programs by utilizing alumni a. Involve alumni in career exploration i. Develop job shadowing program ii. Conduct alumni career fair iii. Develop mock interview program b. Conduct internship/career/co-op fair	a. Not yet begun b. Not yet begun	a. Shutina/Theis/Moore b. Shutina/Theis/Chairs	a. 4/2015 b. 3/2015

EXHIBIT 12 *(continued)*

SEM Plan Part 2c: Retention: Create a Culture of student centered delivery of educational instruction and services.

Tasks	Status	Responsible	Start / End
1. Provide Professional Development for stakeholders to know their impact on retention a. Faculty will identify different learning styles and incorporate strategies to meet learning needs of all students. b. Review problematic communication examples with students and develop strategies to improve c. Identify issues that impact student success. Identify what issues are acceptable reasons for make-ups. Identify various ways to be flexible and meet students' needs.	c. All faculty have been encouraged to attend the Student Engagement session Fall 2014 led by Tom Perin. To date 4 sessions involving approx. 360 adjunct faculty members and 120 full-time faculty members have been held.	a. Professional Development Committee b. Professional Development Committee, Department Chairs and Faculty/Staff c. Professional Development Committee	October 21-22, 2014 Held annually
2. Utilize standards to improve student experiences a. Review all procedure and program manuals for consistency and clear guidelines b. Review all course syllabi for consistency and clear guidelines. c. Review course requirements and areas where students are not succeeding. Determine if the issues are with content, critical thinking, or procedure.	a. In process for all schools b. In process for all schools c. In process for all schools	a. Department Chairs/Coordinators b. Faculty c. Faculty	a. Chair & Coordinator reviews prior to start of Fall 2014 b. Coordinator and faculty meetings prior to start of Fall 2014 for review c. One course per discipline will be reviewed and mapped to student learning outcomes

EXHIBIT 12 *(continued)*

SEM Plan Part 3a: Completion: Review all Academic Program Curriculum

Tasks	Status	Responsible	Start / End
1. Identify appropriate pre- and co-requisites and ensure accuracy in student system a. Develop master syllabus review procedure/course audit procedure b. Develop review schedule for all courses by department (2 year master schedule with 4 review windows) c. Review course sequencing impact on completion in academic programs	Review procedure developed, syllabus review begun in some schools	Deans/Chairs	9/2014 - ongoing
2. Reduce credit hours in academic programs helping students complete faster while meeting new OBR requirements a. Revise PREP procedure to monitor success, completion and employability b. Reduce credit hours in programs by 201530 (October 2014 curriculum submission)	Curriculum submissions due 10/1, PREP revision underway	Vice Provost, Deans, Chairs	9/2014 – 11/2014
3. Develop year-long centralized schedule a. Develop academic pathways by major b. Develop Findlay strategy to ensure program completion c. Review and refine schedule	In progress	Vice Provost, Deans, Chairs	9/2014 - ongoing

EXHIBIT 12 *(continued)*

SEM Plan Part 3b: Completion: Implement Opportunities for advisor intervention to keep students on path to completion

Tasks	Status	Responsible	Start / End
1. Review and improve Probation and follow up tools utilized by advisors a. Meet with IT to discuss creating separate registration campaign for probation students b. Develop email templates for probation student BRM campaign c. Submit to IT email templates for probation student BRM templates d. Launch BRM campaign for probation students e. Second BRM registration campaign message goes out to probation students f. Third BRM registration campaign message goes out to probation students g. Fourth BRM registration campaign message goes out to probation students h. Fifth BRM registration campaign message goes out to probation students i. Sixth BRM registration campaign message goes out to probation students j. Seventh BRM registration campaign message goes out to probation students	a-j: Completed	a. Advising & IT b. Advising c. Advising d. IT e. IT f. IT g. IT h. IT i. IT j. IT	a. 8/27/2014 b. 8/2014-9/13/2014 c. 9/2014 d. 9/2014 e. 10/2014 f. 10/2014 g. 11/2014 h. 11/2014 i. 12/2014 j. 1/5/2015
2. Determine gatekeeper courses and develop advising strategies around these for students to have earlier success a. SEM committee agrees on definition of gatekeeper courses b. Identify those courses on high DWFI list that are also gatekeeper courses c. Choose 3 gatekeeper courses to focus on that are on the high DWFI list. d. Work with chairs/faculty of 3 gatekeeper courses to develop messages for 3 separate BRM campaigns for students enrolled in each of the 3 gatekeeper courses. e. Launch BRM campaigns in fall 2015 for students enrolled in each of the 3 gatekeeper courses. f. Create comprehensive list of Owens gatekeeper courses with completion data for each course	a-c: Completed	a. SEM Committee b. IR & Advising c. IR & Advising d. Advising & Chairs/faculty e. Advising & IT f. IR, Advising & Chairs	a. 5/2014-7/2014 b. 8/2014-9/2014 c. 10/2014-12/2014 d. 2/2015–7/2015 e. 8/2015–12/2015 f. 9/2015-12/2015

EXHIBIT 13

OWENS
COMMUNITY COLLEGE

STRATEGIC COMPLETION PLAN
RESOLUTION 2014-06-11-10

WHEREAS, the 130th Ohio General Assembly added Ohio Revised Code (ORC) 3345.81 Strategic Completion Plan, which became effective on September 29, 2013; and

WHEREAS, ORC 3345.81 requires that not later than June 30, 2014, the Board of Trustees of each institution of higher education, as defined by ORC 3345.12, adopt an institution-specific strategic completion plan designed to increase the number of degrees and certificates awarded to students; and

WHEREAS, ORC 3345.81 states the plan shall be consistent with the mission and strategic priorities of the institution, include measureable student completion goals and align with the state's workforce development priorities; and

NOW, THEREFORE, BE IT HEREBY RESOLVED that the recommendation of the President to adopt the Strategic Completion Plan for Owens Community College be approved by the Board of Trustees; and

BE IT FURTHER RESOLVED that a copy of the plan be forwarded to the Chancellor of the Ohio Board of Regents; and

BE IT FURTHER RESOLVED that the Strategic Completion Plan for Owens Community College be reviewed, updated, recommended for adoption to the Board of Trustees and forwarded to the Chancellor of the Ohio Board of Regents at least once every two years.

SECRETARY'S CERTIFICATE

I, Patricia M. Jezak, Secretary to the Board of Trustees, Owens Community College, a state-supported institution of higher education, as recognized under Ohio Revised Code Section 3358, do hereby certify that the above was adopted by the Board of Trustees by majority vote of such Trustees at a meeting duly noted and held June 11, 2014. Such resolution(s) were adopted in an open meeting of the Board of Trustees, and that all deliberations of the Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code. Such resolution(s) have not been amended, modified or revoked and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have signed this certificate this June 12, 2014.

Patricia M. Jezak

Patricia M. Jezak
Secretary to the Board of Trustees
Owens Community College

APPENDICES

EXHIBIT 14

OBR Completion Plan Progress

Connection to the Institution

Tasks	Status	Responsible	Start / End
Review student populations to identify typologies of students and their impact on the student experience Four student populations have been identified to explore: A. Students identified as placing into two or more developmental education courses via (ASSET, COMPASS, ACT, etc) B. Students identified as having low income based on a 0 Expected Family Contribution (EFC) C. Students enrolled in non-selective academic programs that tend to have high completion rates observed by graduation within 3-years D. Students enrolled in non-selective academic programs that tend to have low completion rates based on graduation after 3-years Due to their unique experiences on campus and low enrollments, International Students & Student Athletes will be excluded in this analysis and project. The team identified above will address this focus and strategy through the accomplishment of the following tasks: 1. Examine and explore the Completion by Design principles to learn more about how they influence the OBR Completion plan (http://completionbydesign.org/) (Jan/Feb 2015) 2. Review the Strategic Enrollment Management (SEM) plan to align action steps related to this project (Feb 2015) 3. Meet with Institutional Effectiveness (IE) Research Associate to explore how the development of student portraits for the 4 populations listed above, using the logic and data collected for the existing student portraits found on the Institutional Effectiveness Website, might guide the completion of this	In Progress	Betsy Johnson	1. January 2015-February 2015 2. February 2015 3. February 2015 4. March 2015-April 2015 5. Summer 2015 6. August 2015-September 2015 7. September 2015-October 2015 8. Spring 2016 9. Fall 2016 10. Fall 2016

EXHIBIT 14 *(continued)*

project. These portraits would describe the population in terms of characteristics/input variables. (Feb 2015) 4. Meet with Research Associate to explore the various data sets available via the retention dashboard and IE website (Mar/April 2015) 5. Partner with IE to develop a student experience data map for each of the identified populations. The data maps will consist of all quantitative and qualitative data we have on these populations for each phase of their student experience (as they move into (on-boarding), move through (involvement), and move out (persistence & completion) (Summer 2015) 6. Create a new student experience map that the "average" students or the majority of students experience. For example, all students must complete an application (the majority experience this on-line). The "average" student or the majority of students complete a face-to-face NSO. The average or majority of students receive financial assistance. (August/September 2015) 7. Explore existing student survey data to determine if identified roadblocks are validated with student data (September/October 2015) 8. Consider partnering with IE for development, launch, and analysis of data secured through surveys and/or focus groups if existing student data does not address roadblocks in the student experience (Plan for Spring 2016 launch) 9. Create list of identified roadblocks which will be used to propose improvement strategies that may remove identified roadblocks (Spring 2016) 10. Create list of identified successes which will be used to propose improvement strategies to maximize identified successes (Fall 2016) 11. Select two to three improvement strategies for implementation and assessment in Fall 2016 (Fall 2016)			

EXHIBIT 14 *(continued)*

Build relationships and programming with local schools Below are the tasks that have been completed and our next steps: - Held a Dual Enrollment meeting for all instructors on both the Toledo and Findlay campus to explain how dual enrollment works, and the true benefits. This created an opportunity for the high school instructors to meet the chairs of the academic programs and ask questions - Based on the meeting, Sylvania switched enrolling their Med Tech students from NWSCC to OCC. Clay is still in the works. The chair has been connected with the instructor to ensure their curriculum aligns. - Created a very spreadsheet/database with all of the articulation agreements house in Admissions with all programs. This created an alignment so that we could see where we have an articulation, where we have CTAG, and where we are dually enrolled. It took an extreme amount of time to align the programs to the Tech Prep pathways. - Continue outreach and communication via Admissions Office about continuing in their programs. This includes a letter in the Spring, and emails. - Classroom presentations are held for those we are able to meet with to talk about how to use their credits. - Weekly office hours are held at Penta to meet with students. Monthly office hours are held at Millstream, Clay, and Sylvania. Clay and Sylvania are new this year. - Dual enrollment "nights" were held at Penta and Whitmer in fall 2015, where all seniors and parents were invited to come to learn about OCC and how to take advantage of their dual enrollment credits. - Tech Prep Scholarship application available earlier than ever (September 1,) to encourage students to apply and continue with OCC. - New relationship is being forged with all TPS career tech teachers, as Carolyn Eaton has reached out to them to coordinate classroom presentations. We have had a great response. She will be presenting to the counselors (briefly) this month to discuss this. This is new - we have never had access to their CTC instructors before. <u>Next steps:</u> - Based on the findings on the spreadsheet/database, create materials that lay out how a student in a particular Tech Prep pathway can seamlessly transition to OCC, and credits they have already earned, or would be eligible for, based upon the required CTAG process. Template is already created. Communicated with deans and chairs to start to pull together what they want the handouts to highlight and say. Tentative Completion Date - March 1, 2015 - Invite all CTC to a specific Reg Rocks event that is private for their school or CTC. Tentative Completion Date - February 15, 2015 - Based on the new CCP rules, meetings have occurred with area educational leadership about OCC's plans with CCP. Meeting held on January 30 for secondary leadership to learn our pathway. Marketing created the new materials, for both the school systems and the parents/students. Website is updated. Records working with IT to put plan in to place to discuss coding and adjustments that must be made. New CCP application is live. HS night presentations continue through March 2015 - Classroom presentation schedules are being set for Clay HS, Sylvania HS, and Millstream for the Spring to talk about programs and scholarship applications. Tentative Completion Date - February 15, 2015	Many tasks have been completed, but overall this task will remain "In Progress" as things change annually	Betsy Johnson	July 2015 - ongoing

EXHIBIT 14 *(continued)*

Successful First-Year Entry

Tasks	Status	Responsible	Start / End
Determine and evaluate common first year courses and develop advising strategies Overlap of SEM Plan 3.b.ii a. SEM committee agrees on definition of gatekeeper courses b. Identify those courses on high DWFI list that are also gatekeeper courses c. Choose 3 gatekeeper courses to focus on that are on the high DWFI list. d. Work with chairs/faculty of 3 gatekeeper courses to develop messages for 3 separate BRM campaigns for students enrolled in each of the 3 gatekeeper courses. e. Launch BRM campaigns in fall 2015 for students enrolled in each of the 3 gatekeeper courses. f. Create comprehensive list of Owens gatekeeper courses with completion data for each course	In Progress	Betsy Johnson	a. 5/2014-7/2014 b. 8/2014-9/2014 c. 10/2014-12/2014 d. 2/2015–7/2015 e. 8/2015–12/2015 f. 9/2015-12/2015
Redesign of Program Review and Evaluation Process (PREP) 1) Redesign PREP manual to align with completion principles and provide the Curriculum Committee with data related to completion and job market demands 2) Review of PREP by VP of Academic Affairs 3) Three to five year cycle to be implemented Spring/Fall 2015.	In Progress	Denise Smith	1. Completed December 2014 2. February 2015-March 2015 3. Ongoing
Master syllabus review or course audit	In Progress: Review procedure	Ann Theis	9/2014 - ongoing
Crossover of SEM Plan 3.a. i., ii. a. Develop master syllabus review procedure/course audit procedure b. Develop review schedule for all courses by department (2 year master schedule with 4 review windows) c. Review course sequencing impact on completion in academic programs d. Reduce credit hours in programs by 201530 a. audit programs to determine where compliance issues are b. set goal/deadline for program reduction	developed, syllabus review begun in some schools;		

APPENDICES

EXHIBIT 14 *(continued)*

Student Progress

Tasks	Status	Responsible	Start / End
Early intervention based on grades - Train faculty on Blackboard (Bb) Crossover of SEM Plan 2.a. iii. 1) survey faculty on Blackboard grade book use 2) communicate expectations to full time and adjunct faculty 3) monitor and ensure that everyone is trained or using Blackboard	Training has begun and will continue	Denise Smith	Fall 2014 – Fall 2016 (ongoing)
Early intervention based on grades - Require all grades (homework/quizzes/tests/etc.) posted in Bb within 7 business days of due date Crossover of SEM Plan 2.a. iii. 1) create a policy on electronic grade book use 2) communicate expectations to full time and adjunct faculty 3) monitor and ensure that faculty are complying Based on variances in the way faculty use the gradebook, a dashboard would be difficult to implement. However,	Not started – Above must be completed before this can begin	Denise Smith	
a) Develop dynamic triggers – when student misses 1st class, misses 1st assignment, or fails to log in for 5 days. b) Develop scheduled communications – status updates at various times ie; before or after major exam, at mid-semester, before end of withdrawal period, etc. c) Create more positive and action oriented messages directing students to resources. i) faculty group forming Spring 2015 ii) implementation/IT set up – Summer 2015 new messaging beginning Fall 2015			

EXHIBIT 14 *(continued)*

Student Completion

Tasks	Status	Responsible	Start / End
Implement a degree audit system	On hold due to budget constraints.	Betsy Johnson	
Develop year-long centralized schedule Crossover to SEM: 3.a.iii. a. Develop academic pathways by major b. Develop Findlay strategy to ensure program completion c. Review and refine schedule	In Progress	Denise Smith	9/2014 - ongoing
Career connection and exploration Crossover to SEM: 2.b.i,ii. 1) Identify existing experiential learning opportunities and resources for students (internship/co-op/volunteer/extracurricular) a) survey on-campus resources b) Survey school processes across college c) Explore inclusion of regional/national programs 2) Develop processes/procedures for experiential learning (pilot School of Business, Information and Public Service through OMIC grant) a) Site proposal and approval b) Student selection c) Faculty oversight and responsibility d) Academic credit guidelines 3) Create institutional-wide proposal/processes to coordinate internships/co-ops	Some tasks have been Completed, others In Progress, and others have not yet begun	Ann Theis	1. 9/2014-11/2014 2. 10/2014-12/2014 3. 10/2014-7/2015 4. 12/2014-2/2015 5. Complete by 4/2015 6. Complete by Fall 2015 7. Complete in academic year 2015-16 8. Ongoing once #7 implemented
4) Develop website/database to match students with opportunities and collect performance data 5) Involve alumni in career exploration a) Develop job shadowing program b) Conduct alumni career/internship fair c) Develop mock interview program 6) Develop campus and community-wide awareness of opportunities a) Information materials (posters, web content, literature) for i) Students ii) Employers iii) Faculty iv) Advisors v) Alumni b) Conduct internship/career/co-op fair 7) Place students in internship/co-op positions 8) Report on progress/performance to OMIC, college			

EXHIBIT 14 *(continued)*

Other Aspects of Completion Success

Tasks	Status	Responsible	Start / End
Institutional policy and procedure review	In Progress – reviewing CbD as model to assist with this process	Melissa Green, Betsy Johnson, Laurie Sabin, Denise Smith, Ann Theis	December 2014 – May 2016 and then ongoing
Improve data driven decision making 1) Identify data sets that support understanding completion rates on different populations, by faculty, by course/section, by mode of delivery, etc. 2) Identify data sets that monitor faculty responsiveness and performance – early alert, posting of grades on Blackboard, completion rates 3) Identify useful graduate data and employment data	In progress	Melissa Green, Betsy Johnson, Laurie Sabin, Denise Smith, Ann Theis	July 2014 - ongoing

EXHIBIT 14 *(continued)*

Workforce

Tasks	Status	Responsible	Start / End
Analyze course offering alignment and review of common skills with respect to local employer needs 1) Starting with highest enrolled programs, identify the jobs and/or internships the graduate should be fully qualified for 2) Identify the skills required of those jobs a) Review those skills with the advisory committee 3) Determine regional demand for the jobs 4) Review/revise program learning outcomes to focus/match the required skills, knowledge of the job. Revise course selection and sequencing to: a) Address job/accrediting body needs b) Increase success/completion c) Address efficiencies 5) Revise curricular map 6) Review with advisory committee	In Progress	Melissa Green and Ann Theis	Fall 2014-ongoing
Program advisory board review 1) Review current board membership a) What employers represented b) How long have they been members c) Is there a mix of alumni, other professionals in addition to adjuncts and faculty 2) Consider for membership a) Representatives from top employers in the area b) Professional recruiter c) Student	In Progress	Denise Smith and Ann Theis	Fall 2014-ongoing
d) Recent graduate e) Representatives from local universities 3) Formalize advisory board expectations and terms			

EXHIBIT 15

MARKETING AND COMMUNICATIONS

A fully integrated marketing and communications strategy is a necessity with the College's diverse audiences now more complex, segmented and savvy than at any time in our history. The Office of Marketing and Communications' strategy when integrated with the College's academic, recruitment and retention goals will have the greatest opportunity to be effective and advance the College through the recovery process. While the marketing and communications strategy may not be fully quantified, depending on the scope of the initiative, the strategy's qualitative results will impact the College's brand initiative and in turn influence the recovery process. All facets of the marketing and communications strategy will incorporate the modern four Cs process of identifying the customer (or audience), and then reaching the customer with a communication (message) in a convenient and cost-efficient way.

The Office of Marketing and Communications has spent the last year redefining and rolling out a new brand for the College. This is a key tool for shaping ourselves within the community and for guiding our messaging, both of which should positively impact our reputation and our enrollment. The Office continues to expand the brand initiative, which has branched out to include initiatives and improvements in several other areas, including marketing, communications, public and media relations and social media.

Outline

1. Brand
2. External Marketing
3. Internal Marketing
4. Internal Communications
5. New Website
6. Public and Media Relations
7. Social Media
8. Other

Brand

The College's new, and in some regards, first-ever, brand helps employees, students and the community at-large better understand who Owens Community College is.

A brand is more than a logo, and it's not just for marketing materials and websites; it's a rallying cry and an aspiration for the entire College community. It's inextricably linked to our overall strategy, and it should be present in everything from classes to events to architecture to publications. This cohesive presentation should elevate the College's reputation in the eyes of the community.

The umbrella word for our brand is "inclusive".

Definition:

EXHIBIT 15 *(continued)*

- covering or including everything
- open to everyone, not limited to certain people

This is a very powerful, meaningful word that embodies what we are already doing, but leaves room or an expectation for improvement and growth. It provides a direction for messaging. And, we have tangible evidence that we are truly inclusive, so it is genuine. We're not trying to be something we aren't.

The brand expands upon "inclusive" by identifying feelings we want to convey, further shaping the College's brand personality. These words include welcoming, friendly/caring, supportive, encouraging, helpful and genuine.

These words point to the College's brand dimension, essentially the tone that our marketing, communications and actions should take: *sincerity*.

This tone will guide the way we convey our personality.

Brand Promise
Owens Community College is an inclusive, welcoming environment that engages and supports our students and our communities by providing a solid educational foundation.

Points of Pride
The Points of Pride are the first layer of tangible support for our brand promise. This framework will give people speaking about Owens flexibility in messaging, while still adhering to main messages. This will allow people to speak genuinely about Owens, without coming across as rehearsed or forced.

As time goes on, we will revise and update this information so that it is timely, relevant, accurate and consistent.

Design
Our brand personality should come through in every communication we create. To create a consistent brand identity, Brand Identity Guidelines have been designed to show how to use our logo, specific color palette, distinctive fonts, photography and the tagline, *Your Success Starts Here.*

Several templates, including certificate, PowerPoint and letterhead templates, have also been created to ensure communications meet the guidelines and help support the Owens Community College brand.

Living the Brand
Now that pieces and parts of the brand have been created, implementation is key. It is up to every individual faculty and staff member at the College to live the brand, as we are all truly conduits

EXHIBIT 15 *(continued)*

of the brand. We continue to engage with the College's more than 1,400 faculty and staff through ongoing informational forums in an effort to share this direction.

We are in the process of creating suggestions for ways faculty and staff can live the brand, on campus and in the community. We are also continuing to create ways to share the brand message. As with many of the items in this section, we are approaching this from a position of continuous improvement; there are always things we can do to get the word out to our audiences.

Key Communication Messages

These three primary Key Messages will serve as the main messages for upcoming communications and should be incorporated when and where appropriate. They will also serve as main talking points in a variety of settings. The supplemental information that supports these three messages will vary depending on use and audience and will be either taken from the current Points of Pride or created based on the application.

The following are the primary messages we want people to know and remember about Owens Community College. These Key Messages supplement the College's brand and the associated components: brand personality, brand promise, Points of Pride, etc. They also align with the College's mission, vision and core values. They will be reviewed regularly.

1. **Opportunities for all of our region's students**
   As an open access community college, Owens provides opportunities for all of our region's students, including those unsure as to their place in higher education. Owens is a choice for these students and provides support services to students throughout their educational journey to help them succeed.

2. **Preparation for the next step**
   Owens prepares students for whatever their next step may be, including graduation, entering the workforce, increasing and improving skills or transferring to a four-year college or university. Through practical, hands-on experiences; opportunities to cultivate leadership skills; and opportunities to give back to their fellow students and communities, Owens provides students with valuable skills that will last a lifetime.

3. **Valuable role in the community**
   Owens plays a valuable role in the culture and economy of northwest Ohio through partnerships and collaborations. Our programs are developed with the local job market in mind and currently the majority of our graduates remain in northwest Ohio, contributing to the local economy by working, paying taxes, voting and raising a family.

External Marketing

The Office of Marketing and Communications disseminates messages to target market segments using traditional media, impression-based direct marketing, and brand positioning. All media placements utilize data-driven media research paired with the College's strategic goals in order

EXHIBIT 15 *(continued)*

to produce the most effective results. The new strategic direction to include paid and complementary brand positioning in key target market segments expands the College's reach and frequency during key enrollment periods. All of these initiatives continue to be dynamic. They are evaluated for their return on investment with post-media reports and refined for improvement in either real time or for the next campaign, depending on the media.

Audiences

- Adults 18-49
    - Segment this audience into younger and older potential students for greater return on investment with targeted messaging
        - 18-24
        - 30-39
        - 40-49
- Adults 50+
- Veterans
- Non-traditional Students
    - This audience has crossover with the A18-49 audience.
- Direct from High School
- Transient/Visiting Students
- Minority Students
- Workforce

Data

- Utilize data analytics including Nielsen, Arbitron, comScore to purchase media that reaches target audiences
- ROI
    - Utilize features of new owens.edu website for measuring the success of marketing campaigns.
    - Work with IT to set up better tracking and conversation using Google
    - Continue to post buys on network TV and secure additional post schedules when minimum gross rating points purchased are not met
- Demographic trends
- Labor statistics and trends

Media

- Network/Cable TV
- Radio
- Direct mail
- Digital (online, tablet, mobile)
- Outdoor
- Newspaper
- Sponsorships

EXHIBIT 15 *(continued)*

Messaging

- Tie into Key Communication Messages

Internal Marketing

Completion is our primary initiative. A variety of marketing outreach activities are done throughout the year to maintain communication with our current students. These activities have been shown to positively impact retention and, therefore, completion. We are continually reviewing these strategies to see what can be improved, as well as researching new strategies.

A few examples of Retention Marketing include:

- Advising Postcards that are emailed monthly to current students with a variety of registration reminders and activities. These are sent to students by their individual academic advisor.
- Registration Ready Days – Designated days to let current students know that registration is open and advising help is available if needed. Promoted through various internal marketing avenues.
- FAFSA Fridays events geared toward helping students fill out the FAFSA and serve as a reminder that it needs to be completed every year. Promoted through various internal marketing avenues.

Internal Communications

More than ever, we are approaching every action and project, including communications, strategically. To this end, we are continuing to develop specific mini communication plans for our communication vehicles. These mini plans will work in tandem with an overall communication plan, which is being strengthened and expanded.

By strategically defining goals and objectives and by strategically targeting audiences, we've been able to more effectively communicate the information that people need and want to know. Additional initiatives, including Huddles, are in discussion.

We have also been looking more to best practices at other colleges and universities to see what we may want to consider implementing here in an effort to improve communications and positively impact our reputation.

New Website

In a seven-month period from October 2014 through April 2015, the College's website got 3.4 million sessions and 6.9 million page views. More than 24 percent of those views were new visitors. We know that this website is a major recruiting tool, as well as a gateway to current student applications like Ozone, Blackboard and e-mail.

EXHIBIT 15 *(continued)*

The new website brings new opportunities for recruitment of potential students. The Owens external website serves as the gateway for prospective students and as a digital front door to our institution. Over the last nine months, a cross-functional team comprised of members from various departments and schools have worked with iFactory (an external company) to create a dynamic, new website. The Website Redesign Committee and iFactory explored user data, conducted stakeholder interviews, focus groups and user surveys to achieve a functional design that maximizes the ease with which users can navigate the information they are seeking. This new site will allow visitors to see some of the compelling aspects of our campuses and student life, enabling them to imagine themselves as part of our College.

Features of the new site include:

- The opportunity to highlight faculty, students and alumni on department pages to help tell the "Owens story"
- The opportunity to showcase noteworthy program offerings and department news
- An Explore Programs feature that allows a prospective student to select general interest areas and see the corresponding Owens programs
- A Content Management System (CMS) that will allow for content to be updated by designated department members in an effort to keep page content up-to-date. Information on CMS training will be forthcoming as we get closer to implementation
- Mobile-friendly features to make navigating the site from smartphones easier
- An enhanced design that is current with web trends

The new website brings new opportunities for recruitment of potential students.

Public and Media Relations

Owens Community College has been active with local and regional media outlets for several years and has built a strong relationship with local reporters. However, there has never been a strategic plan on how to best utilize these relationships to assist in positioning Owens in the community.

In addition, the landscape of various media outlets has changed in recent years and there are more stories than reporters to cover these stories. This has caused media outlets to be much more particular on what they cover. Likewise, we must be more deliberate in what stories we pitch to our contacts.

By approaching public and media relations more strategically, which includes reviewing our results provided through a clipping service, we believe we can positively impact the College's reputation and enrollment.

Our audience includes:

- Current and potential students
- Community leaders
- Community members

EXHIBIT 15 *(continued)*

- Local, state and national policy-makers
- Alumni
- Foundation members
- Parents

Most press releases sent from Owens fall into one of five categories:

- Announcements (i.e. levy, new construction, tuition changes, etc.)
- Events (i.e. performing arts, athletics, fundraisers, etc.)
- Features (i.e. student/faculty profiles, food pantry, etc.)
- Accomplishments (i.e. accreditation, institution or personal awards or achievements, etc.)
- Academics (i.e. new programs, scholarships, etc.)

In the past, all press releases were sent out without thought as to how it would affect the overall reputation and goals of Owens. Moving forward, press releases will tie back to our key messages and align with our brand, mission, vision and core values. The new strategy will include a focus on:

- Four or five essential points of information that express who Owens is and how we want to be seen by the communities we serve
- Short, concise pieces of information that can be easily conveyed
- Turning around negative perceptions and driving home the "good" that Owens does
- Maintaining control and directing interviews, press releases, talking points, etc.

Next Steps

- We are working on an overall plan for public and media relations that answers the following:
    - How do we want to position Owens, which will tie back to branding and established key messages?
    - What stories will help us with positioning?
    - How often do we want to push "big" stories?
    - What criterion determines what stories are pitched to local/regional media?

Social Media

In recent years, the Office has devoted more time and energy to social media, giving it the attention it requires. This has allowed us to better communicate with current students, tell our story to potential students and community members and connect with alumni. We believe all of these things have, and will continue to, positively impact our reputation and enrollment.

The College currently has active Facebook, Twitter and Instagram accounts, the latter being added most recently. Individual schools, departments and programs within the College also have accounts, which are created with guidance from the Office of Marketing and Communications. This allows for a more cohesive representation of the College throughout social media.

EXHIBIT 15 *(continued)*

The College's Facebook page currently has more than 4,000 followers and the College's Twitter pages reaches nearly 2,000 followers. By engaging these "friends" and encouraging them to help tell our story, we believe social media can have a positive impact on our recruitment and retention efforts.