

**MINUTES OF A SPECIAL MEETING  
THE UNIVERSITY OF OKLAHOMA BOARD OF REGENTS  
TUESDAY, JUNE 22, 2021**

	<u>Page</u>
<b><u>ALL UNIVERSITIES</u></b>	
Executive Session – ALL.....	37645
<b>REPORT OF THE CHAIR OF THE BOARD .....</b>	<b>37648</b>
<b><u>CAMERON UNIVERSITY</u></b>	
<b>REPORT OF THE PRESIDENT OF THE UNIVERSITY .....</b>	<b>37648</b>
<b>ACTION ITEMS</b>	
Fiscal Year 2022 Budget – CU .....	37649
Tuition and Mandatory Fee Rates for Academic Year 2021-2022 – CU .....	37651
<b><u>ROGERS STATE UNIVERSITY</u></b>	
<b>REPORT OF THE PRESIDENT OF THE UNIVERSITY .....</b>	<b>37653</b>
<b>ACTION ITEMS</b>	
Fiscal Year 2022 Budget – RSU.....	37653
Tuition and Mandatory Fee Rates for Academic Year 2021-2022 – RSU .....	37655
<b><u>THE UNIVERSITY OF OKLAHOMA</u></b>	
<b>REPORT OF THE PRESIDENT OF THE UNIVERSITY .....</b>	<b>37657</b>
<b>COMMENTS ON THE BUDGET AND TUITION ITEMS .....</b>	<b>37663</b>
<b>ACTION ITEMS</b>	
Fiscal Year 2022 Budget – OU.....	37664
Tuition and Mandatory Fee Rates for FY2022– NC & LAW .....	37666
Tuition and Mandatory Fee Rates for FY2022– HSC .....	37670
Substantive Program Changes – NC.....	37674
Existing Program Offered Traditionally at New Location – Bachelor of Science in Nursing – HSC .....	37675
College Naming Rights – NC .....	37676
Academic Personnel Actions – ALL .....	37676
Resolution Honoring John H. Schumann, MD .....	37678
Honorary Degrees – All.....	37679

	<u>Page</u>
<b>COMMENTS ON THE HEALTH INTEGRATION ITEMS</b> .....	37679
Approval of OU Health Integration – HSC .....	37683
Amendment to OU Dependent Child Tuition Waiver Program – HSC.....	37694
Transferring Paid Time Off for Staff as Part of the OU Health Integration – HSC .....	37695
Amendment to University of Oklahoma Defined Contribution Retirement Plan – HSC.....	37695

**MINUTES**

Organizational Meeting, May 27-28, 2021 .....	37696
---	-------

**FOR INFORMATION ONLY**

**UNIVERSITY OF OKLAHOMA**

Estate Gift of Earl Ziegler – NC .....	37696
--	-------

**MINUTES OF A SPECIAL MEETING  
THE UNIVERSITY OF OKLAHOMA BOARD OF REGENTS  
JUNE 22, 2021**

A special meeting of the Board of Regents governing The University of Oklahoma, Cameron University and Rogers State University was called to order in the Faculty/Staff Atrium, Robert M. Bird Library on the Health Sciences Center Campus in Oklahoma City, Oklahoma, at 8:02 a.m. on June 22, 2021.

The following Regents were present: Michael A. Cawley, Chair of the Board, presiding; Regents Phil B. Albert, Natalie Shirley, Eric Stevenson, and Rick Nagel. Regent Anita L. Holloway joined the Board in executive session at 8:10 a.m.

Others attending all or a part of the meeting included Mr. Joseph Harroz, President of The University of Oklahoma; Jason Sanders, M.D., Senior Vice President and Provost – Health Sciences Center Campus; John Schumann, M.D., President of OU-Tulsa; Vice Presidents Sean Burrage, Mackenzie Dilbeck, Ken Rowe, and David Surratt; Acting Vice President of Operations Brian Holderread; Associate Vice President for Budget & Finance Stewart Berkinshaw; OU-Tulsa Associate Vice President for Academic Affairs, Jim Sluss; Chief Audit Executive Charles Wright; Chief Legal Counsel Anil Gollahalli; and Executive Secretary of the Board of Regents, Dr. Chris A. Purcell. Others attending the meeting included Guy Patton, President, and Amy Noah, Vice President for Advancement, OU Foundation; and Chair of the Norman Campus Faculty Senate Keri Cornelson.

Attending the meeting from Cameron University was Dr. John McArthur, President of the University.

Attending the meeting from Rogers State University was Dr. Larry Rice, President of the University; and Mark Rasor, Vice President for Administration and Finance.

Notice of the time, date and place of this meeting was submitted to the Secretary of State, and the agenda was posted in the Office of the Board of Regents on or before 8:00 a.m. on June 18, 2021, both as required by 25 O.S. 1981, Section 301-314.

Regent Nagel moved the Board enter executive session for the purposes of sections C, E, I, J, and M as listed on the agenda item below at 8:03 a.m. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chairman declared the motion unanimously approved.

The Board moved to the Provost's Conference Room for the executive session.

### **EXECUTIVE SESSION**

Proposed Executive Session: Possible discussion and vote to enter Executive Session pursuant to 25 O.S. § 307(B) for the following discussion purposes:

- a. Confidential communications between the Board and its attorney(s) concerning pending research or financial investigation(s) and/or claims, where the Board's attorney has determined disclosure will seriously impair the ability of the Board to conduct the investigation(s) in the public interest as authorized under 25 O.S. § 307(B)(4);

- b. Confidential communications between the Board and its attorney(s) concerning potential claim(s) involving real estate operations, where the Board's attorney has determined disclosure will seriously impair the ability of the Board to process the claim(s) in the public interest as authorized under 25 O.S. § 307(B)(4);
- c. Confidential communications between the Board and its attorney(s) concerning pending personnel claims, where the Board's attorney has determined disclosure will seriously impair the ability of the Board to conduct the investigation(s) in the public interest as authorized under 25 O.S. § 307(B)(4);
- d. Confidential communications between the Board and its attorney(s) concerning pending negligence, unjust enrichment claims or other legal claims, where the Board's attorney has determined disclosure will seriously impair the ability of the Board to conduct the investigation(s) in the public interest as authorized under 25 O.S. § 307(B)(4);
- e. Discussion of the potential purchase and/or appraisal of real property under 25 O.S. § 307(B)(2);
- f. Routine, periodic review of employment of University President(s) as authorized under 25 O.S. § 307(B)(1).
- g. Routine, periodic review of employment of University personnel as listed in Attachment A as authorized under 25 O.S. § 307(B)(1).
- h. Discussion of assessment of potential vulnerability of governmental facilities as authorized under 25 O.S. § 307(B)(11)(b) and 51 O.S. § 24A.28(A)(2).
- i. Discussion of confidential trade secret information as authorized under 25 O.S. § 307(B)(7) and 51 O.S. § 24A.19.
- j. Discussion of confidential information pertaining to donors or prospective donors under 25 O.S. § 307(B)(7) and 51 O.S. § 24A.16a.
- k. Discussion of filed litigation against Cameron University, including the following cases and/or claims where the Board's attorney has determined disclosure will seriously impair the ability of the Board to conduct the investigation(s) in the public interest as authorized under 25 O.S. § 307(B)(4):  
None.
- l. Discussion of filed litigation against Rogers State University, including the following cases and/or claims where the Board's attorney has determined disclosure will seriously impair the ability of the Board to conduct the investigation(s) in the public interest as authorized under 25 O.S. § 307(B)(4):  
None.
- m. Discussion of filed litigation against the University of Oklahoma, including the following cases and/or claims where the Board's attorney has determined disclosure will seriously impair the ability of the Board to conduct the investigation(s) in the public interest as authorized under 25 O.S. § 307(B)(4):
  - 1. *Allen v. HCA, et al.*, CJ-2020-5953 in the District Court for Oklahoma County, Oklahoma;

2. *Provident Oklahoma Education Resources, Inc. v. University*, Case No. CJ-2019-1618 in the District Court for Cleveland County, Oklahoma;
3. *Grillot v. University, et al.*, Case No. CIV-19-241-F in the United States District Court for the Western District of Oklahoma;
4. *In re: Genentech, Inc. Herceptin (Trastuzumab) Marketing and Sales Practices Litigation*, 16-MD-2700 in the United States District Court for the Northern District of Oklahoma;
5. *Knox v. Oklahoma State Regents for Higher Education and Board of Regents for the University of Oklahoma, Cameron University and Rogers State University*, Case No. CJ-2020-2383 in the District Court for Oklahoma County, Oklahoma;
6. *McLaughlin v. University, et al.*, Case No. CIV-21-539 in the United States District Court for the Western District of Oklahoma;
7. *Meyer v. University, et al.*, Case No. CIV-15-403 in the United States District Court for the Western District of Oklahoma;
8. *Patterson v. University, et al.*, Case No. CIV-20-355-R in the United States District Court for the Western District of Oklahoma;
9. *Tufaro v. University, et al.*, Case No. CJ-2020-5001 in the District Court for Oklahoma County, Oklahoma;
10. *Vijay v. University*, CJ-2020-742 in the District Court for Cleveland County, Oklahoma.
11. *The Sustainable Journalism Foundation, et al. v. University*, CV-2021-1770 in the District Court for Cleveland County, Oklahoma.

#### ATTACHMENT A

##### Individuals include:

- President, The University of Oklahoma
- Senior Vice President and Provost, Norman Campus
- Senior Vice President and Provost, Health Sciences Center
- Vice President of the University of Oklahoma and General Counsel to the Board of Regents of the University of Oklahoma governing the University of Oklahoma, Cameron University and Rogers State University
- Executive Secretary of the University of Oklahoma Board of Regents; Vice President for University Governance; and Secretary of the University of Oklahoma, Cameron University and Rogers State University
- Vice President for Intercollegiate Athletics Programs and Director of Athletics
- Vice President for University Advancement
- Vice President for University Operations
- Vice President for Student Affairs and Dean of Students
- Senior Associate Vice Provost of Digital Learning
- Senior Associate Athletics Director
- Associate VP, Chief Budget Officer, Norman
- Chief Audit Executive
- Senior Vice President and Chief Financial Officer

- Dean, College of Arts and Sciences
- President, Cameron University
- President, Rogers State University

The Board returned to the Atrium, and Regent Shirley moved the Board leave executive session at 1:05 p.m. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chairman declared the motion unanimously approved.

## **REPORT OF THE CHAIR OF THE BOARD**

Regent Cawley asked the General Counsel for opening comments on exceptions to address the Board at this meeting. Vice President Gollahalli stated, “the Board understands the wish for public comments on both the OU Health transaction, and also the tuition and the budget items to be considered today, while Section 11 of the Board Bylaws generally require those wishing to address the Board make a request in advance to the Board office. Given the historic transaction and the unique nature of the pandemic and its impact on Oklahoma families, the Chair can exercise his authority under the Board Bylaws to allow some time for public comment on those items. If anybody would like to speak on either of those: the tuition and budget issues or the OU Health transaction, please see a member of the Board office staff. We'll take your name, and we'll organize the order and the time for speakers, while the Board is doing other business.”

## **CAMERON UNIVERSITY**

### **REPORT OF THE PRESIDENT OF THE UNIVERSITY**

I thank each of the Regents for the conversations and for the guiding questions to help us develop budget and tuition proposals that are not only fiscally sound, but I also think responsive to the circumstances of the very different student populations we serve in Southwest Oklahoma. I'm very pleased that our budget officers have found a path forward to allow us to offer the same tuition and mandatory fees for a fourth consecutive year, while lowering or eliminating many of our academic services fees. Now, I recognize that it's up to the rest of the employees of the University to support our returning students and to welcome new students to our campus this fall, as we reopen after a terrible pandemic. One example of a new effort to support our students in the upcoming year is going to be the opening of a student enrichment center with five-year funding from the United States Department of Education. That's going to allow us to hire new folks to work directly with students to provide academic coaching, financial literacy, counseling, career planning, and internship placement. I also want to take the opportunity to express my appreciation to OU Engineering, a new partnership program that created an educational opportunity this summer in Lawton for Cameron's associates degree engineering students to get started on upper division engineering coursework in Lawton to prepare them to enter OU's upper division programs this fall and next year. We appreciate that opportunity to help us support growing the engineering pipeline in the state of Oklahoma, and that concludes my report.

**FISCAL YEAR 2022 BUDGET – CU**

Cameron University enters the 2021 – 2022 academic year having completed the third of five years toward meeting strategic planning goals established in *Plan 2023: Ambitious Goals for Growth, Innovation and Engagement*. The key goals of this plan will be used to assign budget allocations and to make budget decisions. The actions and initiatives to advance those goals for 2021 – 2022 are as follows:

**PLAN 2023 Goals**

- Goal One – Transform student lives
  - Open and commence operations at the Student Enrichment Center to provide supplemental advising, financial literacy counseling, career mentoring, and internship placement
  - Consolidate the Testing Center and Proctoring Center into a one-stop venue for improved services and increased student convenience
- Goal Two - Provide quality educational opportunities for the diverse community of Cameron University learners
  - Increase student financial support
  - Expand engineering opportunities for students and employers in the Lawton-Fort Sill community
- Goal Three – Recruit, develop, and retain highly qualified faculty and staff committed to advancing the mission of the university
  - Provide a post-pandemic stipend program for continuing employees
  - Implement a leadership program for entry level staff members who show potential as candidates for future campus leadership positions
  - Implement a learning platform to provide continuing education and professional development for employees
- Goal Four – Strengthen the economic, cultural, and civic life of the Cameron University service area in southwest Oklahoma and beyond
  - Reopen the university and welcome the community post-pandemic
  - Host Oklahoma Research Day in Spring 2022
- Goal Five – Renovate and refresh existing facilities and technologies to meet the needs of current and future students
  - Extend university advancement and fundraising efforts
  - Complete construction and renovation projects in Duncan and Lawton
- Goal Six – Establish a strong brand and identity for the university
  - Open an Enrollment Communications Center by expanding services of the existing telecounseling center
  - Initiate development of the next university strategic plan and campus plan

**BUDGET OVERVIEW:**

Total projected revenue for FY 2022 is \$43,734,159 and is composed of the following:

• State appropriations	\$16,614,834	(38.0%)
• Tuition	\$17,863,550	(40.9%)
• Student fees	\$4,883,393	(11.2%)
• Gifts, grants and state program reimbursements	\$1,327,728	(3.0%)
• Other income	\$1,372,780	(3.1%)
• Federal Stimulus Funds-CARES Act	\$1,671,874	(3.8%)

Projected revenues include a \$470,832 increase in state appropriated funds and approximately \$1.7 million in federal stimulus funds. Due to increased state and federal support combined with continued sensitivity to pandemic-related financial uncertainties among prospective and current students, the University is not requesting an increase in tuition and mandatory fees for FY 2022.

Total expenditures for FY 2022 are projected to be \$45,321,389. The proposed budget includes the following expenditures:

• Instruction	\$21,588,340	(47.6%)
• Research	\$111,500	(0.2%)
• Public service	\$326,649	(0.7%)
• Academic support	\$2,107,944	(4.7%)
• Student services	\$4,865,483	(10.7%)
• Institutional support	\$4,730,503	(10.4%)
• Physical facilities	\$6,180,970	(13.6%)
• Scholarships and tuition waivers	\$5,410,000	(11.9%)

Overall, University expenditures will increase by \$214,491 from FY 2021. The increase is due primarily to an increase in mandatory costs.

In this FY 2022 budget, Cameron's administrative expenses of 10.4% of all expenses represents an increase from FY 2021 but well below the administrative cost guideline of 13% for regional universities established by the Oklahoma State Regents for Higher Education. The university continues to be committed to maximizing the portion of the budget allocated to instruction, academic support, student services, and student scholarships and waivers while minimizing the portion of the budget used by administrative departments.

The commitment of university reserve funds in the amount of \$1,587,230 is required to meet budgeted mandatory costs increases. It is anticipated that some of the committed reserves will be recaptured by not filling or by delaying filling of certain open positions and through spending restraint by Cameron's faculty and staff. The projected, unobligated reserve balance for June 30, 2022 is \$3,353,780, or 7.4% of budgeted annual expenditures and 8.25% of budgeted annual expenditures net of tuition waivers.

President McArthur recommended the Board of Regents approve the operating budget for Fiscal Year 2022 as presented.

Regent Holloway moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.



**TUITION AND MANDATORY FEE RATES FOR ACADEMIC YEAR 2021-2022 – CU**

70 O.S. 2001, Sections 3218.8 and 3218.9, as amended by House Bill No. 1748, authorizes the Oklahoma State Regents for Higher Education to establish resident and graduate tuition rates, nonresident tuition rates, and mandatory fees (fees for items not covered by tuition and which all students pay as a condition of enrollment at the institution). Section 3218.8 provides that the limits for undergraduate tuition and mandatory fees shall be less than 105% of the average resident tuition and mandatory fees at the university's peer institutions. Section 3218.9 provides that the limits for graduate resident and graduate non-resident tuition and mandatory fees shall be less than the average graduate resident and non-resident tuition and mandatory fees at peer institutions. Peer institutions for regional universities are determined by the State Regents and include "like-type public institutions in surrounding and other states."

In its deliberation on the establishment of resident tuition rates for undergraduate and graduate education, the State Regents shall balance the affordability of public higher education with the provision of available, diverse, and high-quality opportunities giving consideration to the level of state appropriations, the state economy, the per capita income and cost of living, the college-going and college-retention rates, and the availability of financial aid in Oklahoma. For any increase in the tuition rates, the State Regents shall demonstrate a reasonable effort to affect a proportionate increase in the availability of need-based financial aid.

Cameron University is requesting to hold tuition and mandatory fee rates unchanged for academic year 2021-2022 for resident and nonresident students at the undergraduate and graduate levels.

**UNDERGRADUATE TUITION RATES**

*(Nonresident students pay both resident and nonresident tuition)*

Proposed AY 21-22 Resident Tuition <u>Per Credit Hour</u>	Annual Undergraduate Tuition and Mandatory Fees <u>30 Credit Hours – 2 Semesters</u>
\$158.00	\$6,450.00
Proposed AY 21-22 Nonresident Tuition <u>Per Credit Hour</u>	Annual Undergraduate Tuition and Mandatory Fees <u>30 Credit Hours – 2 Semesters</u>
\$314.00	\$15,870.00

**UNDERGRADUATE GUARANTEED RESIDENT TUITION RATE**

Beginning with the 2008-2009 academic year, House Bill 3397 (HB 3397) passed by the Oklahoma Legislature requires that a new undergraduate student be given the opportunity to choose to participate in the Guaranteed Tuition Rate Program. HB 3397 also provides that the guaranteed tuition rate shall be less than 115% of the nonguaranteed tuition rate. A first-time, full-time undergraduate student who is a resident of Oklahoma can choose to pay a guaranteed rate for the next 4 years ("the Plan") or at an annual rate charged each year. The recommended resident undergraduate guaranteed tuition rate is \$181.00 per credit hour for students entering Fall 2021, Spring 2022 or Summer 2022. The recommended rate reflects no change when compared with the resident undergraduate guaranteed tuition rate for the 2020-2021 academic year.

UNDERGRADUATE GUARANTEED TUITION RATES*(Available to first-time resident students only)*

Proposed AY 21-22 Resident Tuition <u>Per Credit Hour</u>	Annual Undergraduate Tuition and Mandatory Fees <u>30 Credit Hours – 2 Semesters</u>
\$181.00	\$7,140.00

GRADUATE TUITION RATES*(Nonresident students pay both resident and nonresident tuition)*

Proposed AY 21-22 Resident Tuition <u>Per Credit Hour</u>	Annual Graduate Tuition and Mandatory Fees <u>24 Credit Hours – 2 Semesters</u>
\$198.00	\$6,120.00

Proposed AY 21-22 Nonresident Tuition <u>Per Credit Hour</u>	Annual Graduate Tuition and Mandatory Fees <u>24 Credit Hours – 2 Semesters</u>
\$373.00	\$15,072.00

MBA AND MSOL ON-LINE RATES

Proposed AY 21-22 Resident Tuition <u>Per Credit Hour</u>	Annual Graduate Tuition and Mandatory Fees <u>24 Credit Hours – 2 Semesters</u>
\$320.00	\$7,680.00

Proposed AY 21-22 Nonresident Tuition <u>Per Credit Hour</u>	Annual Graduate Tuition and Mandatory Fees <u>24 Credit Hours – 2 Semesters</u>
\$105.00	\$10,200.00

MANDATORY FEES:*(Charged by the credit hour)*

Student Technology	\$17.50
Library Automation and Materials	5.75
Assessment	3.50
Academic Records	3.00
Student Facility	14.00
Student Activity*	12.00
Cultural and Lectureship	1.25

\*Includes Student Government Fee of \$0.15

The University remains committed to providing an outstanding learning experience at an exceptional value by continuing to offer expansive financial assistance to students.

If approved by the Board of Regents, this tuition and mandatory student fee request will be forwarded to the Oklahoma State Regents for Higher Education for approval and will become effective Fall 2021.

President McArthur recommended the Board of Regents approve the proposed tuition and mandatory fee rates for academic year 2021-2022.

Regent Holloway moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

## **ROGERS STATE UNIVERSITY**

### **REPORT OF THE PRESIDENT OF THE UNIVERSITY**

I appreciate the time we've had to spend with the FAR Committee and Regent Albert, our liaison, as we worked through our budget and tuition requests, but also want to just take a moment of unusual privilege to say thank you to President Joe Harroz, because some of you read in the newspaper or saw on television or social media, the impact of an economic effort that President Harroz was involved with in landing an electric vehicle manufacturing facility in Pryor, Oklahoma. It may not mean as much to most people in the room, but Rogers State University has a branch campus that has a technical emphasis there inside the Mid-America Industrial Park, and it would be almost adjacent to our property there. So, I wanted to publicly thank President Harroz for investing time and energy at being a part of that economic development for something that truly will benefit OU as well as our issues. So President Harroz, thank you for your efforts there. I'll go right to the budget, we start out with Dr. Razor, our Chief Financial Officer, working with a budget advisory committee made up of faculty, staff and a student. And that's where we started. We'd look at first with our strategic plan. So we bring to you this budget dish here that, that has some extra money and thanks to the COVID funds, a small increase from the state. And also it has a \$5 credit hour tuition embedded in it. And let me just simply say that the reason that we have a \$5 tuition credit hour embedded is to work our way out of an online fee. So this \$5 will go to reducing an online fee that we charge and has been long our goal, and so we've started down that road. That's the only reason that you'll see a tuition increase request this year, because we understand the difficulties that we do have RSU students graduate with very little debt and some years, half of them graduate with no debt. Last year during COVID is 41% with no debt, but we think it's a prudent budget. Thank you for your indulgence and the opportunity to present it here today.

### **FISCAL YEAR 2022 BUDGET – RSU**

Rogers State University established a Budget Advisory Committee (BAC) in 2015 to assist the President and administration in the development of the institution's budget and to provide advice in matters relating to fiscal and budget issues. The committee had several meetings during the spring to discuss the challenges facing the University in the coming fiscal year.

The budget for fiscal year 2022 reflects significant increase in revenues from fiscal year 2021. The increase is comprised of a \$415,251 increase to our appropriation, a nominal increase in tuition and fees, and a significant increase in HEERF funds.

**BUDGET OVERVIEW:**

Total projected revenues for FY 2022 are \$37,712,506 and are composed of the following:

Source	Amount	% of total	% Change
State appropriations	\$ 11,685,937	31.0%	3.8%
Tuition and fees	18,694,358	49.6%	0.9%
Other Grants, contracts, & reimbursements	673,478	1.8%	-0.1%
HEERF Funds	6,658,733	17.6%	326.2%
	<u>\$ 37,712,506</u>		

Total projected expenses for FY 2021 are \$35,702,586 and are composed of the following:

Activity	Amount	% of total	% Change
Instruction	\$ 13,684,869	38.3%	8.1%
Public service	304,552	0.9%	5.7%
Academic support	2,640,381	7.4%	11.7%
Student services	3,454,711	9.7%	10.3%
Institutional support	4,136,237	11.5%	6.0%
Operation and maintenance of plant	5,023,115	14.1%	6.2%
Scholarships and fellowships	6,458,721	18.1%	1.6%
	<u>\$ 35,702,586</u>		

Total projected expenses increased \$2,284,878. This increase is due largely to the removal of planned furlough, \$705,208, the addition of a POTENTIAL across-the-board stipend, \$526,000, increases in employee benefit costs, \$110,000, increases in risk management insurance premiums, \$101,000, the addition of two nursing faculty, \$140,000, the addition of a director position for the Master of Community Counselling, \$81,000.

The University operates very efficiently. Additional cuts may be more harmful than helpful. Understanding this, the University has increased attention on efforts to grow enrollment. An enrollment task force meets regularly to form and implement tactical measures to grow enrollment. The budget presented today is built on a 4% increase in enrollment from actual enrollment in FY21.

President Rice recommended the Board of Regents approve the Operating Budget for Fiscal Year 2022 as presented including a \$5.00 per credit hour tuition increase.

Regent Albert moved approval of the recommendation.

In response to the Chairman's request for discussion, Regent Nagel answered, "I'd like to say something, Mr. Chairman. Just, I understand in this particular year with the pandemic in particular, everybody's had to try to innovate and work hard to get through things. I would just say it's unfortunate that we're having to think about tuition increases in a year like this and, for whatever reason or whatever rationale we're still in a pandemic. We're not out of it yet. Obviously we're hopeful and looking to the future and hope that future is bright and we're all back in the classroom and getting a better educational experience, but it's unfortunate that we have an increase in your budget this year in tuition."

The Chair asked for any other discussion, and, there being none, called for a vote. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, and Holloway. Regent Nagel voted no. The Chair declared the motion approved.

### **TUITION AND MANDATORY FEE RATES FOR ACADEMIC YEAR 2021-2022 - RSU**

70 O.S. 2001, Sections 3218.8 3218.9, as amended by House Bill No. 1748, authorizes the Oklahoma State Regents for Higher Education to establish resident and graduate tuition rates and mandatory fees (fees for items not covered by tuition and which all students pay as a condition of enrollment at the institution) Section 3218.8 provides the limits for undergraduate tuition and mandatory fees shall be less than 115% of the average resident tuition and mandatory fees at the university's peer institutions. Peer institutions for regional universities are determined by the State Regents and include "like-type public institutions in surrounding and other states" Section 3218.9 provides that the limits for graduate residents and graduate non-resident tuition and mandatory fees shall be less than the average graduate resident and non-resident tuition and mandatory fees at peer institutions.

In its deliberation on the establishment of resident tuition rates for undergraduate and graduate education, the State Regents shall balance the affordability of public higher education with the provision of available, diverse, and high-quality opportunities giving consideration to the level of state appropriations, the state economy, per capita income and cost of living, the college-going and college-retention rates, the State Regents shall demonstrate a reasonable effort to affect a proportionate increase in the availability of need-based financial aid.

Rogers State University is requesting tuition and mandatory fees for academic year 2021-2022 which reflect a 2% increase for resident students and a 1% increase for non-resident students. The overall average increase in annual resident tuition and mandatory fees for resident undergraduate students in \$150.00 annually or \$75.00 per semester. The overall average increase in non-resident tuition and mandatory fees for undergraduate students is \$150.00 annually or \$75.00 per semester.

#### **UNDERGRADUATE TUITION RATES**

*(Non-resident students pay both resident and non-resident tuition.)*

Proposed AY 21-22 Resident Tuition <u>Per Credit Hour</u>	Annual Undergraduate Tuition and Mandatory Fees <u>30 Credit Hours – 2 Semesters</u>
\$157.00	\$7,620.00
Proposed AY 21-22 Non-resident Tuition <u>Per Credit Hour</u>	Annual Undergraduate Tuition and Mandatory Fees <u>30 Credit Hours – 2 Semesters</u>
\$278.00	\$15,960.00

UNDERGRADUATE GUARANTEED RESIDENT TUITION RATE

Beginning with the 2008-2009 academic year, House Bill 3397 passed by the Oklahoma Legislature require that a new undergraduate student be given the opportunity to choose to participate in the Guaranteed Tuition Rate Program. HB 3397 also provides that the guaranteed tuition rate shall be less than 115% of the nonguaranteed tuition rate. A first time, full-time undergraduate student who is a resident of Oklahoma can choose to pay a guaranteed rate for the next 4 years (“the Plan”) or at an annual rate changed each year. The recommended resident undergraduate guaranteed tuition rate is \$180.55 per credit hour for students entering Fall 2021, Spring 2022, and Summer 2022. In comparison, the resident undergraduate guaranteed tuition rate for the 2020-2021 academic year was \$174.00 per credit hour.

UNDERGRADUATE GUARANTEED TUITION RATE

*(Available to first time students only)*

<u>Proposed AY 21-22 Resident Tuition Per Credit Hour</u>	<u>Annual Undergraduate Tuition and Mandatory Fees 30 Credit Hours – 2 Semesters</u>
\$180.55	\$8,326.50

GRADUATE TUITION RATES

*(Non-resident students pay both resident and non-resident tuition)*

<u>Proposed AY 21-22 Resident Tuition Per Credit Hour</u>	<u>Annual Graduate Tuition and Mandatory Fees 24 Credit Hours – 2 Semesters</u>
\$166.00	\$6,612.00
<u>Proposed AY 21-22 Non-resident Tuition Per Credit Hour</u>	<u>Annual Graduate Tuition and Mandatory Fees 24 Credit Hours – 2 Semesters</u>
\$449.00	\$13,104.00

MANDATORY FEES

*(Charged by the Credit Hour)*

Library/Automation Fee	\$9.00
Assessment Fee	\$4.00
Technology Fee	\$13.00
Activity Fee	\$31.00
Facility Fee #1	\$11.00
Facility Fee Athletics	\$5.00
Facility Fee Baird Hall	\$5.00
Parking Fee	\$2.00
Culture & Recreational Fee	\$2.00
Records Fee	\$3.00

Campus Security Fee	\$7.00
Student Health Fee	\$2.00
Capital Projects Fee	\$3.00

RSU remains committed to keeping college affordable to a student body where 83% are eligible for receiving financial aid. RSU is consistently recognized for its graduates having among the lowest student debt among its regional peers. For those who did assume student debt, RSU graduates have some of the lowest average debt out of all Oklahoma colleges and universities, according to a recent report from The Institute for College Access and Success. Attached hereto as Exhibit A is a letter from the RSU Student Government President giving student support for the small tuition increase.

If approved by the Board of Regents, the tuition and mandatory fee request will be forwarded to the Oklahoma State Regents for Higher Education for approval and will become effective Fall 2021.

President Rice recommended the Board of Regents approve the proposed tuition and mandatory fees rates for the academic year 2021-2022.

Regent Shirley moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, and Holloway. Regent Nagel voted no. The Chair declared the motion approved.

## **THE UNIVERSITY OF OKLAHOMA**

### **REPORT OF THE PRESIDENT OF THE UNIVERSITY**

There is a lot here, and it's good to see everyone together. This is one of the benefits of being in person, is a chance to be together. I know it's an unusual step, but allowing individual comment, I think is a really good idea given the environment that we've had for the last year and a half, so appreciate that. There are a number of items and again, I think there are two on here that deserve to be spoken to at a bit greater length. Before getting to those, I just want to say to President Rice, thanks. I was honored to go with the Governor, and the Secretary of Commerce initially on the trip to try and recruit Canoo and then Canoo, the electric car vehicle company, announced they're coming here. We are hopeful to be their research partner, and they can do great things for this state, and hopefully there are more good announcements around that to come, but that's a good example of what we should do as a university, to be involved with state government in an effort to bring new opportunity to Oklahoma. We don't exist as an island. We exist as part of that larger team and that's when really great things happen. So, I'm really excited about that, and total credit goes to the Governor and to Secretary Mueller and their teams. A couple of other big announcements, I think, speak directly to who we are as an institution and where we're going. I'm sure you all saw the \$208 million, and the title is long, but we've been around Oklahoma long enough to recognize it, but the Cooperative Institute for Severe and High Impact Weather research and operations, \$208 million dedicated to that to help improve how we handle severe weather forecasting. It is four or five years, that is, if we perform, which I expect we will. There's an additional five-year renewal that attaches to that. That's bringing in great talent. That's Dr. Berrien Moore, Dean Berrien Moore who's here. It's also Dr. McFarquhar who helped make that happen, so exceptional things happening. Speaking of exceptional

individuals, President John Schumann is here on the agenda, agenda item 12, after six years of service as President of OU Tulsa, he has the audacity to leave us and go back into direct patient care to help those who are most in need of care. So we're going to celebrate you at the right time in a big and important way, but when we talk about changing lives, that's what you're doing and what you've done, and we're grateful to you in a profound way. So we'll celebrate you soon. Jim Sluss is here as well, I believe, who is stepping up and taking over that role. Jim, thank you. Now you get to carry the title as well. The last item of before turning to the big ones, we talk a lot about how do you make an institution great, and how do you, and this is a recurring theme, how do you balance excellence and affordability, right? We're going to hear comments today. How is it that you accomplish both in the environment that we have. Part of this we've talked before about doubling down on philanthropy and trying to get those involved, to help make the experiences better. And on this agenda, there's a remarkable story. There was not a big celebration around this. It is one of the largest gifts in University history, but Earl Ziegler passed away in December. A friend, his wife passed about a decade and a half ago. They were involved in so many aspects of the University, but they're making a \$45 million estate gift, and \$20 million of that goes to the college named after them, the Fran and Earl Ziegler College of Nursing which is incredible. Fran Ziegler passed in 2002 from cancer and of that gift, \$13 million goes to endow a cancer research component that's there. So, these are the kinds of selfless people that make these things possible. They also gave money to undergraduate scholarships and fellowships. Fran was involved in the fundraising campaign to get the Sam Noble Museum of Natural History built initially, so an absolutely terrific story. As we look at that, we zoom out and there really are two historic moments that we're gonna talk about right now. The first one is around the budget, and it's a critical topic. There are a number of reporters that were here three years ago, and two years ago and one year ago, and because of this Board and all the folks that are working so hard, I want to just kind of review where we were three years ago and where we are today as it relates to the OU budget and where we've come. Three years ago in the auditorium, right across the hallway, there was an announcement of some moment. There was this discussion about where the University stood in terms of it was operating at a loss and the amount of debt it was taking on had materially increased, and that was the conversation, the discussion three years ago on this very date at this meeting. The context for that of course, is that across the country, universities were doing this. Across the country, over 30% of the universities were operating at that time with a deficit and of those as you go through it, they were also increasing the amount of debt they had and not adjusting to the financial and fiscal realities that were around. OU had an issue it had to deal with, but it was certainly not unique in that regard, and so it was dealt with, and huge amount of credit to this Board, and the folks that have worked hard to bring us to the point we're at right now. Two years ago, we decided we were going to launch a strategic plan at this meeting, that we needed to have a budget that wasn't just a one-year budget that looked forward and said, how do we not just meet the needs for this next year, but how do we take into account rebuilding things? Cause it turns out things like dorms have to be replaced every so often, and it turns out that you have to make investments in deferred maintenance or bigger issues happen in the future that can jeopardize the mission of the institution. And so this Board led by certain committees and other individuals said we have to engage in fiscal discipline, but we had to have a strategic plan. So, we put together over the next 14 months, a strategic plan, a real live strategic plan, and we went through and we said, what does it cost to fund this in a way that both accomplishes the plan, but also is financially responsible, and we went



through the five pillars that exist there. And this is the complexity that attaches to a plan, right? Each of those five pillars, there are strategies, there's 138 or so tactics that attached to this, but the five are important. I think they're worth bringing up right now because not a single one of them can dominate over the others, right? It's a balancing of how you handle those. The first one is to achieve academic excellence, not based on a bumper sticker, but based on objective criteria, targeting the AAU publics as that objective criteria of what is academic excellence to give our students in this state what they deserve. The second is to create an experience for students where students are able to impact, students can engage in success and impact the world. That is a collection of experiences inside and outside of the classroom that lead to a degree attainment where they can realize the fullest version of themselves. The third is it has to be affordable and accessible. The fourth of these is a place that belonging for all, not just some. And then the fifth is to engage in that life-changing research that makes a difference in the lives of individuals, the state, the nation, and the planet. So how do you balance all of these, how do you approach these while putting in place a multi-year budget that has the discipline around it, that we can lead, beyond one year. It's incredibly difficult and complex and so we engaged in the pursuit of that. We also changed our systems, really exciting stuff like PeopleSoft, where you go through and change your system so you can actually track and account for your money in a disciplined way. We went about that one year ago, we were four months into a pandemic. We weren't certain at that time, like everyone else, whether or not we would be able to open the doors of our University in August and all the complexity, right. We had just refunded \$9 million immediately in the costs that students had spent for housing that they needed to have back so they could eat and get housing immediately. A lot of places didn't refund or did something else. We moved on it quickly. We had hard conversations with faculty and staff and talked about the real prospect of big layoffs, big furloughs. How do we approach that? We've gone into that odyssey together, and so we arrived today at a point that I think has to be in the context of the journey we are making and that we are making together. It's not one fixed on an isolated moment in time, but one that says, do we believe in our strategic plan? Do we believe in each one of the pillars of that strategic plan and how do we balance the complexity of that. It's inherently complex, and you have to put it in the context of higher education globally, right? Post-World War II from the beginning of the end of World War II, all the way through really 1980, it was big public investment in higher education. GI bill, those things. Once we hit 1980, what happened? It got balanced on the backs of students, states disinvested, our state being no exception, and the individual student picked up that tab and went through the years 2016, 2017. I've talked about those years and the effect. Schools began to lose money and the amount of debt started to go up. So as you sit here and you look at a strategic plan, how do you address this? We took the first step and the last three years broke with the past practice. Prior to the last three years, if you look at the previous 20 or 25 years, there were tuition increases every year with the exception of the financial crisis of 2009. I believe there's one other year in there, and the increases were well above inflation. Now we're in excess of that and we of course have data to back all of this up, and that's how it worked. Increasingly that is a critical element of how you move it forward because of, as a state has declined, the students have stepped up. So even really good years like this right here, we had a really good year with the state legislature. They're seeing the value in what we're doing, right? It's in very specific areas where we have the investment: nursing engineering, right, and behavioral health for pediatrics in those areas. But how do you make the rest of it work? So we decided for three years to have no tuition or fee increases for our undergraduates, three

years. They're not been two years put together before that. The question became, can you do it a fourth year? We want to do it a fourth year. We understand there are all these stresses that are out there. We understand that the pandemic is hopefully coming to a tail end, but there are no guarantees around this. Right? How do you approach this and what do you do as you try and balance excellence and affordability, as you look at those five pillars, and how do you do it in a time when there's not perfect communication? I had a conversation with some student leaders that I wished had been face-to-face, and earlier. So how do you approach this? This year, we looked at it and said, what, as we look at this, what do we do today and how do we look going forward. We looked at it and said, we want it to be a number that can move us forward on the path of excellence and move us forward on that strategic plan, but not a number that is too much. And I've been, I spent nine years as the Dean of a law school. I've seen what \$500 can do, and so we have to invest in things like our new development operation, where our number one priority is to generate. We've identified the number one priority, being need-based scholarships for our campaigns. So how do you operate, move forward and fulfill those things you need to do to not just fulfill one part of your strategic plan, but all five pillars of it. Obviously I could talk for a lot longer about that, but judging and putting on the looks out here, I need to wrap this thing up. So as we approach this we looked at how does it impact? We talk a lot about what is the maximum impact there could be to a student. We've also looked at how does this impact our lowest income students, and when we talk about 2.75, and you can multiply that against the maximum that can be charged, there are a lot of scholarships in other areas that are impacted, that are triggered. A good example is, you know, what is this increase for those students that are in the greatest need, those students that come here on the Oklahoma Promise. How much would that be per semester and for those in-state students, and I don't want to give just one number. There's bigger numbers to talk about. If you look at this, if you applied it fully with no discounts, by semester, it is \$124 for residents by semester. If we look at those students that fall into need-based categories, just that one, for example, that number drops to \$56 per semester. That's still real money, but this is all an effort to try and balance these things. As we go through it, we look not just at where we are today, where we want to go tomorrow. We also look at the larger basket of institutions and where we fall, because here's the thing, if we don't invest in key areas, we're not doing right by the students themselves. We know we need to invest in new areas like additional career services for our students, right? We know need to invest in additional mental health care counseling. We know we need to increase for our students a lot of services that our students need and deserve. So the question is it all going to be on students, right? And we've tried over the last three years to address that. And over the last three years, a couple of stats, and I promise we'll move to the next topic but this is one that is, is I know vitally important. Over the last three years during that time and which we did not increase student tuition and fees on the Norman campus, we cut \$65 million in recurring costs on the Norman budget and in our budget, which is beyond one year as we look at the next four to five years over our strategic plan, how much more are we going to cut and raise an additional new revenue outside of today's dollars, we're budgeting \$45 million more. So roughly \$110 million all in, as you look at that. We've asked and full-time staff over this time period have decreased by 12% in terms of making cuts. That's over 500 staff positions. We've actually increased faculty by 5% during the same time, making sure we focus on the priorities that are at hand. Importantly, when we talk about how is this managed. Since 2013, I see the chair of the faculty Senate here right now. Since 2013, the impact on staff and faculty is that there have only been two across the board

raise programs for staff, and there was a third injected for faculty in a year where there was another one since 2013. When you think about attracting and retaining that top talent, there has to be a regular program of salary increases to address the impact of inflation as you go through this. The investments we've talked about when you're looking at hiring 25 new faculty each year, over the course of the strategic plan to be a place of true academic excellence, that really benefits the students. That's a total of 150 new faculty over six years, and that's important and impactful. Graduate students, truly great universities invest in graduate students in ways that we have not been able to do. We committed to that several years ago. And with this, there's actually another decrease for graduate students so that the total cost for graduate students as compared to a few years ago was \$2,000 less per year. When you look at reputation, rank, progress and impact of academic institutions, they're measured in many ways by those graduate students that attend there. They also are critical part of the research that takes place, expanding career services, launching a center for student success that focuses on the student as a whole person in their career. A \$25 million fund to address deferred maintenance. I've been asked before, well, can't you just put that off? Well, that's the problem. You put it off and it costs more the next year and this year, so you have to address it. I don't like any part of a recommendation that involves tuition increases. I had a chance to speak with students last night. We talked about making sure we engage more frequently and earlier together. I know there'll be some comments that take place and every comment is a hundred percent fair and we want to hear it and we need to be involved with it, and I've committed that out of a pandemic, you have my word, I'll be more engaged directly in these conversations, well in advance when these things talking about. Tavana is here, Farzana, Claire Birch was there last night, Crispin South, Coby Chin, and Sydney May are here today as well. So, their input is critical and it's all about how do we realize this together in a way there's balanced, we've asked for sacrifices across the board. No more though, than on students who make it fourth year and not jeopardize it. The answer could always be yes, but at what cost and how do you balance that? And that's, what's been taken into consideration to the best of the abilities in this recommendation. Now I have one more and I promise my reports, won't be this long in the future, but this is a historic moment, and I know individuals are going to speak about this. Twenty-six years ago the University of Oklahoma and the Hospital Trust, like so many other academic hospitals in the country were about to go bankrupt. It was the reality at that time in America, from Oklahoma to Georgetown, to the entire west coast, this was happening. And so to survive, the hospitals were sold in the transaction to Columbia HCA. That went on for a very long time. The problem is, while it survived, you cannot flourish if your hospital is separate from the physicians themselves and the clinics they run. The reason you can't survive is in part based upon the model itself, the way that healthcare works, physician groups operate, but the real ability to prosper and flourish rests on the hospital side, and they have to have these physicians, but the way the financials work in healthcare, if you're not together, either one is going to wither, and historically, as hospitals made money with the private partner, this money from the hospital, went to shareholders out of state. It was not invested in research and teaching and training. There are three missions, right? It's patient care, it's research and training, it's research, and it's training and education. You've got to feed all three of those. So three years ago, this past February, there was a remarkable move to take the hospital, buy out the private partner and create a not-for-profit entity that could realize this dream. And that took place three years ago this February, but what happened is the physician practice group and the hospital were not merged into a single entity that could

provide seamless patient care that could allow for one leadership team that works for patient outcomes together with full visibility into how you'd run it. It's not like an ordinary hospital. The healthiest states all have one thing in common, and that is an academic health system, right? A comprehensive, integrated academic health system. Why is that so important? Why can't regular hospitals do that? It's because they don't bring a few things. They don't bring the specialists and sub-specialists that only exist in a research environment. The fancy terms are tertiary and quaternary care providers. The truth is it's a sub and sub-specialists, right? It's the people Oklahomans go to when they're the sickest and otherwise would have to go to out-of-state. So we bring that unique thing to a state, which are those individuals that can do that. We also bring research based care. You've heard about clinical trials, we've all had family or friends that have been to Stephenson Cancer Center that receive care through research clinical trials that would otherwise be unavailable, and without which there would be no hope. And so research enterprises, academic health systems carry unique assets, but unless the hospital and the physician group are brought under one leadership team, unless the patient experience, when they go from a physician's office, a physician's clinic to the hospital is a seamless experience, the patient outcome will not be the same. The patient experience will not be the same, and there will not be the growth that can be in reinvested, not in private shareholders, but reinvested in our missions of research and teaching, which by the way, result in our healthcare workforce and the cures and therapies that benefit not just our patients, but all of those in the state, country and worldwide. Now much goes into this. This is not a comfortable thing to do, right? It's a lot of change to go in. And it has been years in the making. The approval sought here today is a moment in history that I believe we'll all look back at and say, this is when Oklahoma had a chance to become much healthier. This is when we can make and how we make a healthier Oklahoma. So this recommendation is being brought and it is terribly complicated, but it's also terribly simple, and that is for us to move forward for us to increase our research, influence an arm, we have to do this. For us to increase the number of number and scope and expertise of our healthcare workers, we have to do this. For us to provide level of health care that Oklahomans deserve at scale and experience they deserve with the outcomes they need, this has to be done. And is it ever easy to do? No, it's really hard to do. It's very difficult. It is real change and thousands of hours have been poured into this. I want to recognize, should recognize everybody, but I know they'll speak at a later time, but Jason Sanders, Dean Zubialdi, our chief financial officer has put so many hours into this and help move us forward in so many ways, including the recent Blue Cross Blue Shield successes, but across this, the general counsel and others. This is a historic move that will move roughly 1400 people and providers into a single enterprise dedicated in a singular purpose of changing lives by providing healing outcomes. There are complexities to it. How do you handle benefits? How do you handle the individuals that are impacted this, that have been in retirement systems for a long time? How do you handle all that? It's incredibly complicated. You'll see, on the agenda, a number of items that are put in place to make sure that as our providers transfer over, that they transfer over with a comparable set of benefits that if they aren't exactly the same, mirror, as much as can be done under the law. Part of the complexity of this is to do it in a way where it's transparent to those individuals, how it's being done. Now, is it all perfect at this moment? No, it's not. Do we have to get to a deadline to move this forward? Yes. So I'm advocating for July 1, but to be clear, we know there are a lot of providers who are concerned. That is why the steering committee said July 1 is the effective date, but the providers themselves and their benefits package and compensation doesn't move until we can work

through the details with them. That's up to January 1, but hopefully as soon as possible. So the merger will happen and take place, but we're going to take a special care of those providers to make sure there's clarity and understanding. The only way you get to a deal like this to be done is to create a moment in time. This is an effort to create that moment in time where the transaction happens, but we're peeling off the actual transfer of the employment of those physicians and providers writ large until we can have those conversations and work through it. The goal there is to accomplish the best of both worlds to accomplish the transaction, to move it under a single leadership team, but still have those conversations that are taking place with more on that to come. That was a really open long opening comment. I do believe I know today is an historic day in terms of where we were three years ago, two years ago, one year ago. And today, the state of this University is better. The state of this University is really good. The future, I'm really optimistic about it. And the credit goes so much to this Board for their focused work and all the officers and employees, and every individual down to the last person who helped make last year happen and the last three years happen, so I'm grateful and thankful, and turn it back over to you, Mr. Chairman.

### **COMMENTS ON THE BUDGET AND TUITION ITEMS**

I'm Crispin South. I'm the chair of the Undergraduate Student Congress. First of all, I just want to thank all of you for your dedication and your commitment to the betterment of this University. In particular, I would like to thank President Harroz for taking the time out of his very busy day yesterday, to come and speak with myself and a bunch of other student leaders and answer just a bunch of our questions. Unfortunately even with answering those questions, I still find myself opposed to increasing tuition and fees for students. Simply put, I don't believe that now is the right time, and I don't believe that this amount is something that many students will be able to afford. So I'd like to talk briefly about transparency and impact to students. So, as far as transparency goes, frankly put, many students really felt left out of this process. I know it is not unusual for universities to kind of make these decisions without student input, but this is an area where I would like to see OU rise above the rest of the pack. And this is an area where I think OU has the capability to do that. And for the future, I would like to see students included in this process as soon as possible, and as many documents that are available to be released to students just to show them where their money is going. I think that would be very beneficial to students to see where that is going. And then secondly, impact to students. So this will, of course, make students pay more. For incoming students, they will need to secure more funding than they previously realized when they applied last fall and were accepted this spring. But for context, I just want to jump to the real life impact of what this is going to cost our students. In state is \$248 more per year. This is about one month of a low cost food plan for somebody. So this is, you know, potentially the same amount of money is one month of food. And then for out of state, it's \$671 a year. This is greater than a month of rent for many of our students. So just in conclusion, I don't believe this is the right time and I don't believe that this is the right amount of money to charge our students. Thank you.

I am Sidney May, the Vice -chair of Student Congress. I get to work with Crispin. I just want to thank you all for being here today and listening to our voices, and you know, not all students have the privilege to come up here and stand in front of you guys like I do, so it's really wonderful that I can advocate

for those students. So I have two questions, I suppose, that would kind of encompass you know, everything you've talked about President Harroz. So first being given not only the record level of state funding for fiscal year 2022, but that \$45 million donation that was just received. Do we find it pertinent to place the burden of increased funding on our students given the recent pandemic and have all of our other options been exhausted at this point? Number two, and President Harroz, you brought this up while you were doing your opening comments but, pillar three regarding affordable institutions and greatness in the strategic plan that was proposed under you. Are you aware that increasing tuition may at this time may not in quote, focus on providing the highest quality education at the lowest possible cost and reducing student debt, and instead may achieve the opposite, which will underscore pillar four by alienating marginalized groups from receiving a higher education. Thank you for your time.

President Harroz asked to respond to the student comments. "A couple of pieces, a couple of pieces, one, we look at gifts and we often ask, well, that number sounds like it's really big. Why can't that be a direct offset? Totally, that's totally intuitive. We look at gifts, so let's look at the Fran and Earl Ziegler, incredibly generous gift. Of that \$45 million, \$20 million goes to the College of Nursing, and \$13 million is specified for a research institute in the cancer space, and so there are some dollars sort of going into scholarship funds, but those predominate there. Oftentimes you get these large gifts and two questions, where did they go and how can you use those dollars? And as part of the conversation I need to be having with the student leadership because I totally get the question. Then, you know, the response to the other piece is this idea of how do you balance, and I'm going to sort of simplify it down to how do you balance excellence and affordability, and that deserves more conversation, more insight. One of the questions asked yesterday was can you add up direct student benefits that exceed what the students will be paying? And it was a totally fair question. We're going to provide that, and we can show that those benefits will exceed, but those are the communications we need to have earlier in advance, we can have those conversations and hopefully what we'll see is an even bigger commitment to scholarships that can help offset that burden. That's very real for students.

## **FISCAL YEAR 2022 BUDGET PLAN – ALL**

The Fiscal Year 2022 (FY22) operating budget for The University of Oklahoma of \$2.01 billion is presented for approval. The FY22 budget comprises:

- \$1.04 billion for the Norman Campus, which includes:
  - \$10.6 million for Norman Campus programs at OU-Tulsa
  - \$24.9 million for College of Law
  - \$2.9 million for Oklahoma Geological Survey
- \$969 million for the Health Sciences Center, which includes \$13.7 million for Central Services at OU-Tulsa

The FY21 budget for all campuses was developed to provide creative, equitable solutions that balance resource constraints with short- and long-term needs and priorities of the University. The budget was developed to help address critical needs and priorities identified through collaboration with students, faculty, staff and academic and executive leadership. The proposed budget addresses the following critical needs and priorities on the respective campuses:

### Norman Campus

- \$5 million in new funding for deferred maintenance
- Funds over \$2 million in new regular faculty hires
- New state funding for Engineering faculty hires
- Implements budgetary savings actions to help implement the Strategic Plan
- Acquisition of the Cross Housing infrastructure
- Implements a new university-wide marketing campaign

The Norman Campus, OU-Tulsa (Norman Campus programs), College of Law, and Oklahoma Geological Survey proposed FY22 budgets are presented as Exhibit B, Attachment 1.

### Health Sciences Center

- \$1 million increase in state appropriation funding
- \$0.6 million in new state funding for nursing initiatives
- \$1.3 million tuition increase in undergraduate and select professional programs
- Funds faculty awards for teaching excellence
- Funds for selected faculty and staff salary adjustments and research needs
- Increases funding for diversity and inclusion
- Includes significant adjustments for transition of OU Physicians to OU Health

The Health Sciences Center's proposed FY22 budget is presented as Exhibit B, Attachment 2.

President Harroz recommended the Board of Regents approve the operating budget for Fiscal Year 2022 as presented.

Regent Holloway moved approval of the recommendation.

In response to the Chairman's request for discussion, Regent Nagel answered, "I'd like to say something, Mr. Chairman. First of all, I'd like to thank Crispin South and Sidney May for your comments. As a former member of the University of Oklahoma Student Government Association, I also fought a lot of tuition increases. I find it interesting, and I continue my fight now as a new Regent. I'm not for this budget because it has a tuition increase in it. I feel like the students have, in good faith, been paying it forward for a number of years. The cost of tuition in America, in Oklahoma in particular has risen and outpaced inflation. I am not insensitive about the fact that there is inflation, inflationary pressures in our economy. I recognize this budget has been put together in good faith and thoughtfully to try to get ahead of some of that and try to get in a position to achieve the strategic plan objectives, which were obviously formed before I became a member of the Board of Regents. That said, I do agree from a timing, affordability, transparency standpoint, that now is not the time. I feel strongly that there were potentially other areas of the budget that could have been more thoroughly examined. I also feel strongly that the investments in increasing the staff of the Foundation and the outward facing effort, we're going to be engaging with our community and our alumni to try to raise more capital, although an unknown will yield some results. And so when you think about a \$6 million, that number against a billion dollar plus budget, it's less than half a percent. And in my experience in business with the right challenges and incentives to management, in this case administration, in your business development team, your sales team, in this case, our Foundation, our fundraisers, that's an achievable number to go out and capture without having to put it on the back of students. Combined with the fact that we've had record giving, we've had record state appropriations, we've had a chance to get our share of the CARES money and are going to have another seat at the table for ARP [American Rescue Plan] money coming in. That and a whole number of other reasons, combined with the fact we're still in a pandemic, as I stated earlier, talking about Rogers State, we're still in a pandemic. We're hopeful that we're going to be back in the classroom, but

it's not a guarantee that we will be. And for the students that experienced the last half of 2020 and in 2021 taking everything from zoom, you know, the educational product. As a parent of a student at OU, I can say from firsthand experience it did not get better. I'm not going to say it necessarily got worse, but it did certainly did not get better. And I am not one for raising prices until the product gets better, and I would encourage my fellow Regents to vote against this budget and favor an amended budget, which would create more of a balance between getting more support out of the Foundation and another look hard, look at costs and if, you know, I'm not successful in that effort, I would just hope you would join me, making sure the administration works incredibly hard to put this money to the use it's intended to be, which would be a pursuit of strategic plan, it's objectives, making sure our kids have a great educational experience in the next fiscal year, and at the same time start pointing towards when they exit the University, jobs that line up with our new economy.”

Chairman Cawley commented, “Thank you, Rick, and thank you to the students. I think all these comments are valid, Joe. For me, as I look at this situation, we haven't had a tuition increase in three years. We've taken \$65 million out of the budget. A 2.75% increase is modest, at the least. We have to make investments in this University to go forward and to carry out the strategic plan. Those are my comments, any other discussion?”

Regent Stevenson said, “Chairman, just a couple. And Rick, like you stated what makes me incredibly proud and excited are just the students that came up and spoke, you continue to inspire me. That's why I love to serve, and our future really is bright because of what you do, so thank you for doing that and representing the other students. One of the things that we also still know is that OU, compared to our peers, even after this increase, we're still going to be 74% of their costs, so we're still below market. And that three years of not taking up a tuition increase for three years, each one and cutting expenses, that's the kind of leadership that we hired Joe to do. And that's what we're incredibly proud of and really appreciate. The other part that I think everyone can relate to that's important is you know, this cuts both ways, but everything that the University has to deliver costs more. Food costs more, building materials cost more, electricity costs more, gas costs more, and we've held that flat, which would be four years, which if you just had inflation at 2%, we would, we have given value back to the students over that time, just the 2.75% increase versus what would easily be 10% inflation over that period of time. So, I hate it as well. I was a student here, I know what it's like to scrape and struggle, but, what the vision is of the university that we to create and the value of that, the words behind that, the University of Oklahoma, what we want that to stand for today and the future, this is an investment in continuing to deliver that really, really strong brand. So for that, I also support moving forward.”

The Chair asked for any other discussion, and, there being none, called for a vote. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, and Holloway. Regent Nagel voted no. The Chair declared the motion approved.

## **TUITION AND MANDATORY FEE RATES FOR AY 2022 – NC & LAW**

House Bill No. 1748 amended 70 O.S. Section 3218.8, authorizes the Oklahoma State Regents for Higher Education to establish resident tuition rates, nonresident tuition rates and mandatory fees (fees for items not covered by tuition and which all, or substantially all, students must pay as a condition of enrollment). At the comprehensive universities the combined average of the resident tuition and mandatory fees, as determined by the State Regents, shall remain less than the combined average of the resident tuition and fees at state-supported institutions of higher education that were members of the Big Twelve Conference as of March 28, 2003, the effective date of HB 1748. The rates are to remain less than the combined average of tuition and fees for like-type graduate and professional courses and programs of comparable quality and standing at state-supported institutions of higher education as determined by the State Regents.



In its deliberation on the establishment of resident tuition rates for undergraduate and graduate education, the State Regents shall balance the affordability of public higher education with the provision of available, diverse, and high-quality opportunities giving consideration to the level of state appropriations, the state economy, the per capita income and cost of living, the college-going and college-retention rates, and the availability of financial aid in Oklahoma. For any increase in the tuition rates, the State Regents shall demonstrate a reasonable effort to affect a proportionate increase in the availability of need-based student financial aid.

### NORMAN CAMPUS

The University is requesting a 2.75% increase to the tuition and mandatory fees listed below for undergraduate and graduate students.

#### Undergraduate Tuition & Mandatory Fee Rates

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
	<u>Tuition Charged by Credit Hour</u>		
Resident Tuition	\$ 159.60	\$ 164.00	\$ 4.40
Nonresident Tuition	<u>\$ 512.70</u>	<u>\$ 526.80</u>	<u>\$14.10</u>
Total Nonresident Tuition	<u>\$ 672.30</u>	<u>\$ 690.80</u>	<u>\$18.50</u>

#### Undergraduate Guaranteed Resident Tuition Charged by Credit Hour

Beginning with the 2008-2009 academic year, House Bill 3397 passed by the Oklahoma Legislature requires that a new undergraduate student be given the opportunity to choose to participate in the Guaranteed Tuition Rate Program. A first-time, full-time undergraduate student who is a resident of Oklahoma can choose to pay a guaranteed rate based on the projected average for the next four (4) years (“the Plan”) or at the annual rate charged each year. Pursuant to the Plan, the resident undergraduate guaranteed tuition rate is \$188.55 per credit hour for students entering Fall 2021, Spring 2022, or Summer 2022.

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
Guaranteed Resident Tuition <i>for students entering Fall 2021, Spring 2022 or Summer 2022</i>	\$183.50	\$188.55	\$ 5.05

#### Undergraduate Flat Rate Tuition and Mandatory Fees Charged by Semester

Beginning with the 2013-2014 academic year, OU implemented a flat rate tuition and mandatory fee for full-time undergraduate students carrying 12 or more credit hours during the Fall and Spring semesters. The flat rate is based on 15 credit hours per semester and is similar to models utilized by many public and private institutions of higher education. It encourages students to graduate in a shorter amount of time and spend less to earn their degrees.

Students may enroll in 12 or more credit hours per semester, with permission required when taking more than 19 hours, and pay for only 15. Full-time students unable to complete 15 credit hours during the Fall and Spring semesters will have the opportunity to take the balance of their hours during the Academic Year 2021-2022 summer term.

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
Resident Annual Flat Rate Tuition & Mandatory Fee (15 credit hours)	\$ 4,531.25	\$ 4,655.70	\$124.45
Nonresident Annual Flat Rate Tuition & Mandatory Fee (15 credit hours)	\$12,221.75	\$12,557.70	\$335.95

<u>Mandatory Fees Charged by Credit Hour</u>			
Student Assessment Fee	\$ 1.25	\$ 1.25	\$0.00
Student Facility Fee	\$14.50	\$15.50	\$1.00
Student Activity Fee	\$ 5.95	\$ 7.45	\$1.50
Library Excellence Fee	\$12.50	\$12.50	\$0.00
Transit Fee	\$ 2.50	\$ 2.50	\$0.00
Security Services Fee	\$ 3.75	\$ 3.75	\$0.00
Academic Excellence Fee	\$39.10	\$39.10	\$0.00
Special Event Fee	\$ 2.00	\$ 2.00	\$0.00
Academic Facility & Life Safety	\$32.50	\$33.90	\$1.40
Educational Network Connectivity Fee	\$17.50	\$17.50	\$0.00
International Programs Fee	\$ 0.50	\$ 0.50	\$0.00
Academic Records Service Fee	\$ 2.00	\$ 2.00	\$0.00

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
<u>Mandatory Fees Charged by Semester</u>			
Student Health Care Fee	\$74.00	\$74.00	\$0.00
Summer	\$37.00	\$37.00	\$0.00
Cultural & Recreational Service Fee	\$12.50	\$12.50	\$0.00
Summer	\$ 6.25	\$ 6.25	\$0.00
Academic Advising Fee	\$40.00	\$40.00	\$0.00
Summer	\$20.00	\$20.00	\$0.00

#### Graduate Tuition & Mandatory Fee Rates

In April 2017, the Provost's Task Force on Graduate Education Funding and Competitiveness released a comprehensive report on the state of Norman Campus graduate education. The report highlighted a key priority for action over the near term of reducing fees paid by graduate assistants (GAs) to better match out-of-pocket costs for students at peer institutions. Since then, fees paid by GAs have been reduced \$1,368 per academic year through AY2021. For AY2022, we propose a \$35.60 per credit hour reduction in mandatory fees for residents and nonresidents, increasing the academic year savings to over \$2,000.

Graduate students not serving in a graduate assistant role would see a 2.75% increase to tuition and mandatory fees listed below.

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
<u>Tuition Charged by Credit Hour</u>			
Resident Tuition	\$289.30	\$334.75	\$45.45
Nonresident Tuition	<u>\$610.80</u>	<u>\$627.60</u>	<u>\$16.80</u>
Total Nonresident Tuition	<u>\$900.10</u>	<u>\$962.35</u>	<u>\$62.25</u>
<u>Mandatory Fees Charged by Credit Hour</u>			
Student Assessment Fee	\$ 1.25	\$ 0.00	(\$1.25)
Student Facility Fee	\$10.10	\$ 0.00	(\$10.10)
Student Activity Fee	\$ 5.95	\$ 7.45	\$1.50
Library Excellence Fee	\$12.50	\$12.50	\$0.00
Transit Fee	\$ 2.50	\$ 1.00	(\$1.50)

Security Services Fee	\$ 3.75	\$ 0.00	(\$3.75)
Special Event Fee	\$ 2.00	\$ 1.00	(\$1.00)
Academic Facility & Life Safety	\$ 0.00	\$ 0.00	\$0.00
Educational Network Connectivity Fee	\$17.50	\$ 0.00	(\$17.50)
Academic Records Service Fee	\$ 2.00	\$ 0.00	(\$2.00)

Mandatory Fees Charged by Semester

Student Health Care Fee	\$74.00	\$74.00	\$0.00
Summer	\$37.00	\$37.00	\$0.00
Cultural & Recreational Service Fee	\$12.50	\$12.50	\$0.00
Summer	\$ 6.25	\$ 6.25	\$0.00
Academic Advising Fee	\$40.00	\$40.00	\$0.00
Summer	\$20.00	\$20.00	\$0.00

In addition, at the request of the State Regents, the Norman campus requests to establish tuition and mandatory fees for online graduate programs (OU Online) listed on the following table. Approval will allow for reporting of tuition and mandatory fees separate from the online academic service fee, as requested by the State Regents. The rates below are charged on a per credit hour basis.

The Online Program Fee component of the table below was approved by the Regents at its January 2021 meeting, except for the Executive MBA in Renewable Energy, which is a newly developed program. Approval of the tuition and mandatory fee for these programs is needed to meet the request of the State Regents.

SUMMARY SCHEDULE New Online Graduate Program – Proposed Per Credit Hour Price ACADEMIC YEAR 2021-2022					
Online Graduate Program	-- Current --	---- Proposed Structure ----			Total Cost Change
	“All-in” Academic Service Fee	Online Program Fee	Tuition & Mand. Fee	Total “All-in” Cost	
Strategic Communication & Digital Strategy	N/A – New	\$ 382.60	\$ 435.58	\$ 818.18	N/A- New
Industrial Systems Engineering	N/A – New	549.42	435.58	985.00	N/A- New
Art & Technology	N/A – New	382.60	435.58	818.18	N/A- New
Counseling	N/A – New	264.42	435.58	700.00	N/A- New
Executive MBA in Renewable Energy	N/A - New	1,589.42	435.58	2,025.00	N/A- New

COLLEGE OF LAW

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
<u>Tuition Charged by Credit Hour</u>			
Resident Tuition	\$524.00	\$550.00	\$26.00
Nonresident Tuition	\$394.50	\$414.50	\$20.00
Total Nonresident Tuition	\$918.50	\$964.50	\$46.00
<u>Mandatory Fees Charged by Credit Hour</u>			
Student Facility Fee	\$14.50	\$14.50	\$0.00
Student Activity Fee	\$ 5.95	\$ 5.95	\$0.00

Library Excellence Fee	\$11.00	\$11.00	\$0.00
Transit Fee	\$ 2.00	\$ 2.00	\$0.00
Security Services Fee	\$ 3.75	\$ 3.75	\$0.00
Academic Excellence Fee	\$25.60	\$25.60	\$0.00
Special Event Fee	\$ 2.00	\$ 2.00	\$0.00
Academic Facility & Life Safety	\$22.50	\$22.50	\$0.00
Law Student Technology Services Fee	\$30.90	\$30.90	\$0.00
Educational Network Connectivity Fee	\$15.30	\$15.30	\$0.00

Mandatory Fees Charged by Semester

Student Health Care Fee	\$74.00	\$74.00	\$0.00
Summer	\$37.00	\$37.00	\$0.00
Cultural & Recreational Service Fee	\$12.50	\$12.50	\$0.00
Summer	\$ 6.25	\$ 6.25	\$0.00
Academic Records Service Fee	\$15.00	\$15.00	\$0.00
Summer	\$15.00	\$15.00	\$0.00

In addition to tuition and mandatory fees, students also are required to pay academic service fees. These fees are course and college specific, so the amount paid varies by student. These academic service fees were approved by the Board of Regents at its January 2021 meeting.

If approved by the Board of Regents, these tuition and mandatory student fee requests will be forwarded to the Oklahoma State Regents for Higher Education for approval and will be effective Fall 2021.

President Harroz recommended the Board of Regents approve the proposed tuition and mandatory student fee rates for Academic Year 2022.

Regent Shirley moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, and Holloway. Regent Nagel voted no. The Chair declared the motion approved.

## **TUITION AND MANDATORY FEE RATES FOR FY 2022 – HSC**

House Bill No. 1748 amended 70 O.S. Section 3218.8, authorizing the Oklahoma State Regents for Higher Education to establish resident tuition rates, nonresident tuition rates and mandatory fees (fees for items not covered by tuition and which all, or substantially all, students must pay as a condition of enrollment). At the comprehensive universities the combined average of the resident tuition and mandatory fees, as determined by the State Regents, shall remain less than the combined average of the resident tuition and fees at state-supported institutions of higher education that were members of the Big Twelve Conference as of March 28, 2003, the effective date of HB 1748. The rates are to remain less than the combined average of tuition and fees for like-type graduate and professional courses and programs of comparable quality and standing at state-supported institutions of higher education as determined by the State Regents.

In its deliberation on the establishment of resident tuition rates for undergraduate and graduate education, the State Regents shall balance the affordability of public higher education with the provision of available, diverse, and high-quality opportunities giving consideration to the level of state appropriations, the state economy, the per capita income and cost of living, the college-going and college-retention rates, and the availability of financial aid in Oklahoma. For any increase in the tuition rates, the State Regents shall demonstrate a reasonable effort to affect a proportionate increase in the availability of need-based student financial aid.

The Health Sciences Center is requesting approval for a tuition increase for eight professional programs and the undergraduate programs as identified below for academic year 2022. The increases requested comply with the limitations established by the State Regents.

Medicine (MD) OKC	1.8% resident and 1.8% nonresident;
Medicine (MD) Tulsa	1.8% resident and 1.8% nonresident;
Physician Associate (PA) OKC	3.6% resident and 3.6% nonresident;
Physician Assistant (PA) Tulsa	3.6% resident and 3.6% nonresident;
Doctor of Pharmacy (PharmD)	3.0% resident and 3.0% nonresident;
Doctor of Physical Therapy (DPT)	5.0% resident and 5.0% nonresident;
Masters of Occupational Therapy (MOT)	5.0% resident and 5.0% nonresident;
Doctor of Audiology (AuD)	5.0% resident and 5.0% nonresident;
Doctor of Nursing Practice (DNP)	9.0% resident and 9.0% nonresident;
Master of Science in Nursing (MSN)	9.0% resident and 9.0% nonresident;
Undergraduate Tuition	9.0% resident and 9.0% nonresident.

The request to increase the undergraduate tuition by 9% at the Health Sciences Center is still well below the average undergraduate peer Big XII tuition rates mandated by Oklahoma State Legislature.

The University of Oklahoma Health Sciences Center is requesting an increase to the Counseling Services mandatory fee for the fiscal year 2022. This fee is currently \$24.00 per fall/spring, and \$12.00 per summer term, but is requesting an increase to \$40.00 per fall/spring and \$20.00 per summer term. This fee has not been adjusted since it was implemented in Fall 2013. The revenue generated is used to fund a counselor position, wellness programming and events, staff training, necessary clinical and office supplies, and IT costs related to EMR and maintenance.

The University of Oklahoma Health Sciences Center currently has the Culture & Recreational Services fee approved at the State Regents at a rate of \$132.25/fall and spring term; \$54.15/summer term. OUHSC Tulsa is requesting an increase to the Cultural and Recreational Services mandatory fee for fiscal year 2022. This fee is currently charged to OUHSC Tulsa students at a rate of \$12.50 per fall/spring term and \$6.25 per summer term, but is requesting an increase to \$25.00 per fall/spring term and \$12.50 per summer term. This fee was first charged in Fall 2003 and has not been increased. The Fitness Center in Tulsa will be moving to a larger space and the new revenue will be used to replace outdated equipment, expand equipment selection, and increase the number of group fitness classes.

#### Undergraduate Tuition & Mandatory Fee Rates

	<u>AY2021</u>	<u>AY2022</u>	
	<u>Rate</u>	<u>Rate</u>	
	<u>Tuition Charged by Credit Hour</u>		<u>Change</u>
Resident Tuition	\$159.60	\$174.00	\$ 14.40
Nonresident Tuition	\$512.70	\$558.85	\$ 46.15
Total Nonresident Tuition	\$672.30	\$732.85	\$ 60.55

#### Undergraduate Guaranteed Resident Tuition Charged by Credit Hour

Beginning with the 2008-2009 academic year, House Bill 3397 passed by the Oklahoma Legislature requires that a new undergraduate student be given the opportunity to choose to participate in the Guaranteed Tuition Rate Program. A first time full-time undergraduate student who is a resident of Oklahoma can choose to pay a guaranteed rate based

on the projected average for the next four (4) years (“the Plan”) or at the annual rate charged each year. Pursuant to “The Plan”, the resident undergraduate guaranteed tuition rate is proposed at \$200.00 per credit hour for students entering Fall 2021, Spring 2022 or Summer 2022.

	<u>AY2021</u>	<u>AY2022</u>	<u>Change</u>
	<u>Rate</u>	<u>Rate</u>	
Guaranteed Resident Tuition	\$183.50	\$200.00	\$ 16.50
<i>for students entering Fall 2021, Spring 2022 or Summer 2022</i>			

	<u>Mandatory Fees Charged by Credit Hour</u>		<u>Change</u>
Student Assessment Fee	\$ 1.25	\$ 1.25	\$ 0.00
Academic Facility & Life Safety Fee	\$ 7.50	\$ 7.50	\$ 0.00
Academic Records Fee	\$ 2.00	\$ 2.00	\$ 0.00
Educational Network Connectivity Fee	\$ 18.00	\$ 18.00	\$ 0.00
Library Automation & Materials Fee	\$ 15.00	\$ 15.00	\$ 0.00
Security Services Fee	\$ 4.00	\$ 4.00	\$ 0.00
Special Event Fee	\$ 3.00	\$ 3.00	\$ 0.00
Student Activity Fee	\$ 3.50	\$ 3.50	\$ 0.00
Student Facility Fee	\$ 7.30	\$ 7.30	\$ 0.00
Transit Fee	\$ 1.50	\$ 1.50	\$ 0.00

	<u>AY2021</u>	<u>AY2022</u>	<u>Change</u>
	<u>Rate</u>	<u>Rate</u>	
	<u>Mandatory Fees Charged by Semester</u>		
Registration Fee	\$ 20.00	\$ 20.00	\$ 0.00
Student Health Fee	\$ 74.00	\$ 74.00	\$ 0.00
Summer	\$ 37.00	\$ 37.00	\$ 0.00
Cultural & Recreational Service Fee	\$132.25	\$132.25	\$ 0.00
Summer	\$ 54.15	\$ 54.15	\$ 0.00
Counseling Services Fee	\$ 24.00	\$ 40.00	\$ 16.00
Summer	\$ 12.00	\$ 20.00	\$ 8.00
Interprofessional Education & Practice Fee	\$180.00	\$180.00	\$ 0.00
Summer	\$ 90.00	\$ 90.00	\$ 0.00

#### Graduate Tuition & Mandatory Fee Rates

	<u>AY2021</u>	<u>AY2022</u>	<u>Change</u>
	<u>Rate</u>	<u>Rate</u>	
	<u>Tuition Charged by Credit Hour</u>		
Resident Tuition	\$213.30	\$213.30	\$ 0.00
Nonresident Tuition	\$610.80	\$610.80	\$ 0.00
Total Nonresident Tuition	\$824.10	\$824.10	\$ 0.00

	<u>Mandatory Fees Charged by Credit Hour</u>		<u>Change</u>
Academic Facility & Life Safety Fee	\$ 7.50	\$ 7.50	\$ 0.00
Academic Records Fee	\$ 2.00	\$ 2.00	\$ 0.00
Educational Network Connectivity Fee	\$ 18.00	\$ 18.00	\$ 0.00
Library Automation & Materials Fee	\$ 15.00	\$ 15.00	\$ 0.00
Security Services Fee	\$ 4.00	\$ 4.00	\$ 0.00
Special Event Fee	\$ 3.00	\$ 3.00	\$ 0.00
Student Activity Fee	\$ 3.50	\$ 3.50	\$ 0.00
Student Facility Fee	\$ 7.30	\$ 7.30	\$ 0.00
Transit Fee	\$ 1.50	\$ 1.50	\$ 0.00

Mandatory Fees Charged by Semester

Registration Fee	\$ 20.00	\$ 20.00	\$ 0.00
Student Health Care Fee	\$ 74.00	\$ 74.00	\$ 0.00
Summer	\$ 37.00	\$ 37.00	\$ 0.00
Cultural & Recreational Service Fee	\$132.25	\$132.25	\$ 0.00
Summer	\$ 54.15	\$ 54.15	\$ 0.00
Counseling Services Fee	\$ 24.00	\$ 40.00	\$ 16.00
Summer	\$ 12.00	\$ 20.00	\$ 8.00
Interprofessional Education & Practice Fee	\$180.00	\$180.00	\$ 0.00
Summer	\$ 90.00	\$ 90.00	\$ 0.00

Professional Program Tuition Rates Charged by Semester

Professional Program	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
College of Medicine			
Resident Tuition	\$13,385.00	\$13,626.00	\$ 241.00
Total Nonresident Tuition	\$30,549.00	\$31,099.00	\$ 550.00
College of Dentistry			
Resident Tuition	\$14,934.50	\$14,934.50	\$ 0.00
Total Nonresident Tuition	\$35,447.50	\$35,447.50	\$ 0.00
Physician Associate/Assistant			
Resident Tuition	\$ 6,668.00	\$ 6,908.00	\$ 240.00
Total Nonresident Tuition	\$15,038.00	\$15,579.50	\$ 541.50
Doctor of Pharmacy			
Resident Tuition	\$ 7,957.00	\$ 8,196.50	\$ 239.50
Total Nonresident Tuition	\$17,853.00	\$18,390.00	\$ 537.00
Occupational Therapy			
Resident Tuition	\$ 4,146.00	\$ 4,353.50	\$ 207.50
Total Nonresident Tuition	\$ 9,951.00	\$10,449.00	\$ 498.00
Doctor of Physical Therapy			
Resident Tuition	\$ 5,246.00	\$ 5,508.50	\$ 262.50
Total Nonresident Tuition	\$13,248.50	\$13,911.00	\$ 662.50
Audiology AuD			
Resident Tuition	\$ 4,681.50	\$ 4,915.50	\$ 234.00
Total Nonresident Tuition	\$12,236.50	\$12,848.50	\$ 612.00

Professional Program Tuition Rates Charged by Credit Hour

Public Health Professional Programs			
Resident Tuition	\$ 388.30	\$ 388.30	\$ 0.00
Total Nonresident Tuition	\$ 1,049.80	\$1,049.80	\$ 0.00
Doctor of Nursing Practice			
Resident Tuition	\$ 506.05	\$ 551.60	\$ 45.55
Total Nonresident Tuition	\$ 1,216.35	\$1,325.85	\$ 109.50
Master of Science in Nursing			
Resident Tuition	\$ 293.75	\$ 320.20	\$ 26.45
Total Nonresident Tuition	\$ 948.40	\$1,033.80	\$ 85.40

Mandatory Fees Charged by Credit Hour

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
Academic Facility and Life Safety Fee	\$ 7.50	\$ 7.50	\$ 0.00
Academic Records Fee	\$ 2.00	\$ 2.00	\$ 0.00
Educational Network Connectivity Fee	\$17.50	\$18.00	\$ 0.00

Library Automation and Materials Fee	\$15.00	\$15.00	\$ 0.00
Security Services Fee	\$ 3.60	\$ 4.00	\$ 0.00
Special Event Fee	\$ 3.00	\$ 3.00	\$ 0.00
Student Activity Fee	\$ 3.50	\$ 3.50	\$ 0.00
Student Facility Fee	\$ 7.30	\$ 7.30	\$ 0.00
Transit Fee	\$ 1.50	\$ 1.50	\$ 0.00

Mandatory Fees Charged by Semester

	<u>AY2021 Rate</u>	<u>AY2022 Rate</u>	<u>Change</u>
Registration Fee	\$ 20.00	\$ 20.00	\$ 0.00
Student Health Fee	\$ 74.00	\$ 74.00	\$ 0.00
Summer	\$ 37.00	\$ 37.00	\$ 0.00
Cultural & Recreational Service Fee	\$132.25	\$132.25	\$ 0.00
Summer	\$ 54.15	\$ 54.15	\$ 0.00
Counseling Services Fee	\$ 24.00	\$ 40.00	\$ 16.00
Summer	\$ 12.00	\$ 20.00	\$ 8.00
Interprofessional Education & Practice Fee	\$180.00	\$180.00	\$ 0.00
Summer	\$ 90.00	\$ 90.00	\$ 0.00

In addition to tuition and mandatory fees, students are also required to pay academic service fees. These fees are course and college specific, so the amount paid varies by student. Academic Service Fees were approved at the January 2021 Board of Regents meeting.

Once approved by the Board of Regents, these tuition and mandatory student fee requests will be forwarded to the Oklahoma State Regents for Higher Education for approval and will be effective with the Fall 2021 semester.

President Harroz recommended the Board of Regents approve the proposed tuition and mandatory student fee rates for Academic Year 2022.

Regent Holloway moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, and Holloway. Regent Nagel voted no. The Chair declared the motion approved.

## **SUBSTANTIVE PROGRAM CHANGE – NC**

The Oklahoma State Regents for Higher Education require that all substantive changes in degree programs be presented to the institution's governing board for approval before being forwarded to the State Regents for consideration. The proposed academic program listed below has been approved by the appropriate faculty, academic units and deans; reviewed by the Academic Programs Council; and approved by the Interim Senior Vice President and Provost. It is being submitted to the Board of Regents for approval prior to submission to the State Regents.

### Program Requirement Change

#### COLLEGE OF ARTS AND SCIENCES

#### Plant Biology, Bachelor of Science (RPC 021, MC B787-P521, B787-P061)

Course requirement changes. Add the capstone course PBIO 4983 to the major requirements. For Plant Biology option: Remove three hours of free electives to keep total hours the same. For Plant Biology Biotechnology option, remove one hour of free electives. Total credit hours for the degree will increase from 120 to 122.



Reason for request:

Accommodate changes to the General Education requirements. Retain the capstone in the degree.

President Harroz recommended the Board of Regents approve the proposed changes in the Norman Campus academic programs.

Regent Shirley moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

**EXISTING PROGRAM OFFERED TRADITIONALLY AT NEW LOCATION –  
BACHELOR OF SCIENCE IN NURSING – HSC**

The Oklahoma State Regents for Higher Education requires that instructional programs obtain approval for delivery of existing programs at sites other than the institution's main campus. The proposed addition of the Norman Regional Health System site in Norman and the Duncan Regional Hospital site in Duncan, will:

- enable the College of Nursing to fulfill a primary role of improving the health of the community and surrounding areas by bringing nursing education to areas of Oklahoma with need for additional nurse training and nursing workforce development.
- increase access to nursing education in the State of Oklahoma.
- accommodate College of Nursing students in educational settings that are appropriate for fulfilling the Baccalaureate degree requirements established by The University of Oklahoma at the Norman Regional Health System in Norman, Oklahoma, and the Duncan Regional Hospital in Duncan, Oklahoma.
- As required by the Nursing academic accrediting body, the Oklahoma Board of Nursing received the written affirmation of support from the chief executive of each proposed site on April 28, 2021, and on May 26, 2021, the Board of Nursing approved this expansion in nurse training at the new locations.

The approval ensures compliance with established Oklahoma State Regents for Higher Education Policy 3.4.3. The proposed action is herein submitted for Regents' approval.

President Harroz recommended the Board of Regents approve the proposed addition of two remote site locations for delivery of the Bachelor of Science degree program through the Fran and Earl Ziegler College of Nursing. The two sites are the Norman Regional Health System in Norman, Oklahoma, and the Duncan Regional Hospital in Duncan, Oklahoma.

Regent Albert moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

**COLLEGE NAMING RIGHTS – NC**

The University administration desires that recognition of the donor(s) and the new name of the College remain confidential until the announcement is made on a date yet to be determined. The cooperation of the press is requested in maintaining this confidentiality. Details will be added to these minutes as an appendix after the announcement is made.

President Harroz recommended the Board of Regents approve naming of a College in recognition of a generous gift to the University of Oklahoma Foundation.

Regent Stevenson moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

**ACADEMIC PERSONNEL ACTIONS – ALL**

Health Sciences Center:

**NEW APPOINTMENT(S):**

Gowin, Mary Jean, Ph.D., Associate Professor of Family and Preventive Medicine, annualized rate of \$120,000 for 12 months, June 20, 2021 through June 30, 2022. New consecutive term appointment

Oliver, Jason A., Ph.D., Assistant Professor of Family and Preventive Medicine, annualized rate of \$125,000 for 12 months, May 28, 2021 through June 30, 2021. New consecutive term appointment

**CHANGE(S):**

Ciro, Carrie Ann, Associate Professor and Chair of Rehabilitation Sciences, The Elam-Plowman Chair in Rehabilitation Sciences, and Adjunct Associate Professor of Allied Health Sciences; title Assistant Dean, College of Allied Health, deleted; given additional title Senior Associate Dean, College of Allied Health, salary changed from annualized rate of \$171,955 for 12 months to annualized rate of \$176,955 for 12 months, June 20, 2021 through June 30, 2022. Includes an administrative supplement of \$15,000 while serving as Senior Associate Dean, College of Allied Health

Doescher, Mark P., Professor of Family and Preventive Medicine, given additional title The Inasmuch Foundation Endowed Chair in Cancer Screening, Outreach and Education, May 25, 2021. Five-year term endowed chair appointment

Grantham, Vesper Vaughan, Professor and Chair of Medical Imaging and Radiation Sciences, and President's Associate Presidential Professor, given additional title Assistant Dean for Faculty Development, College of Allied Health, salary changed from annualized rate of \$99,512 for 12 months to annualized rate of \$109,512 for 12 months, June 20, 2021 through June 30, 2022. Includes an administrative supplement of \$10,000 while serving as Assistant Dean for Faculty Development, College of Allied Health.

Hann, Neil Ernest, Lecturer, Department of Health Promotion Sciences, given additional title Chair, Department of Health Promotion Sciences; salary changed from annualized rate of \$95,000 for 12 months to annualized rate of \$115,000 for 12 months, June 20, 2021 through June 30, 2022. Includes an administrative supplement of \$20,000 while serving as Chair, Department of Health Promotion Sciences.

Holter-Chakrabarty, Jennifer L., Professor of Medicine, Presbyterian Health Foundation Presidential Professor, and Adjunct Professor of Radiation Oncology; title The Inasmuch Foundation Endowed Chair in Cancer Screening, Outreach and Education deleted, May 24, 2021.

Madison, Stefani Denae, Assistant Professor of Family and Preventive Medicine, given additional title The E.L. and Thelma Gaylord Foundation Chair in Cancer Survivorship and Palliative Care, May 25, 2021. Five-year term endowed chair appointment

Moxley, Katherine M., Associate Professor of Obstetrics and Gynecology, title The Mai Eager Anderson Chair in Cancer Clinical Trials deleted, May 25, 2021.

Sisson, Susan Beckwith, Associate Dean for Research and Associate Professor of Nutritional Sciences, Sam K. Viersen Family Foundation Presidential Professor, Adjunct Associate Professor of Allied Health Sciences, and Adjunct Associate Professor of Biostatistics and Epidemiology; given additional title Chair of Allied Health Sciences, salary changed from annualized rate of \$98,836 for 12 months to annualized rate of \$103,836 for 12 months, June 20, 2021 through June 30, 2022. Includes an administrative supplement of \$5,000 while serving as Chair of Allied Health Sciences.

Teasdale, Thomas Allen, Professor of Health Promotion Sciences and President's Associates Presidential Professor; title Chair, Department of Health Promotions Sciences deleted, salary changed from annualized rate of \$175,000 for 12 months to annualized rate of \$150,000 for 12 months, June 19, 2021 through June 30, 2022. Removal of \$25,000 administrative supplement for serving as Chair, Department of Health Promotion Sciences

#### RESIGNATION(S) AND/OR TERMINATION(S):

Schumann, John, President, OU Tulsa, Associate Professor of Internal Medicine, Tulsa, and The Gussman Chair in Internal Medicine, Tulsa, July 30, 2021.

Norman Campus:

#### CHANGE(S):

Sluss, James, Associate Vice President of Academic Affairs at Tulsa, Dean of the Graduate College at Tulsa, Regents' Professor of Electrical and Computer Engineering, additional stipend of \$86,086 for serving as Interim President of OU at Tulsa, July 31, 2021.

President Harroz recommended the Board of Regents approve the academic personnel actions shown above.

Regent Albert moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

**RESOLUTION HONORING JOHN H. SCHUMANN, MD****RESOLUTION**

WHEREAS, John H. Schumann was appointed President of OU-Tulsa by the OU Board of Regents in January 2015; He previously served as an Associate Professor, Residency Program Director, and Vice Chair of Education for the Department of Internal Medicine. He also holds the Gussman Endowed Chair in Internal Medicine within the OU-TU School of Community Medicine;

WHEREAS, he earned a Bachelor of Arts in History from Yale University and his MD from Case Western Reserve University in Cleveland, Ohio. He completed his residency at Cambridge Hospital;

WHEREAS, he joined the faculty at the University of Chicago in 2002 and completed a fellowship in clinical medical ethics at the University of Chicago MacLean Center;

WHEREAS, under President Schumann's leadership, programs at OU-Tulsa have grown to meet community need. New programs launched at OU-Tulsa include Bachelor of Science in Computer Science, Bachelor of Arts in Social Work, Bachelor of Science in Information Science and Technology, Master of Childhood Well Being, Master of Clinical Mental Health Counseling, Doctor of Philosophy in Organizational and Community Leadership (on the OSRHE agenda for June);

WHEREAS, President Schumann, along with RSU President Larry Rice, recently announced an agreement that will bring RSU students to OU-Tulsa for RSU classes and allow students to complete their bachelor's degree without having to leave Tulsa as well as position those students to move into master's programs at OU-Tulsa.

WHEREAS, President Schumann has had a commitment to diversity, equity and inclusion since the beginning of his presidency. He hired the inaugural OU-Tulsa Director of Diversity, Equity and Inclusion and programming has continued to grow at OU-Tulsa with consistent involvement with the Tulsa Chamber Mosaic, Pride Parade, MLK Parade, Discussions on Diversity, and the Tulsa Race Massacre Centennial Commission;

WHEREAS, he established the OU-Tulsa Office of Community Engagement to create an infrastructure that supports and advances community engagement across colleges, departments and programs;

WHEREAS, President Schumann worked closely with Regent Phil Albert to create the Regent's Award for Superior Staff for OU-Tulsa staff in 2018;

WHEREAS, under his leadership, OU-Tulsa's first outdoor learning and recreation space was dedicated on Sept. 2, 2020 thanks to a generous gift from former Regent Jon Stuart and his wife DeeDee;

WHEREAS, President Schumann worked closely with leadership from Hebrew University in Jerusalem to launch Haruv USA at OU-Tulsa in 2015 with a unique focus on comprehensive, interprofessional education, training and research in the prevention and treatment of child abuse and neglect;

WHEREAS, President Schumann was instrumental in the creation of the Tulsa Higher Education Consortium, an educational resource working in collaboration with the community to increase awareness of higher education opportunities in Tulsa;

WHEREAS, during his tenure, research expenditures for Norman-based programs at OU-Tulsa increased by a factor of ten; and

WHEREAS, President Schumann's steadfast leadership during the COVID-19 pandemic ensured that our strategic mission continued at OU-Tulsa with a consistent emphasis on safety for faculty, staff and students.

NOW, THEREFORE, BE IT RESOLVED that the Regents governing The University of Oklahoma hereby express profound appreciation to John H. Schumann, MD for his steadfast vision and contributions to the University of Oklahoma and particularly to OU-Tulsa and the State of Oklahoma and look forward to his continuing interest in and support of the University.

Chairman Cawley recommended the Board of Regents approve the above resolution honoring John H. Schumann, MD and his service as OU-Tulsa President.

Regent Albert moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

### **HONORARY DEGREES - ALL**

The University policy and the policy of the Oklahoma State Regents for Higher Education on awarding honorary degrees states that nominees and alternates must be approved by the OU Board of Regents and State Regents prior to awarding of the degrees.

The University Regents and administration request that the names of the nominees and alternates be kept confidential until final arrangements are made for the nominees to be present.

President Harroz recommends the nominees listed in his recent letter to the Board of Regents be approved for an honorary degree at the May 2022 University Commencement.

Regent Shirley moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

### **COMMENTS ON THE HEALTH INTEGRATION ITEMS**

Thank you so much for allowing me to speak. I'd like to thank you all for your service, everyone at this table. I know this is an incredibly challenging job and it's greatly appreciated. My name is Kate Morris. I'm a cancer surgeon at Stephenson. I'm one of your subspecialists. I only operate in the right upper quadrant of your abdomen, and I am also a cancer researcher and I work to teach our medical students and residents. So I'm a rank and file faculty member, and I first began hearing about the merger, of the becoming we movement about around March of this year, just as we were beginning to emerge from the pandemic. To have a go live date of July 1 when there were so many details to iron out in such a large and complex decision seemed very rushed to me. I remain concerned that we are accelerating through this process without a deep and shared understanding of the data in support of the rationale behind the recommendations or the likely impacts on our ability to care for our patients. We have lost staff over this merger, and we cannot care for our patients alone. We are currently in a very dire and challenging recruitment environment in the healthcare system. It's due to many factors and despite

maximum recruitment efforts by the hospital and really good leadership, we haven't always been able to succeed. We have a lot of traveler nurses caring for our patients right now. I've been told that the merger will help us recruit, but I'd like to share with you the most positive statement that I've heard from staff who have recently gone through it. These staff were asked to sign new contracts, to choose a new benefit package before knowing their salaries and to have urine drug testing done despite many of them being loyal long-term employees. As such, I've heard a lot of negative comments, the most positive single comment I've heard about this merger from staff who've gone through it is, well, I guess it's not that bad. That's not a ringing endorsement of our recruitment ability right now. Because this has felt so rushed to rank and file workers and there are so many things to consider and discuss and because this is about as high stakes a decision as it can get for the future of our Health Sciences Center and the people of Oklahoma. I very respectfully request that we pause, that we bring people along with open dialogue and that we implement this the right way. Albeit slower, but with consensus. I genuinely, truly believe that with more time, with open dialogue and attention to detail, we can be innovative enough not just to do what other health systems are doing or what consultants recommend, but to become the healthcare employer of choice for the region and potentially the nation. I think we have the raw materials, so I don't want to rush the cooking process and spoil them. Thank you so much for your time.

Chairman Cawley invited College of Medicine Dean John Zubialde and HSC Senior Vice President and Provost Jason Sanders to respond.

Dean Zubialde said, "Absolutely, thank you so much, Chairman Cawley and thank you Board of Regents, and I also want to thank my colleagues who are here today. It takes great courage to be here. These are individuals that I have practiced with for many years and consider them friends and colleagues, and so very much appreciate all of them being here and expressing their concerns around this. As President Harroz had said, in 2018; we started on a new journey to building an academic health system for the state of Oklahoma. The reason for that is the compelling reason, which is our commitment to improving the health of every citizen of Oklahoma. The vision of making that happen has been consistent. However, getting there has been difficult. One of the things that is imperative is an integrated system as President Harroz has mentioned, which means having physicians work together with institutional leadership to create an organizational structure that can allow work to get done, decisions to get made and things to happen in a timely fashion. The non-integrated system that we have been in, and by the way, we have had that vision now since 2018 and the intent was to have an integrated health system by 2020, we are woefully behind. My conversations with colleagues, including deans and chancellors and health system officials around the country, unanimously say that this is the right move. This is the right direction to go, and all of them have shared with me their particular bumpy roads and rocky paths to getting here. So we have absolutely no misconception that this is an easy path forward. There are a lot of details and there is, as was mentioned, significant change, and that is exactly what you see and what you're hearing. The first step in this included getting our staff transitioned to a fully integrated health system and as is typical, or I should say in most situations, where there is this kind of change, there's a lot of details. What I can tell the Regents is that without a doubt, despite this, we have listened and we have had the chance to hear, and we are in fully intending and have always stated that it is our intent to make sure that all of our staff are whole and that we recognize that that will have to be done in a staged fashion. We will admit

that we have learned a lot from that transition and fully recognize that this is a very difficult time for us coming out of a pandemic with staff and providers who have basically, literally, put their lives on the line for our patients and for the people of Oklahoma. And that's been a very, personally, a very traumatic event for them, and we recognize the amazing amount of stress that that has caused for them. So doing this in a time certainly has recognized the challenges that has happened in addition to the communication, but the commitment to communication, to making things right is there. We have told our staff, and this is true. There is an additional, this is not just a move. This is also a commitment to at least \$3 million in additional funding to raise the compensation and benefits to our staff. And that has to be done, however, in a phased approach. The first part was getting staff into this, into a new structure. The second part is then understanding their role within a new structure so that we can then take that and then go ahead and say, how can we make them better at a market-based rate for the work, the valuable work that we do, recognize that in our outpatient clinics, it has been a struggle, but we have had, I would say, you know, a good number of our folks who have already realized the value of this. The additional fact here is, that the piece, this commitment to our staff, is being recognized every day by our OU Physicians and OU Health leadership. As for our colleagues, physician colleagues, we recognize that again, the challenges that are involved here. The pandemic has created a situation where communication, although it has been there, we will admit has been difficult. We have tried multiple different venues to make sure that this happens, but what I can tell you now, and what we have already begun is that there will be process or assuring the physician voices in a more personal and intimate way, which we have begun already, to make sure that those voices are heard, because I practiced with you all for 30 plus years. Okay. I know and I recognize what it's like being a provider. Also recognize what we need to be doing for our institution and our community. That is the exact reason that as President Harroz has said, we have made the express decision in going into this integration. I remember our conversations about what is the right way to do this and the right timing to do this. We made the express decision to delay despite having the merger signed, moving forward, having our structural framework that we know is what we need going forward to expressly, delay the transition of our providers to make sure that we have compensation, benefits done correctly, and that we have a practice home for our providers that represents the home that we want and that we've envisioned for a long time. And to do this in a way that brings us together in an integrated system with something that has never been before envisioned anywhere in this state, and certainly not very many places in the nation. And that is a truly dyadic leadership structure between physician leaders and operations leaders in decision-making. That makes us true partners in a health system, which we know, and along with nursing leaders to truly address the things that are most important to our patients, to make sure that we're providing the best care, the highest quality care and that our mission around research and the education of our future providers for this state of Oklahoma is first and foremost, we have realized already with this additional \$15 million that is provided by the system in addressing compensation issues for our providers over the next year. And as you have heard through the \$11 million that has come through the legislature, through the tax exemption, 70 new positions for residents and 50 new positions for nurse practitioners, as well as I believe it's close to 150, if not, 200 new nursing trainees for the state of Oklahoma. So, this is a great day for Oklahoma. We recognize the difficulties. We recognize the challenges, I

recognize, and I welcome my colleagues' voices through all of this. We are committed to making sure that you are heard, that voice is there going through this, this rocky and bumpy road together. So thank you for being here. Thank you for your voices, and I'll be quiet.

Provost Sanders began, "Thank you everyone who's joined us today. Thank you to the Board for considering this item. I'll start off and thank you, Dr. Morris. I think we agree on the diagnosis. We may differ on the treatment, but to echo some of what you said, first of all, I regret that it was not until March that you heard about the integration. The urine drug screening, we advocated not to need to do that as a requirement of joint commission, but we did advocate, as you said due to loyal staff. For the Regents, I'll start with what the Board has already approved on this timeline and going through a journey. And the summer of 2017, the Board of Regents approved new bylaws for OU Physicians, the faculty group practice in Oklahoma city to move from a federated practice to an integrated group practice. That same summer, the Board of Regents approved an affiliation between not only OU Physicians, but the entire Health Science Center, our College of Medicine, all of our health professions, colleges and OU Medicine, Inc, which you've heard President Harroz share. Step one was to buy out HCA, to make our teaching hospitals locally owned, locally operated, not with a for-profit partner. That affiliation started in 2018, and that brings us closer to today. As a five-year journey to buy out HCA, we've been operating in an affiliated model for three years. We have two employers currently for individuals in our clinical enterprise. For our credentials provider, if you're a nurse practitioner or a physician associate, you may be employed by the hospital, you may be employed by the clinics. We still have differential compensation plans across our practice and across our hospitals. We operate in a challenging environment. We've had some success over the past three years. For example, we launched programs such as 340B, which is a savings program that we can reinvest in our academic mission. We did work together during COVID, despite how challenging it was, but to treat patients and to deploy vaccine clinics. We got major initiatives started such as the epic electronic health record, but I think as you know, we've had significant challenges implementing the epic electronic health record, a single health record across two organizations. You know, that every year the Regents approve a master affiliation agreement, which has hundreds of individual agreements of how money flows from the hospital to the physicians practice from the hospital, the Health Science Center for payments from OU physicians to the hospitals and how challenging it is to have a budget and to put the investments in the mission support that we want. What we bring here today is a series of 14 agreements. There's arguably the next step on this journey. The second step, if it's simplistically making our hospital, non-profit, now it's to unify our care delivery. What does that mean to have unified clinical operations? I'm a primary care physician. I provide care and OU physicians in general internal medicine provide care at OU Medical Center on the journal medical service. I have two medical records for my patients at a minimum. I have an outpatient record and inpatient record. So a unified clinical operating system means one record. My provider referral from my patients, sometimes they may get their appointments. Sometimes they don't. We don't have a way to track that. If one of my patients needs imaging, which is run through the hospital laboratory testing, run by the hospital, I may not see the orders in GE Centricity where I place it. We need one scheduling system to be a statewide network. When a physician in Southeast, Southwest, Northwest, Northeast, Oklahoma wants to refer a patient to OU and they asked me, I'll say, I don't know. It may have been faxed in. I can't track it in the record. If we're truly going to be a statewide system, have the outreach we



want on patient records, one scheduling, one bill. Right now, when I practice in the clinic and practice in the hospital, which is a frequent feedback from our physicians as a different patient experience. When I see a patient who's newly admitted to OU for the first time from the emergency room, and I talk about you want to be seen in a clinic and follow up. They don't understand that the hospitals we're trying to make them the same as the clinics. Case management teams are different. Quality teams are different. Patient experience teams are different. Simplistically as unifying, what the Regents approved with our recommendation last June have a single management team for the clinical enterprise jointly governed by directors from the University and the Hospital Authorities and Trust. A year later, that's what we bring before you in series of 14 agreements, it is tremendously difficult and complex. Tremendously difficult and complex and stressful, and as a structural change, it's a step we have to take to enable our physicians to lead. Our physicians lead currently in the clinics, but they don't have the ability to lead in the hospitals to build those teams. I trained at Mass General Hospital, the Mass General Hospital and Mass General physicians organization, they worked together. Even in my training, I got feedback from my team on the patient experience on outcomes of care, value based care. We did care redesign across physicians and hospitals. That was several years ago. That's the model we're trying to change to. You can see why we're only at this point today because it is so difficult. Five years to buy back a hospital, three and a half years for integration. Appreciate all of our physician colleagues who joined today. Very difficult, very stressful time, very difficult to communicate. I truly regret if March was the first time you heard about that, that's our responsibility to communicate better. In terms of what's before you in the agreements, we recommend that you approve. And it is a starting line. It's six months of working with our physicians between now and January 1st on compensation and benefits, on making a high functioning system where physicians now lead in partnership with operational leaders and nurses to improve care, to do what we want. Do you know our star rating? Our Medicare CMS star rating is one star. Our leapfrog rating is C to D. We have the people, the talent. There's many physicians who would stand here today before you who were on the front lines or practicing care of teaching students and residents and doing research. The talent is here. We believe there's a problem. We agree in the diagnosis. We're recommending this structural change to take the step forward as an academic health system. Thank you.

## **APPROVAL OF OU HEALTH INTEGRATION**

At the August 11, 2017 meeting, the Board of Regents approved the participation by the OU Health Sciences Center (OUHSC) in the newly formed not-for-profit corporation, OU Medicine Inc. (OUMI), and authorized the President to enter into the following agreements by and between the Board and OU Medicine Inc. (OUMI), to be effective February 1, 2018:

- Master Affiliation Agreement • Academic Affiliation Agreement (“AAA”) • Clinical Services and Program Support Agreement (“CSA”) • Campus Services and Space Agreement
- Trademark License Agreement. At that time, the Board also approved five University Directors to serve on the OUMI Board.

Since then, the Regents have received annual and periodic reports on the affiliation between OUMI and OUHSC, including mission support funding and progress on the commitment to clinical and financial integration. At the June 18, 2020, meeting, the Board of Regents approved the retention of ECG Management Consultants (“ECG”) jointly with the University Hospitals Authority and Trust (“UHAT”) to develop a highly integrated academic

health system, based on national models, to consolidate the patient care delivery services of OUMI and OUHSC under a single management structure co-governed by the University and UHAT as anticipated and mandated by the terms of the original Master Affiliation Agreement.

Since that time OUHSC, OU College of Medicine, OU Physicians, OUMI, and UHAT leadership have completed a four phase, comprehensive process comprising term sheet development, due diligence, definitive agreements, and operationalization. The vision of the combined and rebranded “OU Health” is to be the premier health system in Oklahoma and a top tier academic health system based on measurable results in delivering high-quality multidisciplinary care, education focused on the needs of our state, and funded research.

Goals of OU Health include: patient-centered care; exceptional safety and quality; a statewide network; expanding Oklahoma’s health workforce; and growing research across adult and pediatric specialties through disease-focused centers of excellence. OU Health will increase mission support funding to OUHSC for research and education strategic initiatives, including the goal to achieve Top 100 in NIH funding within three years and to approach the Top 50 over ten years.

#### Definitive Agreements and Key Transaction Terms:

##### A. Master Affiliation Agreement

This agreement amends and restates the terms of the Original Master Affiliation Agreement to reflect the new integrated academic health system relationship of the parties—namely, the operation of OUH as an integrated academic health system that (i) reflects a transfer of the clinical assets and operations of OU Health Sciences Center (“OUHSC”), including its faculty practice, to OUH, and (ii) will function as an integrated academic health system focused on clinical excellence, education, research, and discovery with its mission closely aligned with that of the Trust and the University in pursuit of a shared vision of the parties.

- OUHPI. OU Health Partners, Inc. (“OUHPI”) was incorporated in the State of Oklahoma as a not-for-profit corporation for the primary purpose of serving as the clinical faculty practice plan for University faculty physicians in support of a more clinically integrated enterprise whereby OUH, OUHPI and the clinical faculty of OUCOM join together, with the support of the University, to advance the fulfillment of their shared health care, research, and education and training missions.
- Rebranding of OUH. The OUH Board will govern OUH and its subsidiaries and affiliates in accordance with the Amended and Restated Certificate of Incorporation of OUH and the Third Amended and Restated Bylaws of OUH.
- Mission Support. OUH will provide funding to the University to invest in its academic mission. Total Mission Support Payments will be made through two annual components: (i) base mission support and (ii) variable mission support.
- Leadership Structure. This agreement sets forth the leadership structure of the academic health system. In sum, the OUH Board will govern OUH and its subsidiaries and affiliates, including OUHPI, in accordance with the OUH Bylaws and OUHPI Bylaws.
- OUHPI Dual Employment. All Faculty Physicians employed by OUHPI who receive “full time” or “part time” faculty appointments from the OUCOM shall also be employed by the University for their non-clinical time.
- Faculty Physician Compensation. OUH shall compensate OUHPI for the clinical and the medico-administrative services of OUHPI employed physicians, including the Faculty Physicians.

- Joint Marketing. The University and OUH shall jointly develop and implement marketing plans, internal and external communications, and public relations services. The University and OUH's joint philanthropy activities will be governed by a separate Philanthropy Agreement.
- Restrictive Covenants.
  - Except as set forth elsewhere in the agreement, OUHPI is the sole and exclusive faculty practice plan of the University for the OUCOM Faculty in the State of Oklahoma.
  - OUHPI shall be the exclusive physician employment platform for OUH for physicians practicing in the State of Oklahoma, and neither OUH nor any Affiliate of OUH shall employ any physician excepts as set forth elsewhere in the agreement.
  - Subject to an exception process, within the State of Oklahoma, OUH and all Affiliates of OUH will (i) not contract for health care services with any non-OUHPI physicians; (ii) staff all OU Health clinical services and programs exclusively with OUHPI physicians; and (iii) maintain a closed medical staff of OUHPI physicians.
  - Exception Process: In the event the OUH CEO or the Chief Physician Executive (CPE) determines that OUH has a clinical services need within the State of Oklahoma for a non-employment physician contracting arrangement outside of OUHPI, such outside agreement can ultimately be approved as follows: (a) in the OKC market by a qualified majority of the OUH Board; and (b) outside of the OKC market by a simple majority of the OUH Board.
- Dispute Resolution. If a party considers a breach of this agreement or a breach of any OUH System Agreement to have occurred, then that party has the right to commence the dispute resolution process described this agreement. The Dispute Resolution Process is intended to resolve any and all questions, claims, controversies, or disputes arising out of or relating to this Agreement or any OUH System Agreement, including the validity, construction, meaning, performance, effect, or Material Breach or Fundamental Breach of this Agreement or any OUH System Agreement. This Agreement includes the detailed processes to be followed in the event of a dispute.
- Termination. Subject to ongoing negotiations regarding this provision, the parties may terminate the MAA or any OUH System Agreement only by mutual agreement or for a breach that is not resolved by the Dispute Resolution Process. In the event the Dispute Resolution Process does not result in the parties reaching agreement with respect to the resolution of a Dispute, then the party that issued the Dispute Resolution Notice has the right and option to terminate this Agreement. If the party that issued the Dispute Resolution Notice intends to terminate this agreement, it shall provide the other party a written notice of the termination, which shall specify the exact date of termination of this agreement, and any OUH System Agreement, which date shall be no less than 30 days after the date of the Termination Notice.
- Unwind. Subject to ongoing negotiations between the parties, in the event of a termination described above, OUH and the University shall have the following rights: (1) right to acquire OUH's membership interest in OUHPI, (2) acquire other non-inpatient assets and operations, and/or (3) the right to employ the employees of OUHPI and certain employees of OUH upon a termination.

B. OU Medicine, Inc. – Amended and Restated Certificate of Incorporation & Third Amended and Restated Bylaws

The Amended and Restated Certificate of Incorporation and the Third Amended and Restated Bylaws of OU Medicine, Inc. serve to outline the respective governance rights of the sole member of OUH, The University Hospitals Trust (the “Trust”) and the Board of Directors of OUH.

- Member and Member Reserved Powers: The sole member of OUH will be the Trust. The Trust will have reserved authority to approve the following actions: appointment of the five Class T directors as outlined below, any contribution by the Trust to OUH, and any amendment to the Bylaws or Certificate of Incorporation of OUH, provided that such amendment is previously approved by the Board of Directors of OUH.
- Board of Directors: The Board of Directors will be comprised of fifteen persons selected as follows:
  - The Trust shall select five voting board members (the “Class T Directors”);
  - The University of Oklahoma shall select five voting board members (the “Class U Directors”); and
  - Five voting community members shall be selected by a Nominating Committee (the “Community Directors”).
- Governance of OUH: Other than the Member Reserved Powers described above, the governance of OUH shall be exercised and its affairs conducted by the Board of Directors of OUH. Decisions by the Board of Directors shall be made in accordance with the Bylaws of OUH which includes certain actions that require approval by 51% of the Board of Directors, a super majority vote (70%), a qualified majority of at least 60% of the Board of Directors including at least a majority of the Class T and Class U Directors, or approval by a majority of each class of directors. While the Bylaws set forth certain actions that require different levels of approval, the Board of Directors may also set forth any additional actions within policies created by the Board of Directors.
- Conflicts of Interest: Any conflict of interest due to a director’s employment with the Trust, the University, or OU Health Partners, Inc. is waived by OUH.

C. OU Health Partners, Inc. – Certificate of Incorporation & Bylaws

The Certificate of Incorporation and the Bylaws of OUHPI serve to outline the respective governance rights of OUH and the University (collectively, the “Members”) and the Board of Directors of OUHPI.

- Members: OUH (the “Class A Member”) and the University (the “Class B Member”) are the Members of OUHPI
  - Class A Member Reserved Powers: The Class A Member has certain reserved powers set forth in the Bylaws of OUHPI, including without limitation, approval of operating and capital budgets, approval of any debt of OUHPI, approval of any amendment to the Certificate of Incorporation or Bylaws of OUHPI, approval of master clinical compensation, removal of directors and officers of OUHPI, and approval of any material asset sale, merger, dissolution, etc. of OUHPI.
  - Class B Member Reserved Powers: The Class B Member shall have (A) the same reserved powers as the Class A Member, but only to the extent of the Class B Member’s participation through its Class U Directors of OUH pursuant to the OUH Bylaws, and (B) the right to approve any contribution by the Class B Member to OUHPI. The Class B Member rights do not constitute an independent right of the Class B Member.

- Board of Directors: The Board of Directors of OUHPI shall be comprised of 16 members, including, the President of OUHPI, the SVP and Provost of the University, the OUCOM Executive Dean, ten health care providers comprised of clinical practice division leaders and clinical unit leaders elected by the Board of Directors of OUHPI, two licensed health providers elected by the Board of Directors of OUHPI, and the Chief Financial Officer of OUH.
- Governance of OUHPI: Other than the Class A and Class B Members reserved powers described above, the governance of OUHPI shall be exercised and its affairs conducted by the Board of Directors of OUHPI, including but not limited to the following actions, oversight of the fiscal performance of OUHPI, approval of draft annual and operating budgets of OUHPI (to be approved by OUH), approval of major financial transactions, approval of amendments to the Certificate of Incorporation or Bylaws of OUHPI, approval of clinical compensation policies, development of strategic and financial plans in connection with OUH, etc.

#### D. Physician Employment Agreement

This letter agreement is between OUHPI and each individual physician, and it extends an offer of employment in accordance with the work plan established by OUHPI and the University.

- Effective Date. January 1, 2022 or such sooner date as determined by OUH, OUHPI and OUCOM.
- Governing Documents. This agreement supersedes and replaces any prior negotiations, agreements or understandings the physician may have had with OUH, OUHPI or the University.
- Separate Employment with University. This agreement relates solely to the physician's clinical practice of medicine. Each physician will have a separate employment arrangement with the University relating to his or her faculty appointment duties and obligations.

#### E. Academic Affiliation Agreement

This agreement is necessary for the successful integration of the University's academic programs with OUH facilities. Moreover, this agreement is meant to foster the development of OUHSC as an institution of the highest quality and national reputation for medical education, clinical and translational research education, health professions education, clinical and translational research, and patient care services.

- Effective Date. July 1, 2021.
- Academic Health System Council. The Academic Health System Council will comprise education and research leaders from the University and OUH.
- OUH Facilities. OUH shall make certain OUH Facilities available for use by OUHSC Students, Residents, Fellows, other trainees, Faculty, and staff to conduct Academic Programs. OUH is responsible for maintaining those facilities to meet the requirements necessary for the accreditation of affiliated OUHSC Academic Programs, including GME and non-GME residency programs.
- Academic Strategic Plans. University and OUH shall, through the Academic Health System Council, develop five-year (5) academic strategic plans which shall include the UME Strategic Plan, the GME Strategic Plan, the OUHSC Health Professions Strategic Plan, the OUHSC Non-GME Residency Strategic Plan, the Clinical and Translational Research Strategic Plan, educational and training program initiatives, clinical and translational research priorities, capital

- expenditure planning, and performance goals and measures, and shall consider interdependencies with the Clinical Strategic Plans of OUHPI and OUH, and the goals of an academic health center.
- Academic Program Plans. University shall collaborate with OUH to develop annual operating plans.
  - OUCOM Faculty and Medical Staff. All individuals who will teach and supervise OUCOM Medical Students, Residents and Fellows must be appointed to the OUCOM Faculty, subject to the discretion of the OUCOM and the OUHSC qualifications, requirements, and standards for faculty appointments. OUCOM shall be responsible for assessing faculty applicants' credentials and determining and granting faculty rank and track.
    - OUCOM Dean. The University shall appoint and employ the Executive Dean of OUCOM. OUCOM Department Chairs will be recruited and recommended by the OUCOM Dean, appointed through the OUHSC Senior Vice President and Provost, and employed by the University for academic effort.
    - Medical Staff. OUCOM Faculty, Residents, and Fellows who provide services at OUH Facilities will be subject to and comply with the Medical Staff bylaws, rules, and regulations of OUHPI and OUH.
  - OUCOM Undergraduate Medical Programs. The University shall provide, operate, equip, furnish, and maintain such academic, clinical and translational research, and other facilities as appropriate for the operation of the OUCOM. OUCOM shall have sole authority and responsibility for the design, implementation, delivery, evaluation, and management of the OUCOM UME Program.
    - UME Faculty. Faculty for the OUCOM UME Program will be University faculty, selected through established University procedures, and may include OUCOM Volunteer Faculty and OUHSC Faculty from other undergraduate, graduate, and professional programs selected by OUCOM.
    - OUH Exclusive Provider of UME Clinical Teaching Sites. OUH shall be the exclusive provider within the OUH Service Area of inpatient and outpatient clinical teaching sites and facilities for the OUCOM UME Program through the OUH Facilities.
  - OUCOM Graduate Medical Programs. OUCOM shall be the exclusive academic Sponsor for all GME programs affiliated with OUH. Except in circumstances identified in the Agreement, OUH shall be the exclusive provider of inpatient and outpatient clinical teaching sites and facilities for OUCOM GME programs in the OUH Service Area.
    - Sponsorship and Accreditation. OUCOM will develop and conduct the GME Programs with OUCOM as the ACGME-designated Sponsoring institution and with OUH Facilities as the ACGME-designated principal providers of inpatient and outpatient clinical teaching sites.
    - GME Programs Oversight. OUCOM will exercise full management control and responsibility for the organization, accreditation, and operation of the OUCOM GME Programs, including assuring compliance with requirements of appropriate regulatory agencies and providing program oversight for all OUCOM GME Programs.
    - Residents and Fellows. The University, by and through OUCOM, will employ the OUCOM Residents and Fellows, will facilitate and cooperate with obtaining appropriate licenses for the matched/selected Residents and Fellows at all appropriate OUH Facilities. The University will pay reasonable stipend rates plus benefits to such Residents and Fellows, in accordance with the Funding Commitment between OUH and OUCOM then in effect including the provision of professional liability insurance deemed appropriate by OUCOM.

- OUHSC Health Professions Programs. This Agreement shall fully apply to the Academic Programs of all Health Professions Colleges (the “OUHSC Health Professions Colleges”), including Allied Health, Dentistry, Graduate Studies, Nursing, Pharmacy, Public Health and OUCOM non-UME programs, such as Physician Associate programs. OUH will exclusively contract with and utilize University for all academic activities that are the same or similar to the programs of the OUHSC Health Professions Colleges.
  - OUHSC Faculty. All individuals who will teach and supervise OUHSC Residents, Fellows, or Students must be appointed to the Faculty of the respective OUHSC Health Professions Colleges.
  - OUHSC Dean. The University shall appoint and employ the Dean of each OUHSC Health Professions College.
  - OUHSC Faculty Teaching in OUH Facilities. OUHSC Health Professions Faculty teaching in OUH Facilities will be recruited and appointed in accordance with applicable University and OUHSC policies and procedures. OUHPI medical staff or advanced practice professional membership, credentials, and privileges of the OUHSC Health Professions Faculty are subject to approval in accordance with OUHPI and OUH Medical Staff bylaws.
  - Medical Staff and Advanced Practice Professionals. OUHSC Health Professions Faculty, Residents, and Fellows who provide services at the OUH Facilities will be subject to and comply with the OUHPI and OUH Medical Staff bylaws, rules, and regulations.
- Clinical and Translational Research. OUH agrees to support clinical and translational research activities, including logistical and infrastructure support. The University and OUH shall work collaboratively to establish certain participatory sites for clinical and translational research programs (“Research Facilities”), including the University of Oklahoma Medical Center, the Oklahoma Children’s Hospital, and their respective hospital-based clinics; University facilities; and certain mutually-agreed affiliate sites outside the OUH.
  - OUHSC Clinical and Translational Research Unit. The University and OUH shall jointly develop the “OUHSC CTR Unit” to facilitate clinical and translational research for OUHSC Faculty members and OUHSC and OUH employees.
  - Clinical and Translational Research Program Plans. Clinical and Translational Research Program Plans will be developed across Centers of Excellence, Clinical Service Lines, Colleges, and other areas of OUHSC and OUH and reviewed by the Academic Health System Council.
  - Grants Administration. The University will exercise responsibility and control of grant proposals.
  - Clinical and Translational Research Management Support. University will exercise responsibility and control of research involving animals, biosafety, radioactive materials and recombinant DNA, each of which will be handled by the respective University committees.
  - Acknowledgment of University and OUH. University and OUH intend to jointly pursue acknowledgment in research publications, marketing-related documents, and applications related to OUHSC/OUH Clinical and Translational Research Program activities conducted at OUH Facilities.
  - OUH Clinical and Translational Research. OUHSC will be the exclusive partner for clinical and translational research conducted by OUH employees, provided that, the University may provide exemptions that permit OUH employees to conduct clinical and translational research independent from OUHSC.

- Research Affiliations. Except as detailed in the Agreement, with regard to clinical and translational research, OUHSC Colleges shall endeavor to conduct such studies only at OUH Facilities.

#### F. Master Services and Space Agreement

The Master Space and Services Agreement is between the University and OUH; the Agreement furthers the new integrated health system relationship by allowing either Party to provide space, and/or administrative or other non-clinical services to other Party.

- Effective Date. July 1, 2021.
- Governing Documents. This Agreement supersedes and replaces a certain Campus Services and Space Agreement, effective February 1, 2018, previously entered into between the Parties.
- Services/Space. The providing party will provide to the recipient the services and space set forth on Schedule 2.
- Financial Matters. Recipient shall compensate Provider a fair and reasonable rate for such Services/Space in accordance with the fee schedule set forth in the Agreement.
- Exclusivity. OUH agrees it will acquire the following services exclusively from the University at the facilities currently named OU Health University of Oklahoma Medical Center, Oklahoma Children's Hospital at OU Health and certain other locations as agreed to by the Parties where OUH conducts business on the OUH Medical Center Main Campus (the "Covered Location"):
  - Steam and chilled water utilities;
  - Police and security personnel;
  - all tunnel-based infrastructure services, including information technology, telecommunications and pneumatic tube system, until such time as the applicable service becomes technologically obsolete for the Covered Location; and
  - maintenance performed on space leased by OUH in buildings owned by the University.
- Personnel. Provider shall select, employ, supervise, pay and direct all personnel providing its Services/Space.
- Separate Service/Lease Agreements. The parties may elect to document their agreement with respect to the provision of Space by the providing party to the recipient by one or more separate lease agreements. Likewise, the parties may elect to document their agreement with respect to the provision of Services by one or more separate agreements.

#### G. Member Agreement

The Member Agreement is an agreement between OUH, the University, and OUHPI setting forth the financial contribution made by the University to OUHPI and an acknowledgement that the expenditure of such contribution will be in furtherance of and for a public purpose.

- Contribution: The University will make a contribution to OUHPI in a mutually agreed amount in consideration of net working capital, consisting of (A) a cash payment, (B) an agreement with OUH to decline and not accept certain monies owed to the University by OUH, and/or (C) Academic Physicians Insurance Company surplus monies which the University is entitled to receive.



#### H. Master Clinical Services Agreement

The Master Clinical Services Agreement sets out the parameters by which OUHPI provides the professional medical services of its Practitioners to patients of the System Sites and medical leadership and administrative services for the benefit of OUH and its Affiliates.

- Coverage. OUHPI will provide to OUH such professional medical services and clinical administrative leadership as are necessary or appropriate to provide full professional coverage for the OUH Facilities and to meet the needs of their patients.
- Removal of Practitioners. The agreement will contain a mutually agreeable process for removal of Practitioners.
- Payment for Services. OUH shall pay OUHPI compensation as described in the Compensation Methodology and Plan attached to the agreement. No payment shall be made to the extent such payment is attributable to professional medical services or clinical administrative services, which are not Core Services or Contracted Services, unless approved in advance and in writing by the CPE and the OUH COO.

#### I. Ancillary Services Agreement

This agreement provides that the University shall provide, through OUHSC Clinical Faculty outside of OUCOM (nursing, pharmacy, dentistry, etc.) certain professional services, consulting services, and coverage services described in the Services Supplement attached to the agreement.

- OUH Responsibilities Relating to the Services. OUH will furnish, at its expense, sufficient space, as reasonably determined by OUH, for the proper and efficient provision of the Services hereunder. OUH will also provide such ordinary services, including housekeeping and utilities, necessary for the efficient provision of the Services. In addition, OUH will provide the services of OUH departments, such as personnel, administrative, accounting, etc. as are reasonably necessary for the proper and efficient provision of the Services.
- Compensation. The University shall be compensated for the provision of Services by the OUHSC Providers in accordance with the payment methodology set forth on the Services Supplement. Payment for all Services shall be made by OUH to the University in accordance with the invoicing process set forth in the Master Affiliation Agreement.
- University Personnel. The University will pay all OUHSC Providers and other University personnel providing Services under this Agreement.

#### J. Integration and Purchase Agreement

The Integration and Purchase Agreement provides for the transfer of the Clinical Enterprise from the University to OU Health and OU Health Partners pursuant to the restructuring goals contemplated by the Restated Affiliation Agreements.

- Purchase Price. The aggregate purchase price to be paid by OUH to University for the Assumed Assets shall be \$7,700,000 as per the valuation by ECG. If the University receives notice of any claim arising out of liabilities that are not Assumed Liabilities, such amount, if any, shall be paid by the University in the form of a reconciliation under the Master Affiliation Agreement.
- Transfer of Assets. At the Closing, University shall transfer to OUH all of its interest in the assets which primarily or exclusively relate to, or are primarily or exclusively used or held for use by or on behalf of University in connection with the conduct or operation of the Clinical Enterprise. This includes:

- All tangible personal property
- Managed care contracts with Private Payment Programs
- Leases and other contractual rights relating to the personal property
- Real property leases to which University is a party
- Contracts and other contractual rights
- Computer hardware and data processing equipment held by University
- Etc. (as described further in the Integration and Purchase Agreement)
- Assumed Liabilities. OUH shall assume the following Liabilities of University: all Liabilities of University under the assumed Contracts and Leases or relating to the ownership or operation of the Assumed Assets, but only to the extent such Liabilities: (a) arise on or after the Closing Date and are attributable to OUH's operation of the Clinical Enterprise, and (b) arise out of or relate to underlying events, actions or failures to act occurring during the period from and after the Closing Date. Except with respect to the Assumed Liabilities, OUH shall not assume any liabilities or obligations of any kind whatsoever related to University, the Clinical Enterprise or any of the Assumed Assets. University agrees that it is retaining all Liabilities which are not Assumed Liabilities, and shall pay all such Liabilities promptly when due.
- Obligations Concerning Employees. Immediately before the Closing, University shall cease employing the designated clinical staff Employees. Following the Closing Date, University will continue to employ the credentialed provider Employees and provide professional services of the Faculty to OUHPI pursuant to the terms of the Interim Professional Services Agreement until the "Credentialed Provider Employee Transfer Date", which shall be January 1, 2022 or such earlier or later date as mutually agreed to by the Parties in writing, at which time they will be employed by OUHPI.

#### K. Hosting Services Agreement

The Hosting Services Agreement governs the rights and obligations of OUHSC as a provider and user of the Epic System and the terms regarding the hosting of the Epic System, including the University's obligations as a hosting services provider.

- Implementation. The University is solely responsible for establishing the technical infrastructure and software environments to host that core Epic infrastructure, pursuant to Epic specifications, and as required to enable OUH's use of the Epic System.
- License Grant by University. The University grants to OUH a limited, non-transferable, non-sublicensable right to access and use the Epic System to the same extent such right is granted to OUH in the Epic Agreement.
- Payment. OUH shall pay the University the monthly fees identified in Schedule A to this agreement.
- Termination without Cause. Any time after the third anniversary of the Effective Date, OUH shall have the right to terminate all or part of this agreement without cause by submitting a written notice to the University of its intent to terminate, upon payment in full of the applicable Termination Fee.

#### L. Interim Professional Services Agreement

The Interim PSA provides for the continued employment of the Faculty Physicians and other health professionals by the University between the Closing Date and the date they become employed by OUHPI for clinical practice purposes.

- Overview of Responsibilities. OUHPI appoints and engages the University to cause the Practitioners to provide the services described in the MSCA. The parties are separate entities operating independently, and University and the Practitioners shall be independent contractors with respect to OUHPI.
- Clinical Practice. OUHPI will control the provider Clinical Practice during the Transition Period and thereafter. OUH will maintain ultimate control over the delivery of Services and all operations relating to the Clinical Practice.
- University Services. Commencing on the Effective Date and continuing until the Transition Date, the University shall make the Practitioners available to OUHPI on an exclusive basis to provide services to and on behalf of OUHPI at the OUH Facilities and other System Sites contemplated by the MCSA.
- Obligations of OUH. OUH shall provide all equipment, facilities, supplies, and support services contemplated under the MCSA to allow the Practitioners to perform Services at the OUH Facilities and other System Sites.
- University Compensation. In consideration for the Services provided by the Practitioners under this agreement and under the MCSA, OUHPI shall pay the University compensation in accordance with Section 3.01 of the MCSA and the Compensation Methodology and Plan attached to the MCSA as Exhibit D.

#### M. IT Transition Services Agreement

The IT Transition Services Agreement provides for the orderly transition of the OUHSC and OU Physicians clinical assets and operations to OUH by requiring OUHSC to provide certain information technology services to OUH during the transition period.

- Services. OUHSC shall provide to OUH the Services expressly described in Exhibit A, which are to be used by OUH solely for the purpose of the operation of the Business during the Term and the transition and integration thereof.
- Fees. OUH will pay all fees and expenses for each Service as set forth in Exhibit A.
- Disclaimer of Warranties. OUH acknowledges that OUHSC does not regularly provide third party services such as the Services, and therefore each party disclaims are representations or warranties with respect to the services to be provided or received by it.

#### N. Trademark License Agreement

The Trademark License Agreement provides for the University's grant of a license to OUH authorizing certain uses of its respective institutional name, mark, and logos.

- Ownership. The University shall remain the exclusive owner of the Licensed Marks.
- Trademark Management Committee. The University agrees that, during the term of this License Agreement, the Senior Vice President of Marketing or such other comparable agent for OUH shall be permitted to serve on the University's Trademark and Licensing Committee or such other committee that reviews, approves, and oversees use of the University's brands.
- Termination. The University shall have the right to terminate this agreement in its entirety in accordance with the termination procedures described in the MAAs.

President Harroz recommended the Board of Regents authorize the President or his designee, subject to Legal Counsel review, to:

- I. Negotiate final terms and execute all definitive transaction agreements listed herein in conformity with the key terms as listed below; and
- II. Take all other actions that may be necessary and appropriate for the University to integrate its faculty practice plan and associated assets with OU Medicine, Inc. d/b/a OU Health or its subsidiaries.

Regent Shirley moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

### **AMENDMENT TO OU DEPENDENT CHILD TUITION WAIVER PROGRAM – HSC**

The OU Board of Regents approved the Program on December 4, 2014 and certain guidelines were implemented to ensure consistent application of the Program. Those guidelines include eligibility requirements that provide, in part, that in order to participate in the Program an employee must be employed in a benefits eligible position and appointed at .75 FTE, as well as enroll himself/herself and their dependent(s) in the OU employee medical insurance plan. Currently, faculty members who also provide services to the University of Oklahoma Health Sciences Center (“HSC”) are included as eligible for the Program so long as they satisfy the requirements described above.

As part of the integration with Oklahoma University Medicine, Inc. (“OUMI”), faculty members who provide professional services on behalf of HSC will become employed by OUHP with regard to that service. As a result, those faculty members will become dually-employed such that they will remain employed by OU with regard to their faculty services and will become simultaneously employed by OUHP with regard to their clinical services. Under this dual-employment relationship, a faculty member may or may not continue to be a .75 FTE. Further, regardless of FTE status, all dually-employed faculty members will cease to be eligible under the OU medical insurance plan and instead will become eligible for medical benefits offered through their employment by OUHP. As a result, such dually-employed faculty members would no longer be able to satisfy the eligibility requirements of the Program.

In order to avoid this unintended consequence of the integration and the dual-employment structure, and subject to the Program’s continued compliance with the requirements of Internal Revenue Code Section 117, the University desires to amend the Program to extend eligibility thereunder to all faculty members who are dually-employed by OU and OUHP regardless of whether the faculty member is in a benefits eligible position and appointed at .75 Full-Time Equivalent (FTE), and without requiring that the faculty member or his/her dependent child be enrolled in or added to the OU employee medical insurance plan.

President Harroz recommended the Board of Regents amend the OU Dependent Child Tuition Waiver Program (the “Program”) to extend eligibility under the Program to faculty members who become dually-employed by OU and Oklahoma University Health Partners, Inc. (“OUHP”) regardless of whether the faculty member is in a benefits eligible position and appointed at .75 Full-Time Equivalent (FTE), and without requiring that the faculty member or his/her dependent child be added to OU employee medical insurance plan.

Regent Nagel moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

**TRANSFERRING PAID TIME OFF FOR STAFF AS PART OF THE OU HEALTH INTEGRATION – HSC**

As part of the integration, the full-time employment of some staff will transition from the University to OUMI or OUHPI. Current University policy provides that employees may receive a maximum accrual of 336 hours of PTO before earned hours automatically begin accruing to an individualized ESL bank. Ordinarily, a terminating employee receives the cash value of PTO hours up to the “annual accrual rate” on a final University paycheck as long as the employee is in good standing. The “annual accrual rate” under University policy is determined by years of service or position, but it is in every case lower than the “maximum accrual rate” of 336 hours for all employees. In order to ensure transferring employees receive the actual vacation hours they have accrued at the University and to preserve their ability to take time off in the future, all PTO accrued at the time of transfer will be carried forward to OUMI or OUHPI and paid in accordance with the applicable organization’s policies.

President Harroz recommended the Board of Regents approve transferring to OU Medicine, Inc. (“OUMI”) or OU Health Partners, Inc. (“OUHPI”) the entire balance of Paid Time Off (“PTO”) for each University employee who transfers employment to that respective organization. This approval does not include the transfer of Extended Sick Leave (“ESL”) for any employee or PTO for faculty and retiring employees.

Regent Nagel moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

**AMENDMENT TO UNIVERSITY OF OKLAHOMA DEFINED CONTRIBUTION RETIREMENT PLAN – HSC**

The University sponsors and maintains the Plans, as amended and restated effective January 1, 2011, for the benefit of its eligible employees, including, but not limited to, those who provide services to the University of Oklahoma Health Sciences Center (“HSC”). The Plans includes a vesting requirement under which a participant must complete three years of service in order to become 100% vested in his or her Institution Contributions. As part of the integration with OUMI, certain Plans participants who provide services to the HSC will become employed by OUMI effective July 1, 2021, and will therefore no longer accrue additional years of service credited toward vesting under the Plans. In order to ensure that those participants with less than three years of service under the Plans who become employed by OUMI are not negatively impacted by the integration, amendments are needed to accelerate their vested status as of July 1, 2021.

In addition to the above, the Plans currently provide for an Institution Contribution for faculty members who provide professional services on behalf of HSC based, in part, on the portion of their total salary attributable to those services. As part of the integration with OUMI, faculty members who provide professional services on behalf of HSC will become employed by OUHP with regard to those service. As a result, those faculty members will become dually-employed such that they will remain employed by the University with regard to their faculty services and will become simultaneously employed by OUHP with regard to their clinical services. Under this dual-employment relationship, the Plans will only take into account the services performed for, and compensation paid by, the University for prospective contribution purposes.

In order to account for the new dual-employment structure, the recommendation is to remove the current contribution provisions from the Plans for those faculty participants described above as it will no longer be applicable. Those contribution provisions would be replaced with a new annual contribution limited to faculty members who are dually-employed by the University and OUHP. The amount of the new annual contribution would be determined on an annual basis in a manner intended to maintain the same level of retirement benefits for those impacted faculty members, subject to limits established by the Internal Revenue Service.

President Harroz recommended the Board of Regents authorize the adoption of amendments to the University of Oklahoma Optional Retirement Plan (“ORP”) and the University of Oklahoma Defined Contribution Retirement Plan (“DCP”) (hereinafter referred to collectively as the “Plans”) to:

- I. Immediately vest the accounts of all Eligible HSC Employee (as that term is defined under the Plans) with less than three years of service under the Plans who become employees of Oklahoma University Medicine, Inc. (“OUMI”) as of July 1, 2021; and
- II. Replace the portion of the current Institution Contribution that is based on the Supplemental Salary earned by faculty members of HSC for professional services rendered on behalf of HSC with a new annual contribution for the benefit of faculty members who become dually-employed by Oklahoma University Health Partners, Inc. (“OUHP”) and the University.

Regent Nagel moved approval of the recommendation. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

## **MINUTES**

Regent Shirley moved approval of the minutes of the meeting held on May 27-28, 2021, as printed and distributed prior to the meeting. The following voted yes on the motion: Regents Albert, Shirley, Stevenson, Holloway, and Nagel. The Chair declared the motion unanimously approved.

## **FOR INFORMATION ONLY ITEM**

Also included in the agenda was the following item that was identified, by the University administration, as “For Information Only.” No action was required, but discussion, comments or consideration could have occurred if requested.

## **ESTATE GIFT OF EARL ZIEGLER**

The University of Oklahoma Foundation will receive a transformative gift from the estate of Earl and Fran Ziegler of Dallas, Texas. Mr. Ziegler, an OU alumnus, longtime donor and avid supporter, died in December 2020 at the age of 95. Fran predeceased him in April 2002. Ziegler left nearly his entire estate, valued at more than \$45 million, to the Ziegler Foundation with the directive that his charitable namesake be dissolved and its assets transferred to the OU Foundation. This gift will benefit numerous areas at OU, but most especially the Fran and Earl Ziegler College of Nursing on the OU Health Sciences Center campus, which will receive approximately \$21 million to support the college. In addition, Stephenson Cancer Center will receive \$14 million to support cancer research which will fully satisfy the challenge gift made by Charlie and Peggy Stephenson in 2019. Other areas of support include scholarships for all OU

undergraduate students, both scholarships and fellowships in petroleum engineering and an operational endowment for the Sam Noble Museum of Natural History. This estate gift brings the Ziegler's cumulative giving to OU to more than \$50 million and fortifies their legacy among OU's most generous and beloved benefactors.

Fran and Earl Ziegler grew up together in Seminole County and attended OU, where he earned a bachelor's degree in petroleum engineering in 1952 and she earned a degree in history and economics in 1949. They were married on June 1, 1952.

The Zieglers' magnanimous support of their alma mater leaves an indelible impact at OU, particularly at the Health Sciences Center, where their lifetime giving resulted in the 2015 naming of the Fran and Earl Ziegler College of Nursing, the state's largest nursing program. In 1997, they endowed a Visiting Nurse Scholar Program, enabling the college to bring in experts in such areas as managed care, community nursing, nurse utilization, ethics, health care reform and health politics. Two years later, their support helped establish an endowed position in palliative care and was a foundational gift toward creating OU's Palliative Care Program, a multidisciplinary education initiative for students, residents and health care professionals to provide advanced training in end-of-life care. They also established an endowment that provides 40 scholarships a year to OU nursing students.

The couple also contributed to petroleum engineering scholarships and Sooner Heritage Scholarships on OU's Norman campus. For their outstanding dedication to the University, both Fran and Earl were honored with OU Regents' Alumni Awards in 1999. Earl was also an Endowed OU President's Associate who supported the Energy Center and the Alumni Scholars Program. Fran served on the Campaign Council to build the Sam Noble Museum of Natural History, and she and Earl provided support for the Museum's construction and endowment.

Earl and Fran also donated the Allan Houser sculpture, "Homeward Bound," on the OU Norman campus and the "Dreamcatcher" sculpture by Star Liana York on the OU Health Sciences Center campus. Both sculptures are indicative of the Zieglers' love for Southwestern art.

No action was proposed. This item was for information only.

There being no further business, the meeting adjourned at 1:13 p.m.

---

Chris A. Purcell, Ph.D.  
Executive Secretary of the  
Board of Regents



23 May 2021

To whom it may concern,

My name is Kurt LeVan and I have the distinct privilege of serving as the President of the Student Government at Rogers State University. One of the duties I am entrusted to discharge in this capacity is to act as the formal representative of the student body at RSU to our university leadership and to those in our State's higher education administration.

After discussing a proposed fee increase with the President Rice and Dr. Rasor and meeting with my fellow students I would like to express to you that although we are never excited about an increase in the cost of attending our institution, we understand why this budgetary move is necessary and that the decision was not made lightly.

Given the knowledge of the proposed fee increase and what it will do for my fellow students, I am issuing an Executive Decree in support of the policy presented to the student body by President Rice and Dr. Rasor. Thank you in advance for your consideration.

Given under my hand,

Kurt J. LeVan

President, Student Government Association

Rogers State University

*Fortitudinem per Unitatis*



**OU - Norman Campus**  
**FY21 Projections and FY22 Proposed Budget**  
(\$ in thousands)

	----- FY 2021 -----			FY 2022	FY2022 Budget Comments/Assumptions
	Original Budget	YTD Actuals (Jul. - Mar.)	Projected Actuals Annualized	Proposed Budget	
<b>Operating Revenues</b>					
Student tuition and fees (net of scholarship allowances)	336,680	323,064	345,540	365,156	2.75% tuition/fee increase; growth in new freshmen (\$1.4M), transfers (\$0.4M), and OU Online (\$11M)
Federal grants and contracts	113,200	93,424	124,565	135,153	8.5% growth consistent with strategic plan
State grants and contracts	54,200	30,217	40,289	40,692	Consistent with FY21 revenue levels
Private grants and contracts	26,300	7,719	10,292	10,395	Consistent with FY21 revenue levels
Sales and services of educational activities	11,200	2,763	3,684	11,000	Return to pre-COVID levels for conferences and events
Sales and services of auxiliary enterprises:					
Housing and food service revenues	66,400	39,735	56,313	73,751	Return to regular operations with 3% rate increase and opening of Cross (\$3.2M)
Net athletic revenues	57,800	40,589	54,119	107,586	Return to regular operations
Other	30,300	20,520	24,952	26,695	Return to pre-COVID levels for Goddard Health, Parking, Fit & Rec., etc.
Other revenues	13,700	12,520	16,693	16,750	Consistent with FY21 revenue levels
Total operating revenues	<u>709,780</u>	<u>570,551</u>	<u>676,448</u>	<u>787,179</u>	
<b>Operating Expenses</b>					
Compensation and benefits	517,700	412,876	521,528	529,655	Removes \$6.8M in Advancement salaries moved to OUF; \$3M in hiring associated with Strategic Plan; \$0.8M for faculty equity; \$2M in net new faculty; \$4M associated with faculty/staff costs from anticipated growth in OU Online
Contractual services	123,700	149,123	190,546	208,409	Adds \$6.5M in Advancement funding to OUF; \$2M in university-wide marketing; \$2M in OU Online marketing; \$2.5M profit share with OU Online partner
Supplies and materials	36,500	21,490	28,653	37,740	Consistent with pre-COVID spending
Depreciation	75,000	55,845	74,460	76,260	Mid-year addition of Cross Housing Complex
Utilities	46,000	43,545	58,060	46,500	Consistent with pre-COVID level; \$11M increase in FY21 due to natural gas prices
Communications	7,000	5,516	7,355	7,140	Consistent with pre-COVID level
Scholarships	47,000	26,378	28,378	28,000	Consistent with FY21 trends
Travel	21,500	4,536	6,048	28,050	Travel returns to pre-COVID levels
Other expense	70,500	21,736	28,981	33,292	Consistent with pre-COVID levels, plus \$500k for scoping of buildings in Strategic Plan; \$1.3M for hail/ice storm deductible
Total operating expenses	<u>944,900</u>	<u>741,045</u>	<u>944,009</u>	<u>995,046</u>	
Operating loss	<u>(235,120)</u>	<u>(170,494)</u>	<u>(267,561)</u>	<u>(207,867)</u>	
<b>Nonoperating Revenues and (Expenses)</b>					
State appropriations	107,300	87,133	110,881	117,281	Includes \$5M in support of Engineering faculty hires
State on-behalf payments	11,800	12,053	16,071	16,321	State OTRS contribution; consistent with compensation and benefits cost
Federal grants and contracts	38,900	33,613	42,167	70,341	Expect \$37M in HEERF II and III funds drawn in FY22
State grants and contracts	12,500	13,506	18,740	17,569	Consistent with FY21, except for \$1M one-time State COVID relief received in FY21
Private gifts	55,000	43,853	53,614	61,958	FY22 includes \$10M one-time transfer of cash from Athletics' accounts at OU Foundation to OU to generate greater return within State investment pool
Interest on indebtedness	(36,700)	(24,391)	(34,521)	(41,888)	Growth due to timing of refundings and addition of Cross Housing
Net investment income/loss	3,000	15,378	15,500	11,359	Three-year average of return on investment
Endowment income	4,500	6,040	6,500	6,500	Income from OSRHE endowment and Regents' Fund at OUF
Net nonoperating revenues	<u>196,300</u>	<u>187,185</u>	<u>228,952</u>	<u>259,441</u>	
Income/(loss) before other revenues, (expenses), gains, or (losses)	(38,820)	16,691	(38,609)	51,574	
<b>Other Revenue, Expenses, Gains or Losses</b>					
State appropriations for capital projects	-	-	-	10,000	\$10M in support of capital projects included in Strategic Plan
Build America Bonds Subsidy	700	361	481	-	Not applicable due to recent bond refundings
Private gifts for capital assets	10,500	5,298	11,298	12,000	\$3M for Armory; \$3M for Gallogly Hall; \$6M for miscellaneous projects
State school land funds	7,280	6,827	9,103	9,100	Consistent with prior year returns from Oklahoma Land Commission
On-behalf payments for OCIA capital leases	2,700	2,002	2,669	2,700	Consistent with prior year
Gain (loss) on sale of fixed assets	-	-	-	2,000	Gain on property sales tied to Strategic Plan
Total other revenue, (expenses), gains, or (losses)	<u>21,180</u>	<u>14,488</u>	<u>23,551</u>	<u>35,800</u>	
<b>Change in Net Position</b>	<u>(17,640)</u>	<u>31,179</u>	<u>(15,058)</u>	<u>87,374</u>	

**University of Oklahoma - Tulsa Campus (Norman Programs)**  
**Proposed FY 2022 Operating Budget**

**EXHIBIT B**  
Attachment 1

	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Budget FY 2022</b>
<b>Operating Revenues</b>			
Student tuition (net of scholarship allowance)	2,557,806	2,274,851	2,311,800
Mandatory student fees	1,957,641	1,739,278	1,960,357
College specific fees	395,922	360,001	321,843
Research centers	708,257	528,724	1,339,366
Indirect cost transfer	160,000	160,000	90,000
Other revenues	345,719	36,560	-
Total operating revenues	<u>6,125,345</u>	<u>5,099,413</u>	<u>6,023,366</u>
<b>Operating Expenses</b>			
College of Architecture	245,440	237,778	237,601
College of Arts & Sciences	3,644,145	3,310,311	3,381,533
College of Business	28,906	75,000	75,000
College of Education	2,777,091	2,558,838	2,647,201
College of Engineering	1,020,769	992,898	958,589
Enrollment Management	326,048	111,227	95,810
Student Affairs <sup>A</sup>	287,897	242,141	444,511
University Libraries <sup>A</sup>	184,363	88,414	413,133
Administration <sup>B</sup>	2,183,213	2,235,439	2,371,331
Total operating expenses	<u>10,697,872</u>	<u>9,852,045</u>	<u>10,624,707</u>
Operating loss	<u>(4,572,527)</u>	<u>(4,752,632)</u>	<u>(4,601,341)</u>
<b>Nonoperating Revenues and (Expenses)</b>			
State appropriations	3,681,415	3,487,211	3,487,211
State school land funds	50,728	-	-
Norman Campus transfer	83,902	115,915	56,000
HSC/College of Medicine transfer	400,000	400,000	400,000
Private gifts	202,535	404,098	454,926
Endowment income	448,656	393,502	315,622
Net nonoperating revenues	<u>4,867,236</u>	<u>4,800,725</u>	<u>4,713,759</u>
<b>Change in Net Position</b>	<u><b>294,709</b></u>	<u><b>48,093</b></u>	<u><b>112,417</b></u>

<sup>A</sup> Increases in FY22 budget related to planned one time expenses in Student Affairs and University Libraries.

<sup>B</sup> Administration includes the OU Tulsa areas of Academic Affairs, President, Marketing & Communications, and Advancement.

Note: See breakout of operating expenses for each reported unit by natural classification on the following page.

**University of Oklahoma - Tulsa Campus (Norman Programs)**  
**Operating Expense Budget Detail**

**EXHIBIT B**  
**Attachment 1**

	<u>College of Architecture</u>	<u>College of Arts &amp; Sciences</u>	<u>College of Business</u>	<u>College of Education</u>	<u>College of Engineering</u>	<u>Enrollment Management</u>	<u>Student Affairs</u>	<u>University Libraries</u>	<u>Administration</u>	<u>Total FY22 Budget</u>
<b>Operating Expenses</b>										
Compensation - Faculty	182,853	2,156,307	-	1,103,454	573,309	-	-	72,500	302,592	4,391,015
Fringe Benefits - Faculty	46,748	623,143	-	301,706	136,390	-	-	5,633	87,829	1,201,449
Compensation - Staff	-	299,028	57,100	710,016	45,600	60,000	119,155	-	778,183	2,069,082
Fringe Benefits - Staff	-	78,748	17,900	76,436	9,456	18,810	37,355	-	243,960	482,665
Contractual Services	-	6,242	-	6,990	500	-	-	-	250	13,982
Supplies and Materials	3,900	30,500	-	30,403	28,000	5,000	-	30,000	14,000	141,803
Utilities	-	15,000	-	25,000	20,000	-	-	-	28,100	88,100
Communications	1,600	-	-	21,720	-	-	-	-	-	23,320
Travel	1,500	13,200	-	35,000	4,000	2,000	-	-	19,000	74,700
Other	1,000	159,364	-	336,476	141,334	10,000	288,000	305,000	897,417	2,138,591
Total operating expenses	<u>237,601</u>	<u>3,381,532</u>	<u>75,000</u>	<u>2,647,201</u>	<u>958,589</u>	<u>95,810</u>	<u>444,510</u>	<u>413,133</u>	<u>2,371,331</u>	<u>10,624,707</u>

Note: This page presents a natural expense classification detail of the operating expenses reported at page 4 for OU-Tulsa.

**University of Oklahoma**  
**College of Law**  
**Proposed FY 2022 Operating Budget**

**EXHIBIT B**  
Attachment 1

	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Budget FY 2022</b>
<b>Operating Revenues</b>			
Student Tuition (net of waivers)	14,459,517	17,619,313	16,923,958
Mandatory Student Fees	3,518,953	3,602,957	3,832,065
Program Specific Fees	199,289	75,000	90,750
Other	706,529	325,897	286,000
Total operating revenues	18,884,288	21,623,167	21,132,773
<b>Operating Expenses</b>			
Compensation - Faculty	7,622,423	7,823,998	7,994,597
Fringe Benefits - Faculty	2,108,581	2,135,274	1,949,467
Compensation - Staff	3,307,250	3,346,471	3,701,306
Fringe Benefits - Staff	914,880	1,083,886	1,040,127
Contractual Services	5,920,879	4,258,747	5,110,488
Supplies and Materials	893,159	687,052	965,300
Utilities	413,162	248,497	400,000
Communications	100,657	115,621	115,000
Scholarships	2,051,227	1,876,163	1,836,000
Travel	458,482	15,794	576,252
Other	324,051	906,555	1,209,405
Total operating expenses	24,114,751	22,498,058	24,897,943
Operating loss	(5,230,463)	(874,891)	(3,765,170)
<b>Nonoperating Revenues and (Expenses)</b>			
State Appropriations	4,685,656	4,500,727	4,500,727
Endowment Income	548,786	539,741	487,091
Private Gifts	-	1,662	-
Net nonoperating revenues and (expenses)	5,234,442	5,042,130	4,987,818
<b>Change in Net Position</b>	<b>3,979</b>	<b>4,167,239</b>	<b>1,222,648</b>

**University of Oklahoma  
Oklahoma Geological Survey  
Proposed FY 2022 Operating Budget**

	<b>Actual FY 2020</b>	<b>Projected FY 2021</b>	<b>Budget FY 2022</b>
<b>Operating Revenues</b>			
SOER Research	200,000	-	-
Sponsored research initiative	14,743	17,184	20,000
Sales & services	137,590	149,440	259,811
Total operating revenues	352,333	166,624	279,811
<b>Operating Expenses</b>			
Compensation - Faculty <sup>A</sup>	800,006	920,586	1,198,025
Fringe Benefits - Faculty <sup>A</sup>	259,500	313,697	363,074
Compensation - Staff <sup>A</sup>	838,835	670,842	875,444
Fringe Benefits - Staff <sup>A</sup>	274,229	225,382	261,013
Contractual services	185,369	186,424	82,344
Supplies and materials	61,366	17,810	13,422
Utilities <sup>B</sup>	61,478	37,009	-
Communications	80,173	77,149	70,000
Travel	48,534	359	24,937
Other	56,433	29,185	23,153
Total operating expenses	2,665,923	2,478,444	2,911,412
Operating loss	(2,313,590)	(2,311,820)	(2,631,601)
<b>Nonoperating Revenues and (Expenses)</b>			
State appropriations	2,645,913	2,686,314	2,631,601
OPIC utility transition <sup>B</sup>	80,000	120,000	-
Foundation income	-	1,500	-
Net nonoperating revenues and (expenses)	2,725,913	2,807,814	2,631,601
<b>Change in Net Position</b>	<b>412,323</b>	<b>495,994</b>	<b>-</b>

<sup>A</sup> The OGS FY22 budget contains \$459,915 in compensation and fringe for vacant positions; if these positions are not filled, OGS will have a budget surplus in line with previous fiscal years.

<sup>B</sup> Agreement with Facilities Management to fund utilities related to the OPIC facility over the course of 3 years. In FY22 utility costs associated with OPIC will be part of the Facilities budget.

**FY21 Budget Projections and FY22 Preliminary Budget**  
**OU Health Sciences Center**  
(\$ in thousands)

	FY 2021			FY 2022	FY 2022 Budget Comments/Assumptions
	Original Budget	YTD Actuals Jul - Mar	Projected Actuals Annualized	Preliminary Budget	
<b>Operating Revenues</b>					
Student tuition and fees (net of scholarship allowances)	63,627	60,263	63,627	64,905	Undergraduate and select professional programs increases
Federal stimulus funds	-	-	0	0	
Patient care	381,696	308,965	411,953	62,287	OUP moving to OU Health
Pharmaceutical sales	101,566	76,763	102,351	88,443	Cancer center pharmacies to OU Health
Federal grants and contracts	82,896	73,106	97,475	97,475	
State grants and contracts	51,818	48,516	64,688	60,688	
Private grants and contracts	161,841	132,509	176,679	243,884	Contract adjustments related to OU Health transition
Sales and services of educational activities	1,941	1,395	1,860	1,860	
Sales and services of auxiliary enterprises:					
Steam and Chill	7,808	5,678	7,571	7,571	
Other	43,498	25,168	33,557	35,857	
Other revenues	11,454	11,595	15,460	19,801	Increased services related to OU Health transition
<b>Total operating revenues</b>	<b>908,145</b>	<b>743,958</b>	<b>975,220</b>	<b>682,771</b>	
<b>Operating Expenses</b>					
Compensation and benefits:					
Faculty	128,543	99,993	133,324	134,179	
Faculty Benefits	38,771	30,199	40,265	40,526	
PPP Supplements	169,187	135,746	180,995	101,381	Adjustment related to OU Health transition
PPP Benefits	27,227	23,868	31,824	17,581	Adjustment related to OU Health transition
Staff	284,270	213,387	284,516	235,208	Adjustment related to OU Health transition
Staff Benefits	73,923	61,890	82,520	61,924	Adjustment related to OU Health transition
OPEB/Pension expense	19,700	14,775	19,700	49,700	Estimate based on OTRS report
Contractual services	88,536	71,913	95,884	74,480	Adjustment related to OU Health transition
Supplies and materials	127,025	98,578	131,437	102,983	Adjustment related to OU Health transition
Depreciation	28,515	19,520	26,027	25,382	
Utilities	13,758	13,522	18,029	13,039	
Communication	5,490	6,860	9,147	7,260	Adjustment related to OU Health transition
Scholarships	2,363	2,512	2,363	2,363	
Other expense	45,100	36,710	48,947	23,258	Adjustment related to OU Health transition
<b>Total operating expenses</b>	<b>1,052,408</b>	<b>829,473</b>	<b>1,104,978</b>	<b>889,264</b>	
<b>Operating loss</b>	<b>(144,263)</b>	<b>(85,515)</b>	<b>(129,757)</b>	<b>(206,493)</b>	
<b>Nonoperating Revenues and (Expenses)</b>					
State appropriations	71,813	57,556	74,378	75,963	Reflects a 2.22% increase
State on-behalf payments	12,399	10,600	12,399	12,399	
Private gifts	12,077	9,088	12,117	12,117	
Interest on indebtedness	(6,617)	(2,854)	(6,617)	(4,774)	Reductions related to recent bond refunding
Investment income/loss	17,057	12,255	16,340	15,590	Reduction due to OUP moving to OU Health
Endowment income	19,803	13,140	17,520	17,520	Income from OSRHE endowment and OU Regents
<b>Net nonoperating revenues and (expenses)</b>	<b>126,532</b>	<b>99,785</b>	<b>126,137</b>	<b>128,815</b>	
<b>Income before other revenues, (expenses), gains, or (losses)</b>	<b>(17,731)</b>	<b>14,270</b>	<b>(3,620)</b>	<b>(77,678)</b>	
<b>Other Revenue, Expenses, Gains or Losses</b>					
State grants and contracts for capital projects	5,000	3,750	5,000	5,000	
State appropriations for capital projects	5,000	4,073	5,000	5,000	
Private gifts for capital projects	-	670	0	0	
State school land funds	3,283	2,819	3,283	3,998	
OUHPI capitalization			0	(75,000)	One-time capitalization of OU Health Partners, Inc.
<b>Total other revenue, (expenses), gains, or (losses)</b>	<b>13,283</b>	<b>11,312</b>	<b>13,283</b>	<b>(61,002)</b>	
<b>Change in Net Position</b>	<b>(4,448)</b>	<b>25,582</b>	<b>9,663</b>	<b>(138,680)</b>	

**FY21 Budget Projections and FY22 Preliminary Budget**  
**OU Health Sciences Center - Tulsa Campus**  
**(\$ in thousands)**

	Budget FY2021	Projected Actuals FY2021	Budget FY2022
<b>Operating Revenues</b>			
Student fees	215,000	215,540	255,565
Sales and services of auxiliary enterprises	2,112,602	1,968,169	2,350,000
Other revenues	260,000	260,985	274,035
Total operating revenues	<u>2,587,602</u>	<u>2,444,695</u>	<u>2,879,600</u>
<b>Operating Expenses</b>			
Central Services	706,547	422,140	565,153
Voice & Data	3,640,635	2,647,936	4,127,974
Operations	5,350,323	5,647,355	5,859,332
Campus Police	1,153,433	1,088,379	1,171,075
Human Resources	438,320	310,367	416,520
Student Services	318,740	279,754	547,769
Library	988,122	807,496	1,002,690
Total operating expenses	<u>12,596,122</u>	<u>11,203,427</u>	<u>13,690,513</u>
Operating loss	(10,008,520)	(8,758,733)	(10,810,913)
<b>Nonoperating Revenues and (Expenses)</b>			
State appropriations	6,035,863	6,035,863	6,339,638
Private gifts	120,000	120,150	126,158
HSC campus transfer	3,852,657	2,872,732	4,345,117
Net nonoperating revenues and (expenses)	<u>10,008,520</u>	<u>9,028,746</u>	<u>10,810,913</u>
Income before other revenues, (expenses), gains, or (losses)	<u>-</u>	<u>270,013</u>	<u>-</u>
<b>Change in Net Position</b>	<u>-</u>	<u>270,013</u>	<u>-</u>