THURSDAY, APRIL 3, 2014
AUDIT AND COMPLIANCE COMMITTEE MEETING

Algenon L. Marbley
Michael J. Gasser
Ronald A. Ratner
William G. Jurgensen
Stacie E. Seger
Lawrence A. Hilsheimer
Amy Chronis
Craig S. Morford
Robert H. Schottenstein (ex officio)

Location: Prior Hall
Room 550

Time: 9:15-10:45am

ITEMS FOR DISCUSSION

1. FY 2014 External Audit Plan – Mr. Stover
   Time: 9:15-9:30am

2. Compliance and Integrity Program – Mr. Culley, Mr. Garrity-Rokous
   Time: 9:30-9:40am

ITEM FOR ACTION

3. Establishment of a New University Affiliate: OSU Brazil Gateway, Ltd.
   - Dr. Steinmetz
   Time: 9:40-9:50am

Executive Session
Time: 9:50-10:45am
The Ohio State University
External Audit Plan
FY 2014
Audit & Compliance Committee
of the Board of Trustees
April 3, 2014
Contents

Executive Summary
Engagement Scope and Deliverables
PwC Engagement Team Update
FY 2014 Audit Plan

Appendices
Expanded Discussion on Areas of Focus
A-133 Updated
Summary of University entities under the PwC audit contract
Timeline for FY 2014 Audit Process
Executive Summary

The highlights of our 2014 audit plan included in this document are:

• FY 2014 Audit Scope
• Significant risks and areas of audit emphasis
• New matters for FY 2014
• Our commitment to improvement
• Emerging guidance
Engagement Scope and Deliverables

Audit Scope

PwC has adopted a consistent approach for our audit procedures. We scope our work to perform an audit of the various stand alone financial statements. Overall we must achieve sufficient coverage to express an opinion on the University's consolidated financial statements as a result of our audit conducted in accordance with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAS).

A-133 Reporting

Additional procedures are required for performing an audit of compliance with requirements applicable to each major federal program in accordance with Office of Management & Budget Circular A-133. At the time of preparing this report, we have identified two major programs (research and development and student financial aid) that will be subject to our OMB Circular A-133 audit for the year ending June 30, 2014. We will perform our scoping procedures to identify other major programs required to be tested once interim information becomes available. During fiscal 2013, we tested eight other programs as major programs in additional to research and development and student financial aid clusters.
Engagement Scope and Deliverables (cont...)

- Audit reports of the following financial statements of the University for the year ending June 30, 2014
  - Consolidated activities of The Ohio State University (including ORC compliance procedures)
  - The Ohio State University Health System
  - The Ohio State University Foundation
  - Transportation Research Center of Ohio, Inc. (including benefit plan audit)
  - The Ohio State University Health Plan
  - Ohio State University Physicians, Inc. (OSUP)
  - WOSU Public Media
  - Global Gateways, LLC (year ending December 31, 2013)
  - The Ohio State University Department of Athletics
  - Wexner Center for the Arts (review procedures)
Engagement Scope and Deliverables (cont...)

• Reports on federal funds compliance in accordance with OMB Circular A-133 for the University

• Agreed-upon procedures of the NCAA intercollegiate athletic program and athletic booster information for the year ending June 30, 2014

• Agreed-upon procedures of the Traumatic Brain Injury Network for the year ending June 30, 2014

• Agreed-upon procedures for the Campus Partners for Urban and Community Redevelopment, Inc. for the year ending June 30, 2014

• Review of Form 990 for the Transportation Research Center of Ohio, Inc.
PwC Engagement Team Update

- More than 70 PwC partners and staff (approx. 13,000 hours) will support the overall external audit effort for The Ohio State University and related entities, including specialists in the areas of information technology, investments, insurance and actuarial reserves, contractual allowances and reimbursement settlements and federal compliance.

- In order to ensure engagement quality, PwC ensures all team members have requisite industry and specialized training.

- As part of the external audit process, PwC also will utilize a minority subcontractor firm (Parms & Company, LLC) approximately 2,000 hours (15% of the audit fee).

- Working through partner transition process to onboard Gary Ryan and Christa Dewire.
Key PwC Team Members

Engagement Leadership

- Mike Petrecca
  Senior Relationship Partner
  John Mattie
  Higher Education Leader
- Tim Weld
  Health System Senior Relationship Partner & National Healthcare Audit Leader
- Todd Klimek
  Health System/OSUP Partner
- Caroline Stinziano
  Lead Engagement and Consolidated Audit Senior Manager
- Gary Ryan/Christa Dewire
  Overall Engagement Partners
- Denise Marbach
  Quality Review Partner
- Kelly Ward
  Health System/OSUP Engagement Senior Manager
- Erica Worley
  Consolidated Audit Manager

Key support teams for the engagement

- IT Audit
  Doug Torline
  Director
- Regulatory Compliance
  Ann Pike
  Ralph DeAcetis
  Directors
- Investments
  Barry Knee
  Partner
- National Office
  Martha Garner
  Managing Director
- Tax
  Travis Patton
  Tax Partner
  Exempt Organizations
Fiscal Year 2014 Audit Plan Overview

• PwC Audit Approach
• Significant Risks/Areas of Audit Emphasis
• New Matters in 2014
• Commitment to Improvement
• Use of Specialists
• Perspectives on Fraud Risk
• Materiality/Independence
• Communications Plan
**PwC Audit Approach**

Our Audit Strategy is based on:
- the use of a top-down, risk-based approach to planning and conducting the audit; and
- the application of well-reasoned professional judgment.

These principles allow us to develop and execute our audit strategy in an effective and efficient manner.
PwC Audit Approach (cont...)

- We develop our audit strategy using the following:
  - A Top-Down Risk Assessment – identifying audit risks first by considering the business and its environment, and then by considering the risks related to the significant accounts and relevant assertions, locations or business units and significant processes

- Risk-Based Scoping Considerations including,
  - The size and complexity of the business and its components;
  - The existence and effectiveness of entity-level and information technology general controls in our determination of the nature, timing and extent of testing; and
  - The existence and effectiveness of internal controls

- Determining Significant Accounts and Locations – beginning at the financial statement level by identifying significant accounts and disclosures, considering the relevant assertions related to these accounts and disclosures, and identifying the significant processes and key controls
PwC Audit Approach (cont...)

• We execute our audit strategy using the following process:

  • Understanding, evaluating and assessing the design of controls through inquiry, observation, inspection and reperformance, including walkthroughs;
  • Gathering evidence by execution of controls testing and substantive testing; and
  • Evaluating the results of our testing, including reassessing risk and the sufficiency of evidence.

• Prior to the issuance of our audit opinion on the financial statements, we will perform audit completion activities, including the evaluation of internal control deficiencies; the review of the financial statements, including the adequacy and reasonableness of presentation and footnote disclosures; and the performance of other audit procedures as required by professional standards.
**Significant Risks**

- We have identified certain audit areas as subject to significant risk of material misstatement in the financial statements, based on our knowledge of the University and the industries in which it operates. Such audit areas are subject to inherent or specific risks and complexities, critical accounting policies and/or significant judgments and estimates and are key considerations as we develop our audit approach. We identified the following significant risks related to the current year audit (these risks are consistent with those identified in the prior year):
  - Fraud in revenue recognition for certain revenue streams (Consolidated University/Health System/OSUP)
  - Management override of controls (Consolidated University/Health System/OSUP)
  - Valuation of certain alternative investments (Consolidated University)
  - A/R net of contractual allowance and allowance for doubtful accounts (Health System/OSUP)

- Although not considered significant risks, we also focus our audit procedures on regulatory compliance, including federal grants, and continued focus on compliance processes and controls over the University's federally sponsored research and financial aid programs in connection with our OMB Circular A-133 audit due to the reputational risk and potential ramifications associated with non-compliance.
Additional Areas of Audit Focus

Financial Reporting and Related Party Transactions

• Test the inter University transactions and the financial consolidation effect

Sponsored programs

• Co-ordinate OMB Circular A-133 fieldwork timing with financial statement audit timing
• Assess the controls designed to ensure compliance with federal requirements

Health System/OSUP

• Continue to assess the controls designed for this environment with a particular focus on the integration of the various systems involved in the revenue capture process

Information technology controls

• Review and testing of IT general controls, including security access and program changes
Additional Areas of Audit Focus

Capital assets and debt financing

• Assess the controls over proper authorization and capitalization of expenditures and monitoring of project status
• Review debt for related financial statement disclosures

Self-insurance reserves

• Review actuarial valuations and related financial statement disclosures
• Encompasses captive insurance company, Oval, for medical related and actuarial analysis over self-insured workers compensation

Refer to Appendix A for additional information
New Matters for FY 2014

• In early 2013, the University begin the process of upgrading PeopleSoft HR/SIS version 8.9. PeopleSoft HR will be upgraded to version 9.2 and PeopleSoft SIS will be upgraded to 9.0.

• GASB 65 – Items Previously Reported as Assets and Liabilities
  - This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Effective FY 2014
Commitment to Improvement

- As part of management’s expectation and PwC’s commitment, there is an ongoing focus on high quality service and continuous improvement as we head into the fourth year of our contract:
  - We are in the planning process with our contacts for the audit to obtain feedback on areas of improvement
  - To date some of the items shared are as follows:
    - Continue kick-off meetings for key units to include discussion of follow-up points from the prior year, update on current year developments and discussion of PwC team and timing of work
    - Continue to look for opportunities to phase work into interim periods
    - Develop a financial statement review schedule with management
    - Consider use of project management tools such as Client Connect for selected units
Use of Specialists

• Our PwC engagement team will include the following specialists who will work with our audit teams and management at your business units to assist us in executing our audit:

  • Financial Services Valuation Specialists - Assistance with the evaluation of the fair value of investments and related disclosures
  • Insurance Actuaries - Review of actuarially determined balances and actuarial models involving self-insurance reserves (med mal and workers comp)
  • Healthcare Reimbursement Specialists - Review third party account transactions subject to complex rules and interpretation
Use of Specialists (cont...)

- In addition, we leverage certain groups within our firm to help support the audit in the following areas:
  - Risk Assurance - Review and testing of IT and application controls
  - Data Management Group – Assistance with journal entry testing as part of fraud procedures
  - Healthcare Compliance Services - Provide guidance to Medical Center audit teams and the University regarding healthcare compliance requirements
  - Regulatory Compliance Services - Review the University's A-133 report and provide perspective on federal agencies' monitoring and expectations of award recipients
Perspectives on Fraud Risk and Responsibilities

• We have a responsibility to plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud.

• In order to fulfill that responsibility, as part of our audits, we are required to gain an understanding of the risk of material misstatement due to fraud at the University and perform certain procedures to respond to the fraud risks identified.

Types of Fraud

- Fraudulent Financial Reporting
- Misappropriation of Assets

Conditions Generally Present

- Incentive/Pressure
  - Reason to commit fraud
- Opportunity
  - Circumstances exist such as the absence of controls, ineffective controls or ability for management to override controls that allow fraud to occur
- Attitude/Rationalization
  - Character or set of ethical values that allow a person to knowingly and intentionally commit a dishonest act

Attributes Contributing to Increased Fraud Risk

- Size, complexity and ownership attributes of the University
- Type, significance, likelihood and pervasiveness of the risk
The oversight responsibilities of senior management and the Audit and Compliance Committee are outlined below:

**Senior Management**

- Design and implement programs and controls to prevent, deter and detect fraud (antifraud programs)
- Ensure that the University's culture and environment promote honesty and ethical behavior
- Perform a risk assessment that specifically includes the risk of fraud addressing incentives and pressures, opportunities, and attitudes and rationalization
- Assess management override of controls and communicate with the Audit Committee and the Board

**Audit Committee**

- Evaluate management’s identification of fraud risks, implementation of antifraud measures, and creation of appropriate “tone at the top”
- Ensure that senior management implements appropriate fraud deterrence and prevention measures to better University community and other stakeholders
- Investigate any alleged or suspected wrongdoing brought to its attention
- Challenge management in the areas of non-routine, related party and inter-company transactions
PwC responsibilities with respect to fraud are outlined below:

- Plan and perform the audit to provide reasonable assurance that the financial statements are free of material misstatement, whether caused by fraud or error
- Evaluate whether the University's programs and controls that address identified risks of material misstatement due to fraud have been suitably designed and placed in operation
- Evaluate management’s process for assessing effectiveness of antifraud programs and controls
- Evaluate fraud of any magnitude on the part of senior management and the impact on the control environment

In order to fulfill our responsibilities related to fraud, we plan to perform the following procedures:

- Inquiries of management, the Chair of the Committee, Chief Compliance Officer, Internal Audit and others related to knowledge of fraud or suspected fraud, the fraud risk assessment process and how fraud risks are addressed by the University
- Disaggregated analytical procedures, primarily over revenue
- Incorporate an element of unpredictability in the selection of the nature, timing and extent of audit procedures to be performed annually
- Identify and select journal entries and other adjustments for testing
- Evaluate estimates and assumptions used by management that could have a material impact on the financial statements
- Review Internal Audit reports and remain alert for matters that are indicators of fraud
Materiality/Independence

Materiality

• We consider both quantitative and qualitative factors in our assessment of materiality. We also assess the metrics used by the users of the financial statements in determining the appropriate base for calculating materiality.

• We identify and assess the risk of material misstatement at:
  - The overall financial statement level, and
  - In relation to classes of transactions, account balances and disclosures.
  - We use different materiality levels for our audit of the various financial statements including the consolidated statements, the Health System and the other University affiliates

Independence

• As auditors of the University, we are subject to a variety of standards to ensure our independence, including American Institute of Certified Public Accountants, Governmental Accountability Office and internal PwC standards. Our quality control processes include confirmation of independence by professional staff and training and are established to ensure our continuing independence.

• We hereby confirm our independence of the University for the fiscal year ending June 30, 2014. We will reconfirm our independence at the completion of our June 30, 2014 audits for the University.
Our Communications Plan

Management
• We communicate with management both in writing and verbally continuously throughout the year.
• Examples include: planning and scoping discussions, issues identification and resolution, periodic meetings with the CFO, Controller’s Office and Health System, review of financial statements and year-end clearances

Audit and Compliance Committee
• Our communications with the Committee are designed to comply with standards established by the American Institute of Certified Public Accountants.
• Our formal communications will occur via periodic meetings with the Committee at various stages during the year. As part of these meetings we will communicate with the Committee our service approach and audit plan, and our views on risks and controls, including those over financial reporting and governance. In addition, we will present the results of our audits upon completion.
• In addition to our scheduled meetings, we are also available, at any time, to respond to Committee members' questions.
Appendices

A  Expanded Discussion on Areas of Focus
B  A-133 Update
C  Summary of University entities under the PwC audit contract
D  Timeline for FY 2014 Audit Process
# Audit Scope – Areas of Focus

<table>
<thead>
<tr>
<th>Areas of Focus</th>
<th>Finance Statement and Operational Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated University:</strong></td>
<td>We will assess the valuation and existence of the University’s investments and will review the reconciliation of this data to that included in the financial statements. We will also review the related investment and deposit risk footnote disclosures for appropriateness, including credit, interest rate, and foreign currency risks.</td>
</tr>
<tr>
<td><strong>Investments</strong> – Investments and cash, which represented 41 percent of the total assets of the University at June, 30 2013 generate a significant stream of revenue to University operations. Included among these assets is a sizable pool of alternative investments, including nonmarketable limited partnerships and hedge funds, which are not subject to independent pricing by the University’s custodian.</td>
<td>We will focus on the risks and controls surrounding the operations of the University’s Investment Office, including the oversight of external managers. We will review due diligence processes with respect to the back offices of nonmarketable limited partnerships and other alternative investments.</td>
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<tr>
<td></td>
<td>We will also review the controls in place to ensure that endowment distributions are consistent with donor restrictions and assess the impact of the University’s spending formula on preservation of the corpus.</td>
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## Audit Scope – Areas of Focus

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<td><strong>Consolidated University, continued:</strong></td>
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<tr>
<td><strong>Capital Projects and Debt Financing</strong> – The University continues to invest significantly in capital assets. At June 30, 2013, these assets represented 41 percent of the total assets of the University. Construction in process at June 30, 2013 totalled $863 million.</td>
<td>We will continue to assess the controls over proper authorization and recording of expenditures and monitoring of project status.</td>
</tr>
<tr>
<td>Total debt outstanding at June 30, 2013 was $2,682 million. No new debt has been issued to date in FY 2014.</td>
<td>We will review debt for related footnote disclosures. In addition, debt balances will be confirmed and payment detail will be tested.</td>
</tr>
<tr>
<td><strong>Contributions and Pledges</strong> – Giving represents a significant source of funding for the University, as well as an important opportunity to strengthen the relationship with its alumni base. In FY 2013, total contributions and pledges was $122 million.</td>
<td>We will test the systems for recording contributions, pledges, split interest agreements and life income funds to determine that such amounts are properly reported in accordance with donor instructions.</td>
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<td>We will also review the University’s process for determining the allowance for uncollectible pledges.</td>
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<tr>
<td><strong>Student Tuition and Fees</strong> – This represents the second largest revenue stream after patient revenue for the University. Total tuition was $817 million in FY 2013.</td>
<td>We will test the system used to record tuition revenue as well as perform detailed testing of student detail.</td>
</tr>
<tr>
<td>We will also review the University’s process related to the calculation of scholarship allowances.</td>
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# Audit Scope – Areas of Focus

## Consolidated University, continued:

**Research and Other Sponsored Programs** – At June 30, 2013, the University was engaged in almost 3,000 separate research and other projects. Total sponsored programs revenues for research and other purposes represents approximately 15.5 percent of the University’s operating revenues. Federal agencies continue to provide the largest portion of sponsorship.

For most federal awards, personnel costs represent – by far – the largest charges to the government. Federal auditors continue to intensify their focus on labor costs, particularly in the areas of timeliness and accuracy of required effort certifications, and reconciliation of actual effort to the effort committed via award documents and the payroll system. Federal auditors also continue to focus on cost transfers, reviewing for strong internal control demonstrated through established policies, recorded justification and timeliness of transfers.

Federally sponsored programs require a high level of compliance documentation. Incomplete compliance can complicate the reimbursement process and create the potential for loss of future grants. As required by federal auditing guidelines, we will:

- assess the completeness and accuracy of the costs accumulated for reimbursement
- review the University’s payroll distribution and effort reporting system for compliance with applicable federal standards
- review the University’s cost transfer policies and procedures for compliance with applicable federal standards
- review subrecipient monitoring and other compliance areas

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| **Research and Other Sponsored Programs** – At June 30, 2013, the University was engaged in almost 3,000 separate research and other projects. Total sponsored programs revenues for research and other purposes represents approximately 15.5 percent of the University’s operating revenues. Federal agencies continue to provide the largest portion of sponsorship. | • assess the completeness and accuracy of the costs accumulated for reimbursement  
• review the University’s payroll distribution and effort reporting system for compliance with applicable federal standards  
• review the University’s cost transfer policies and procedures for compliance with applicable federal standards  
• review subrecipient monitoring and other compliance areas |
# Audit Scope – Areas of Focus

## Areas of Focus

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<tbody>
<tr>
<td><strong>Payroll and Benefits</strong> – Payroll and benefits represent approximately 60 percent of the University’s total operating expenses for FY 2013.</td>
<td>We will assess the controls designed for this environment and perform transaction testing</td>
</tr>
<tr>
<td><strong>Related Parties /Inter-University activity</strong> - Given the decentralized nature and the number of standalone entities with relationships to the University, this is a risk that certain related party transactions are not being appropriately disclosed or inter-University is not being eliminated in consolidation.</td>
<td>We will look at the University’s process for identifying related party transactions and eliminated inter-University activity. This will include looking at related controls and well as performing our own tests around this activity.</td>
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<thead>
<tr>
<th>Health System, including OSU Physicians:</th>
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</table>
| **Patient Revenues** – Revenues from Health System operations represent approximately 49 percent of the total revenues of the University in FY 2013. The accuracy and completeness of Health System revenues are dependent on a number of operating controls ranging from manual methods for tracking services to sophisticated systems based accumulation and billing processes. | We will continue to assess the controls designed for this environment with a particular focus on the integration of the various systems involved in the revenue capture process. In addition, we will test revenue transactions throughout the year for validity.  
We will utilize the expertise of our reimbursement specialists to test the contractual allowance model and review the settlement activity related to various third-party payors. Additionally, we will test the procedures for accumulation of data underlying valuation reserves for bad debts and contractual allowances, and assess their adequacy. |
## Audit Scope – Areas of Focus

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<tr>
<td><strong>Insurance and Benefits Reserves</strong> – The University is self-insured for medical malpractice. A wholly-owned captive insurance company is utilized for a portion of these risks. The University is also self-insured for various employee benefits such as healthcare and effective 1/1/13 workers compensation through internally maintained funds. Reserves for self insurance, which totalled $149 million at June 30, 2013, are based upon managements’ best estimates, claims adjusters’ valuations and actuarial determinations. Given the complexity of the reserve process, the ultimate liability may be significantly more or less than such estimates indicate.</td>
<td>We will evaluate the level of reserves for adequacy using appropriate insurance and actuarial audit specialists, including the use of members of our captive insurance practice. We will provide our comments and recommendations regarding the methods used by the University. We will evaluate the level of reserves for other areas of self insurance.</td>
</tr>
</tbody>
</table>
### Audit Scope – Areas of Focus

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<tbody>
<tr>
<td><strong>Information Technology (IT):</strong></td>
<td>We will focus on the risks and controls surrounding the IT general controls related to key financial, patient care and student systems. We will assess the design and effectiveness of control processes in the areas of the IT control environment, program development, program changes, access to programs and data, and computer operations. We plan and execute our work utilizing the CoBIT (Control Objectives for Information and related Technologies) framework.</td>
</tr>
<tr>
<td><strong>General Computer Controls</strong></td>
<td><strong>Key System Reports</strong> – Many controls in the processing of financial information rely on system-generated reports produced by the applications that support those processes. Key system-generated reports are part of the controls in place at the University and ensuring data is complete and accurate is an important factor.</td>
</tr>
<tr>
<td><strong>Key System Reports</strong></td>
<td>We will focus on the risks and controls surrounding the key system-generated reports produced by key financial, patient care and student applications. We will perform procedures to determine the data within these key reports are complete, accurate and are consistent with the University’s expectations and policies.</td>
</tr>
</tbody>
</table>
Sweeping Changes With A-133 Requirements

• OMB published “Sweeping Reform” guidance
  • Uniform Guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
  • Issued December 26, 2013

• Objectives include:
  • streamlining existing Federal administrative, cost, and audit circulars,
  • reducing administrative burden,
  • reducing the risk of fraud, waste, abuse, and improper payments, and
  • enhancing transparency and integrity in the use of taxpayer money.
Sweeping Changes With A-133 Requirements

- **Administrative requirements**
  - Each federal agency must establish conflict of interest policies for their awards.
  - Federal agencies must provide award performance goals, indicators and milestones, and recipients must relate award financial data to the performance goals and provide cost information to demonstrate cost efficiencies. There is some relief for research and development awards.
  - Procurement requirements are largely taken from A-102 rather than A-110. Because of this, there is much more emphasis on competition and competitive bids.
  - Recipients must maintain effective internal controls.
  - Sub-recipient monitoring has largely not changed with specific emphasis on performing a risk assessment of each sub-recipient.
Sweeping Changes With A-133 Requirements

- **Cost Principles**
  - The traditional three examples of effort reporting have been removed. Emphasis is placed upon using existing payroll distribution systems, and strengthening internal controls to perform at least an annual payroll certification (semiannual for those working on only one Federal award).
  - Sub-recipients must be paid a minimum indirect cost rate of 10%.
  - Several specific items of cost allowability are discussed with some changes and fine tuning to existing circulars. For instance, trustee expenses are now allowable.
  - Cost accounting standards were reinstated back for Institutions of higher education, but the threshold for preparation of a disclosure statement increased to $50 million from $25 million.
Sweeping Changes With A-133 Requirements

• Cost Principles (continued)
  • The general discussion of direct costs has been enhanced to allow room to charge costs, normally indirect, as direct--based upon certain considerations.

• Effective date (cost and administrative portions):
  • December 26, 2014
Sweeping Changes With A-133 Requirements

- **Audit**
  - The previous A-133 audit requirements and methodology remain largely unchanged, including the due date of a maximum of 9 months after year end.
  - The minimum Type A threshold is now $750,000, rather than $300,000.
  - The low risk auditee coverage threshold is now 20%--and the minimum high risk auditee threshold is now 40%.
  - The minimum requirement to report a questioned cost has gone up to $25,000 from $10,000.
  - The type B threshold calculation has also changed to minimize the number of type B programs that may need to be tested when there are low risk type A programs.
Sweeping Changes With A-133 Requirements

- Audit (continued)
  - The number of compliance requirements that auditors must audit has been reduced.
  - Disclosure of the use of the minimum sub-recipient threshold of 10% is required in the footnotes to the schedule of expenditures of Federal awards.
  - The full Single Audit report must be published online by the Clearing House, along with the Data Collection form.

- Effective date (audit changes):
  - fiscal years beginning on or after December 26, 2014
## Summary of University entities under the PwC audit contract

<table>
<thead>
<tr>
<th>Name of Entity</th>
<th>Total Revenues</th>
<th>Total Assets</th>
<th>Total Net Position</th>
<th>Other</th>
<th>Type of work performed by PwC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Ohio State University - Consolidated University</strong></td>
<td><strong>$4,246,093</strong></td>
<td><strong>$10,224,628</strong></td>
<td><strong>$6,015,526</strong></td>
<td><strong>$4,241,862</strong> (Total investments)</td>
<td>Financial Statement Audit</td>
</tr>
<tr>
<td>A-133 Compliance</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a $871,752 (Total federal expenditures)</td>
<td>Compliance Procedures</td>
</tr>
<tr>
<td>Ohio Revised Code Compliance</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Compliance Procedures</td>
</tr>
<tr>
<td>OSU Foundation</td>
<td>287,539</td>
<td>751,734</td>
<td>711,565</td>
<td>n/a</td>
<td>Financial Statement Audit</td>
</tr>
<tr>
<td>OSU Health System</td>
<td>2,029,057</td>
<td>1,794,120</td>
<td>924,217</td>
<td>n/a</td>
<td>Financial Statement Audit</td>
</tr>
<tr>
<td>OSU Physicians</td>
<td>331,816</td>
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<td>Transportation Research Center Inc.</td>
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<td>Financial Statement Audit, Benefit Plan Audit and 990 review</td>
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<td>OSU Health Plan</td>
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<td>WOSU Public Media</td>
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<td>24,458</td>
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<td>Financial Statement Audit</td>
</tr>
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<td>OSU Global Gateways, LLC</td>
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<td>303</td>
<td>n/a</td>
<td>n/a</td>
<td>Financial Statement Audit</td>
</tr>
<tr>
<td>Department of Athletics Audit</td>
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<td>410,615</td>
<td>196,827</td>
<td>n/a</td>
<td>Financial Statement Audit</td>
</tr>
<tr>
<td>NCAA AUPs</td>
<td>138,274</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a Revenues taken from NCAA AUP Report</td>
<td>Agreed Upon Procedures</td>
</tr>
<tr>
<td>Campus Partners AUP</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Agreed Upon Procedures</td>
</tr>
<tr>
<td>Traumatic Brain Injury Network AUP</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Agreed Upon Procedures</td>
</tr>
<tr>
<td>Wexner Center for the Arts</td>
<td>2,511</td>
<td>58,372</td>
<td>57,121</td>
<td>n/a</td>
<td>Financial Statement Review</td>
</tr>
</tbody>
</table>
Timeline for FY 2014 Audit Process

Planning and Preliminary Phases
- Meetings with management to understand expectations
- Identify audit exposure and risks; develop audit approach
- Meet with Audit Committee to discuss audit plan
- Interim testing - University and Affiliates
- Interim testing - Health System and OSUP
- Test internal controls over key cycles

Year End Phase
- Substantiate account balances; perform analytical procedures

Reporting Phase
- Review financial statements
- Hold closing meeting with management
- Meet with Audit Committee to discuss audit deliverables

Deliver Final Reports
- Consolidated financial report on The Ohio State University
- Health System and OSU Physicians
- A-133 Report
- Other Affiliates
- Global Gateways

Other
- Evaluation of PwC Performance and Expectations
- Year-round communications
OSU Compliance & Integrity Program

Audit and Compliance Committee:
Public Session
April 3, 2014

OFFICE OF LEGAL AFFAIRS
CHRISTOPHER CULLEY

OFFICE OF UNIVERSITY COMPLIANCE AND INTEGRITY
GATES GARRITY-ROKOUS
Key Compliance Processes: Update

Leadership Engagement
- University Risk Management Committee in place and reporting to President’s Cabinet
- Improving unit-level compliance reporting to Committee through OUCI
- Senior Leader Ethics Law training developed, implementation in progress

Legal & Regulatory Requirements

Issue Response & Reporting
- Tracking public records requests and Internal Audit findings
- Piloting investigation standards, tracking, and reporting
- Increase tracking of corrective actions
- Design tracking system for enforcement contacts

Risk Identification & Abatement
- Conducted FY2014 Risk Assessment
- Developed 5 year Strategic Plan and FY2014 Annual Compliance Plan
- Developed project plans and project teams for top risks; implementing mitigation plans
- Conduct mid-cycle refresh of compliance risk assessment for FY 2015

Evaluation
- Develop testing and monitoring standards
- Develop testing and monitoring plan for top compliance risks

Communication
- Manage policy review and approval process
- Build training inventory and governance
- Simplify/improve compliance education
- Finalizing assessment of current policy process

The Ohio State University
# Title IX: External Environment

**Recent Developments**

- Reauthorization of Violence Against Women Act (2013)
- White House Task Force on Protecting Students from Sexual Assault (2014)

**Public Discourse**

- National movement of survivors and activists:
  - Publicize failures to properly manage allegations of sexual assault
  - Op eds, articles, interview, etc.
  - File federal complaints against institutions

**Increased Enforcement**

- 60 federal complaints in under 3 years
- 30 complaints in FY2013 alone
- Approx. 25 schools currently under investigation:
  - Pursuant to federal complaints (at least 11)
  - Proactive compliance reviews (at least 11)
  - Includes Amherst, Berkeley, Dartmouth, Harvard, Princeton, USC, UVA, and Vanderbilt
- Voluntary Resolution Agreements
  - Used by OCR to resolve enforcement actions
  - Signed by Montana, Notre Dame, Xavier, and Yale, among others

**Key Actions in 2014**

**Berkeley**

- 31 students/alumni filed 2 federal complaints; allege staff discourage students from reporting sexual assault
- Audit by state pursuant to May 2013 complaint of underreporting sexual assault

**Michigan State**

- OCR investigating universities policies and practices for handling reports of sexual assault on campus

**Northwestern**

- Student filed suit for inadequate response to report of sexual assault by philosophy professor

**University of Chicago**

- OCR broadening Title IX investigation after initial review of sexual assault case pursuant to complaint

**University of Michigan**

- Student report of rape by football player filed in 2009; university expels player in December 2013
- OCR initiated compliance review
## External Environment

### Information Security

#### 2014 Data Breaches
- **Indiana University**
  - Personal information of nearly 150,000 students and recent alumni stolen
  - Included SSNs, names, and addresses
- **North Dakota University System**
  - Personal information of 290,000 current and former students and 780 staff stolen
  - Included SSNs and other information
- **University of Maryland**
  - Personal information of 309,000 students, alumni, and staff stolen
  - Included SSNs, names, and birth dates
  - University offering 5 years of free credit protection to those affected

### Minors on Campus

#### University of Connecticut
- Law firm released report on independent investigation of alleged misconduct by music professor
- Report finds strong, credible evidence of sexual misconduct with minors off campus and with university students
- Multiple people in the university knew or learned of the allegations at various points in 2006, 2008, and 2011, but failed to full investigate or limit professor’s interactions with students
External Benchmarking

Which best describes your institution’s compliance function?

<table>
<thead>
<tr>
<th>Compliance Functions</th>
<th>% of Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>No formal function in place or planned</td>
<td>29.7%</td>
</tr>
<tr>
<td>Formal function being planned</td>
<td>18.1%</td>
</tr>
<tr>
<td>Formal function under development</td>
<td>21.2%</td>
</tr>
<tr>
<td>Formal function in place 0 to 3 years</td>
<td>14.1%</td>
</tr>
<tr>
<td>Formal function in place 3+ years</td>
<td>17.1%</td>
</tr>
</tbody>
</table>

Does your institution have a Chief Compliance Officer with responsibility for your institution’s overall compliance program?

<table>
<thead>
<tr>
<th>Overall responsibility</th>
<th>% of Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>19.5%</td>
</tr>
<tr>
<td>No</td>
<td>80.5%</td>
</tr>
</tbody>
</table>

Does your institution maintain a “hotline” or similar mechanism for reporting compliance problems to the institution?

<table>
<thead>
<tr>
<th>Reporting hotline</th>
<th>% of Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>72.5%</td>
</tr>
<tr>
<td>No</td>
<td>27.5%</td>
</tr>
</tbody>
</table>

Key Takeaways

- OSU alignment with UC-System (in place 7 years)
- OSU leading large public research institutions
- Strong interest in OSU program and development

Data source: NACUA’s 2013 Compliance Survey results of over 200 NACUA member institutions
Ohio Ethics Law Requirements:
Board of Trustees

Prior Annual Process
• Trustees required to file annual confidential disclosure statements with Ethics Commission
• Ethics Commission sent summary of reported external entities to Office of Legal Affairs (OLA)
• OLA compared summary with database of University vendors
• OLA provided cross-listing of potential conflicts to Commission

Challenges
• Process was retrospective
• Limited ability to advise individual Trustees proactively; process took two years to complete

August 2013 Changes
• General Counsel proposed enhanced process
• Each Trustee was given option to provide copy of annual Ethics Commission disclosure statement to OLA

Next Steps
• April 15: Trustees to provide OLA with copy of confidential disclosure statement
• OLA to provide each Trustee with access to secure website; disclosures can be updated as needed
• April 15: Final Ethics Commission deadline (note: may be extended to May 15)

Benefits
• Earlier and more efficient identification and management of potential conflicts
• Secure website allows for real-time updating to avoid potential issues
• Earlier receipt of data will help ensure avoidance of improper business relationships
• Compliance to assist OLA with administration

Confidentiality
• All information will be handled on a need-to-know basis by OLA
• Submission to OLA does not compromise confidentiality of Trustee disclosures
### Board Scorecard

#### Annual Compliance Plans: University

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2014 Actual</th>
<th>YTD Goal</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrity Culture</td>
<td>55%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Risk Mitigation</td>
<td>57%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Issue Response</td>
<td>68%</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

#### Annual Compliance Plans: Key Units

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2014 Actual</th>
<th>YTD Goal</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
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<td>60%</td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>50%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Athletics</td>
<td>71%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Environmental Health &amp; Safety</td>
<td>80%</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

#### Issue Response Data

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2014 Actual</th>
<th>YTD Goal</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Records</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Number of record requests closed</td>
<td>109</td>
<td>371</td>
<td></td>
</tr>
<tr>
<td>Average days to fill all records requests</td>
<td>10.2</td>
<td>13.3</td>
<td></td>
</tr>
<tr>
<td>Internal Investigations by OUCI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of investigations opened</td>
<td>10</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Number of investigations closed</td>
<td>2</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Percent of closed investigations with findings</td>
<td>0%</td>
<td>42.9%</td>
<td></td>
</tr>
<tr>
<td>Internal Audit</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1st follow-up audits: Percent with remaining issues</td>
<td>12.8%</td>
<td>16.6%</td>
<td></td>
</tr>
<tr>
<td>2nd follow-up audits: Percent with remaining issues</td>
<td>12.5%</td>
<td>7.0%</td>
<td></td>
</tr>
<tr>
<td>3rd follow-up audits: Percent with remaining issues</td>
<td>14.3%</td>
<td>3.1%</td>
<td></td>
</tr>
</tbody>
</table>

#### Scorecard Key:
- **Green**: Meets or Exceeds Goal
- **Yellow**: Caution
- **Red**: Below Goal - Action Needed
- **Gray**: Data Pending
- **Performance Up**
- **No Change in Performance**
- **Performance Down**
ESTABLISHMENT OF A NEW UNIVERSITY AFFILIATE:
OSU BRAZIL GATEWAY, LTD.

Synopsis: Authorization to establish a new affiliate to facilitate The Ohio State University’s activities and operations in Brazil, is proposed.

WHEREAS the Board of Trustees adopted the Policy on Affiliated Entities in June 2008 to provide a uniform framework for the establishment and operation of separate entities that are closely affiliated with The Ohio State University (hereinafter “Ohio State” and/or “University”), ensure that such entities serve the best interests of the University, and provide for continuing appropriate oversight by the University and the Board; and

WHEREAS the President and the Provost have recommended that a new affiliate, OSU Brazil Gateway, Ltd., a subsidiary of OSU Global Gateways, LLC, as more fully described in the accompanying materials, be established in furtherance of Ohio State’s commitment to become a global university and to provide the institutional basis to create new partnerships, develop innovative ideas, and make lasting connections in Brazil to the benefit of students, faculty, and alumni of Ohio State and its Brazilian partners; and

WHEREAS the creation of this affiliated entity in support of our planned academic, advancement, and outreach activities is necessary to ensure compliance with Brazilian law:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby authorizes the establishment of the affiliated entity OSU Brazil Gateway, Ltd. (hereinafter “Brazil Gateway”), and authorizes and directs the President and/or Senior Vice President for Business and Finance and Chief Financial Officer, in consultation with other University officials as appropriate, to perform such actions and execute such documents as may be necessary or desirable to effect the establishment of this entity; and

BE IT FURTHER RESOLVED, That in accordance with the Policy on Affiliated Entities, the Executive Vice President and Provost is hereby designated as the senior University official charged with oversight of this entity and that Brazil Gateway shall report periodically to the University and Board of Trustees through the designated senior oversight official; and

BE IT FURTHER RESOLVED, That the relationship between the University and Brazil Gateway shall be memorialized through a memorandum of agreement and that the entity shall operate in accordance with the Policy on Affiliated Entities, the memorandum of agreement, and the entity’s approved business plan; and

BE IT FURTHER RESOLVED, That as appropriate and as directed, Trustees, officers, and employees of The Ohio State University are hereby authorized, designated, and directed to serve as directors, managers, officers, employees, and agents of Brazil Gateway, representing the University in such capacities as part of their official duties and responsibilities to the University and entitling them to any immunity, insurance, indemnity, and representation to which Trustees, officers, and employees of the University now are, or hereafter may become, entitled.
The Ohio State University
Brazil Gateway Operational Plan
2013-2018

Dr. William Brustein
Vice Provost for Global Strategies and International Affairs

Chris Carey
Director of Global Gateways
TABLE OF CONTENTS

Executive Summary .............................................................................................................. 2
Background .......................................................................................................................... 3
Operational Plan
  Programs and Activities .................................................................................................... 6
  Management & Staffing Plan ............................................................................................. 12
  Financial Plan .................................................................................................................. 14
  Time-Task Plan ................................................................................................................. 16
  Assessment Plan ................................................................................................................ 17
  Operating Budget ............................................................................................................... 19
Executive Summary

With The Ohio State University’s strategic commitment to become a preeminent global university, one of the institution’s six internationalization goals is the establishment of a physical presence in strategic locations. This endeavor, known as the Global Gateways initiative, will further enhance the internationalization of the university’s teaching, research, and service missions. These Gateway offices are physical sites in the business districts of key regions that serve as mini-embassies for The Ohio State University. Ohio State opened its first two Gateway offices in Shanghai, China in February 2010 and Mumbai, India in March 2012. This document will outline the plan for expanding operations into São Paulo, Brazil with a targeted opening date in the early Fall of 2014.

By having this institutional presence in these strategic regions, Ohio State opens the door to creating new partnerships and making lasting connections that benefit all stakeholders to include the students, faculty, and alumni of Ohio State. The Global Gateways also benefit friends of the university, surrounding communities and the state of Ohio by demonstrating Ohio State’s engagement in the global marketplace and its commitment to being an active participant in knowledge-based centers of the world.

After three successful years of operation, the Global Gateways is seeking central administration approval and support to launch the next Global Gateway office in Brazil. Ohio State has been strategically positioning itself for the opening of its third Gateway office over the past four years. In addition to numerous faculty and staff visits to the region and alumni engagement activities, the Vice Provost for Global Strategies and International Affairs and the Global Gateway staff have been facilitating further partnerships with academic, government, and corporate institutions in Brazil. Through these efforts, Ohio State has secured a partnership that grants the university free office space in one of the prime locales of São Paulo to operate the Brazil Gateway office. The Office of Academic Affairs has further committed a start-up budget and average of $200k annually for the next two academic years to launch the Brazil Gateway. Detailed metrics have been developed to assess the effectiveness of the Brazil Gateway and will be re-examined on an annual basis.

We request The Ohio State University Board of Trustees to approve our plan to create another Affiliated Entity under the OSU Global Gateways, LLC for the launch of the third Global Gateway office in São Paulo, Brazil in 2014.
Background

The Ohio State University is committed to becoming a preeminent global university, and accordingly preparing its students to succeed in the global marketplace as nationally and internationally informed and engaged citizens. The President’s and Provost’s Council on Strategic Internationalization assessed the university’s globalization progress in 2009 and concluded that, in order to fully internationalize the campus and its community, Ohio State needed to:

- Increase the percentage of international faculty and students
- Promote scholarship on major global issues
- Create international dual degree programs
- Promote collaboration with alumni and Ohio’s international business ventures
- Develop an international physical presence
- Increase international experiences for undergraduate, graduate and professional students.

With approval and support from the Council of Deans and The Ohio State University Board of Trustees, Ohio State developed a two-pronged approach to internationalization:

1) The Global Gateway strategy, which establishes representative offices in strategic locations around the world.

2) Internationalization of the academic dimensions, which focus on research enhancement and curriculum content, study abroad, international partnerships, dual degrees and a global option certificate to facilitate international experiences for students in any discipline.

Global Gateways

Ohio State’s Global Gateways have served as the catalyst to launch the university’s goal of becoming a preeminent global university. The Gateways are representative offices around the world that allow the university to forge new partnerships with a multitude of constituencies, recruit international students, aid curriculum development with international themes, implement dual degree programs, facilitate faculty research and reconnect with a growing international alumni base. Currently located in Shanghai, China and Mumbai, India, these multifaceted offices allow more flexibility than satellite campuses, serving instead as an international portal through which global engagement both at home and abroad is achieved.

While China and India were the first locations to boast Gateways, the university plans to establish its next Global Gateway in São Paulo, Brazil in 2014. Research concluded that these are the regions in which Ohio State had existing ties in terms of international students, study abroad programs, faculty research and institutional collaborations, and a strong alumni network. Despite no permanent physical presence to date in Brazil, recent efforts in student mobility, faculty research facilitation, and alumni engagement have laid the groundwork for the opening of the Brazil Gateway.
Impact of the Global Gateways

Since opening in 2010 and 2012, respectively, the China and India Gateways facilitate many activities that contribute to the overall internationalization of Ohio State and foster global opportunities for students and faculty.

- Ohio State has won NAFSA’s Senator Paul Simon Award for Comprehensive Internationalization.
- Partnerships forged: 42 international agreements, one student exchange agreement and two dual degree agreements (College of Engineering and the College of Arts and Sciences).
- Federal grants of $200,000 helped Ohio State open a Center for American Culture in partnership with Wuhan University.
- Ohio State successfully competed for a three-year U.S. Department of State grant that provides $9.6 million over three years to implement the Critical Language Scholarship Program in East Asia.
- Ohio State is one of four U.S. universities to receive the Obama-Singh 21st Century Knowledge Initiative award ($250,000) for a project dedicated to training STEM faculty in India.
- Building on existing collaborations, Ohio State and the Brazil state of São Paulo created a $1.4 million funding source to support research and innovation.
- International Affairs has awarded more than $185,000 in Gateway-country focused grants, allowing students and faculty to actively study abroad, intern with international corporations and conduct research abroad.
- Ohio State has 10 study abroad programs and one student exchange program in China; six study abroad programs in India; seven study abroad programs and two student exchange programs in Brazil.
- Since 2010, Ohio State’s international student population has grown by 22 percent to 6,039. The number of students from China has increased by 68 percent to 3,606.
- To support the growing Chinese student population at Ohio State, the Gateways helped facilitate pre-departure orientations held in Beijing, Guangzhou and Shanghai in summer 2013 with more than 500 students and their parents attending.
- Ohio State has reconnected with more than 600 alumni living in the Greater China area and in Mumbai, India. The China and India Gateways developed programming for Ohio State’s international alumni base, including networking opportunities, social events and career forums.

The Case for Brazil: An Overview

Brazil has approximately 2,500 higher education institutions, of which 2,250 are private and student enrollment in private sector institutions represents over 75% of the market. Private higher education institutions have done much to address the issue of access, but many are lacking academic rigor and educational quality compared to world-class institutions. However, Brazil’s best public universities are ranked in the company of global universities of caliber comparable to US and European universities. There exists a compelling market opportunity for foreign universities to both recruit students for programs on their home campuses and to offer online and in-country programs targeting Brazilians who are looking for a top-tier higher education. These opportunities exist in diverse areas, across the spectrum of university program types including undergraduate, graduate, professional, and short-term programs such as executive trainings.
The geographical, cultural, financial, political, and other types of alignment and similarities between the USA and Brazil create unique opportunities for collaboration and exchange in fields such as science and engineering, health and wellness, energy and the environment, and agriculture. The Brazilian government recognizes the critical need to educate and train its population, especially in critical science, technology, engineering, and math (STEM) areas. In response, the Brazilian Science Mobility Program (formerly Science Without Borders) was launched in 2011 and will send more than 4,000 Brazilian students to US universities during the 2013-2014 academic year. This is part of the government’s greater plan to send more than 100,000 Brazilian students to foreign institutions in coming years. Foreign universities with relationships and credibility in Brazil, combined with strategic institutional focus and application facilitation, will be uniquely poised to harness the opportunity of the revenue and wealth of brilliant minds to be gained by the Brazilian government-funded initiative.

Ohio State has been strategically engaged in Brazil for nearly fifty years. Dating back to 1964, Ohio State has maintained research and teaching collaborations with the University of São Paulo’s Luiz de Queiroz College of Agriculture (ESALQ/USP) in Piracicaba. Building upon that partnership over the years, Ohio State now boasts over 20 active faculty collaborations and a number of student mobility programs. Brazil also presents a great opportunity for further diversification of international student enrollment at The Ohio State University through their federally-funded Scientific Mobility Program.

The Brazil Gateway office will be located in the Moema district, one of the premiere business districts in the city of São Paulo. São Paulo is the largest city in the southern hemisphere and boasts the largest economy in all of Latin America. Furthermore, it is home to the top-rated university in all of Latin America, the University of São Paulo (USP), where Ohio State maintains a wealth of different research, teaching, and exchange collaborations.
The Brazil Gateway Operational Plan

This operational plan will detail the range of programs and services provided to Ohio State stakeholders. We will then illustrate the management and staffing plan as well as the financial plan for the continued operation of the Brazil Gateway for the next three years.

We will then outline our Assessment plan and list the goals and metrics we have developed to measure success. These metrics are consistent for all of the Global Gateways and we will illustrate how the programs and services offered through the Brazil Gateway office bring value to The Ohio State University to justify our request for centralized funding of current and future Global Gateway initiatives.

The Brazil Gateway office will lead, administer, and conduct a variety of programs and services to Ohio State faculty, staff, students, alumni, and corporate partners.

Programs and Services for Ohio State Academics

With the mission of the Brazil Gateway office to serve as an embassy for The Ohio State University in a strategic region of the globe, our primary goal is to support OSU students, faculty, staff, and Colleges. These activities will provide value to The Ohio State University through the creation of opportunities to increase collaboration with institutions in Brazil, bring more international students to the OSU campus, and provide an increased number of opportunities for our students and faculty to experience Brazil. Furthermore, the Brazil Gateway will provide resources and a networking platform for current and future alumni to broaden their engagement with Ohio State.

1. Students

A primary role of the Brazil Gateway will be to scout future study abroad locations for Ohio State students. As a rising economic power and technology leader within its region, Brazil offers a variety of experiential learning opportunities for our students. The Brazil Gateway will work to create relationships with institutions and universities to develop further opportunities for study abroad programs. This includes potential research opportunities for OSU graduate students to partner with local Brazilian institutions to further their academic learning.

Furthermore, forecasts of the global outlook for professional talent show that American graduates will increasingly be relied upon to interface with groups of co-workers located across the globe. Graduates who are able to apply technical skills in multicultural environments that often require travel and interaction with people of diverse cultures will be in heavy demand. Accordingly, the locations and study abroad opportunities identified by OSU’s Brazil Gateway will allow accomplished student leaders from Ohio State the advantageous opportunity to enter the global talent pool with a leg up on their peers from comparable institutions, showing future employers they have the versatility to apply their technical skills in the challenging contexts only an emerging economy can provide.

In addition, the Brazil Gateway will continually scout the local region for international internship opportunities for OSU students. Our students gaining practical work experience in an international setting will further the internationalization agenda for Ohio State to truly become a preeminent global university.
The Global Gateways office has created the following programs to support student mobility to our Gateway regions, and the Brazil Gateway will adopt these programs post-launch.

**The Global Internship Program**

As universities across the nation prepare their students to excel in the global marketplace, the Global Gateways office has created the Global Internship Program (GIP) to help Ohio State’s students integrate into a worldwide network of professional opportunities. In today’s global economy, international internship experience is an invaluable asset, allowing students to familiarize themselves with international working environments while collaborating on real-world projects with some of the world’s most innovative companies to reinforce their learning from the OSU campus. The GIP is a non-credit bearing program available to Ohio State students of all majors and backgrounds, providing them with working and learning experiences through project-based internships, themed workshops, alumni mentorship and cultural excursions.

These internships will take place during the summer semester and last approximately 3 months, from mid-May to mid-August. The program provides Ohio State students with an array of resources in a comprehensive packaged service which includes: visa application fees, international health insurance, housing, ground transportation upon arrival, one week of cultural orientation, a one-on-one Ohio State alumni mentor, and 24/7 phone support.

During its pilot year, the Global Gateways office has partnered with corporate entities throughout China to include Chrysler, Bosch, and Cardinal Health to provide this valuable experience to both domestic and international students. This program will further expand into India in AY2013-2014 and into Brazil the following year. The Global Gateways office will work with the corporations to create the internship position descriptions, recruit for the program, and conduct initial screening of applicants. The Gateways office will also work with the various academic units on campus to refine the learning outcomes for the students and develop a mechanism to evaluate the internship experience. These internships will set the stage for stronger and deeper partnerships with our network of global corporate partners.

**Pre-Departure Orientation Program**

The pre-departure orientation will introduce admitted students to The Ohio State University and Columbus, allow them to meet other new students and cover important and helpful topics such as travel information, campus resources, and health and safety. The orientations will take place in Gateway office regions in the summer prior to students’ arrival on campus.

Representatives from offices on campus will be introducing themselves and the services provided by their offices. These offices include the Global Gateways, the China, India, and Brazil Gateways, International Student Services, all within the Office of International Affairs; Student Affairs Administration, Student Activities, University Housing and Student Wellness in the Office of Student Life; and the Office of Enrollment Services.

The orientations will be a one-day event open to admitted students and families. The orientation will include ESL placement testing, a number of sessions lasting 40-55 minutes in length and ample time for question-and-answer sessions. In addition to representatives from Ohio State offices, alumni and current students currently in the Gateway region will be involved to provide assistance and answer questions.
One of the goals of pre-departure orientation is to provide students with information on university requirements. These requirements include the visa application and travel arrangements, mandatory health screening, placement tests, how to pay tuition and fees and academic needs. However, in addition to helping organize these required tasks, we also wish to provide information on cultural adaptation, campus life and involvement, and health and safety awareness. The orientation will provide an opportunity for students and parents to feel connected to the Ohio State community prior to arrival.

**The Global Gateway Graduate Student Research Abroad Grant Program**

The Global Gateway Graduate Student Research Abroad Grant encourages and promotes the professional and academic development of graduate researchers at The Ohio State University by providing financial support for students to undertake research abroad. In return, students will assist the University in pursuing its strategic international goals by creating and bolstering relations with universities and other institutions across the world. This grant is provided through a partnership between the Office of International Affairs’ Global Gateway office, The Ohio State University Council of Graduate Students, and the Office of the Vice Provost for Graduate Studies.

Graduate students receiving grants must demonstrate that their proposed research abroad is based upon their professional goals and will promote Ohio State’s international presence through the potential collaborations that they will develop. Successful applicants are awarded a grant of up to $1,000 per year.

Three criteria are used to judge grant applications: (i) will the student benefit professionally by the research abroad, (ii) will the student’s participation in the program help promote The Ohio State University’s mission internationally, and (iii) will the student be able to build a network or connections that can be used by The Ohio State University in the future. Special considerations are made for students traveling to Gateway regions that include China, India, Brazil, and Turkey.

In its second year, this program has funded 22 graduate students for grants to conduct research abroad in all of the anticipated Gateway countries and a host of other nations throughout the world.

**International Student Recruitment**

The Brazil Gateway office will facilitate international student recruitment by combining its physical presence in Brazil and consequent proximity to international students. The Brazil Gateway will provide local expertise to assist the Office of Enrollment Services to develop a recruitment strategy for Brazil. We will work closely with both the Office of Enrollment Services and the Graduate School to assist in recruitment efforts at both the undergraduate and graduate level. By conducting outreach to the coaching institutes and tutoring services that sway students’ final decisions about where to attend college and graduate school, and re-connecting with alumni who desire to serve as ambassadors of the University, the Brazil Gateway will build the relationships that have been shown to affect the educational decisions of international students and their families. The Brazil Gateway will also serve as the first point of contact between Brazilian students and the University, ensuring higher responsiveness and personalized attention to the needs of curious international students and their families toward the critical decision of where to attend college.
2. Faculty and Staff

Another key constituency to serve for the Brazil Gateway will be Ohio State faculty. We aim to create broader collaboration with key organizations in Brazil that are of strategic importance to our University. We will work to create institutional partnerships with international academic entities to strengthen our position in the region and provide opportunities for our faculty to strengthen their research. We aim to sign at least two meaningful Memorandums of Agreement or Understanding (MOU/MOA) with these institutions per year and the Brazil Gateway office will be instrumental in scouting these opportunities and presenting them to our faculty and colleges. In some cases, such support has led to the creation of dual-degree graduate programs with privileged partners in Gateway regions, including a dual PhD program with Shanghai Jiao-Tong University in Electrical Engineering and a dual-degree graduate program in Translational Plant Sciences with the University of São Paulo – ESALQ.

In addition, the Brazil Gateway office will serve our faculty and colleges by providing educational intelligence about the current climate within the higher education landscape in Brazil. The Gateway office will also compile country specific data about grants and funding opportunities for Ohio State faculty to travel in the region and conduct joint research with potential partners. For example, Ohio State and the Brazil state of São Paulo created a $1.4 million funding source to support research and innovation. This is the largest agreement signed by FAPESP and will serve as a model for what we hope to achieve with other Brazilian states (e.g., Parâna) as well as with CAPES (federal) for all of Brazil. We are already in discussions with both UFPR and with CAPES about such opportunities.

The Brazil Gateway in conjunction with the Global Gateways office will continue to provide annual gateway grant opportunities for faculty in funding the creation of new study abroad opportunities in gateway countries, research collaborations, and interactive classroom modules. In addition, the Brazil Gateway will work with specific Colleges and Departments to create relevant grant programs. For instance, the Gateway is working with the Public Health Preparedness for Infectious Diseases (PHPID) group to create specific opportunities for faculty to engage in Brazil.

The Brazil Gateway office will create a detailed database of Ohio State collaborations in the region with the aim of being a central repository of information for everything occurring in Brazil. We will establish a baseline of university activity and attempt to grow the number of meaningful collaborations annually through assisting faculty and staff with their on-going academic relationships.

Programs and Services for Ohio State Alumni

The Brazil Gateway will serve the University’s advancement goals by significantly increasing alumni engagement and accelerating the University’s ability to achieve its development goals. By engaging OSU alumni in Brazil through networking events, the creation of an alumni contact infrastructure such as a directory website, and a country-specific alumni association, the Brazil Gateway will activate networks of alumni throughout the country, allowing them to engage with one another, as well as the University. By building both the technological as well as personal, relationship-based infrastructure to engage with international alumni, the Brazil Gateway will strive to serve the interests of all alumni. Younger alumni will be able to meet more experienced alumni, and experienced alumni will be able to participate in activities that will serve their desire to socialize or give back, whether by serving as interviewers for April Board of Trustees Meeting - Audit and Compliance Committee Meeting
potential students, or as alumni mentors. Alumni interaction with the university, no matter the stage of life of the alumni, will be a rewarding experience that will only add value to alumni and deepen the University’s relationship with its alumni worldwide. Alumni are very motivated by Ohio State’s engagement in Brazil and very interested in endeavors related to their countries.

By deepening the University’s relationship with alumni, increasing outreach to alumni who are unaware of the University’s commitment to their country, and collaborating with the Office of Advancement to improve international donor cultivation, the Brazil Gateway office will help identify major gift donor prospects and provide the Development Office with the information needed to optimize its international fundraising campaign. In the short-term, the Brazil Gateway will use its alumni relationships, networks, and activities to generate positive awareness of the University’s commitment to the region and its alumni will motivate potential major donors to more easily re-connect with the University. Additionally, the processes implemented with the assistance of Development will ensure that promising prospects are funneled into the appropriate cultivation and stewardship process, accelerating the time to a major gift donation from an alumnus.

These engagement and advancement programs and associated processes will not generate significant revenue, but there is potential that alumni engagement could lead to gifts in direct support of Ohio State Gateway operations. These endeavors will directly contribute to gifts and fundraising from alumni in Brazil, supporting a broad-range of programming to include study abroad and tuition scholarships.

Programs and Services for Ohio State Corporate Partners

With the growing presence of Ohio businesses’ goods and services in the world marketplace, our region plays a vital role in the future of US economic and GDP growth. With the state’s geographic location and access to markets through a highly integrated rail, road, and inland waterway transportation infrastructure, significant investment has been made by businesses, both foreign and domestic, in the Central Ohio region. As the premier research-focused university in the region, Ohio State has a great opportunity to further contribute to the foreign direct investment into our region as well as assist in the global competitiveness of the businesses that find their home in the Columbus area. Ohio State possesses a wide range of resources attractive to our local businesses and creating a strong partnership is a win-win situation for all parties involved.

International Corporate Partnership Program (ICPP)

The Global Gateways will create partnerships with international corporations to increase collaboration on a global level. The office will target corporations with current ties to the University and its programs as well as a number of additional Ohio-based businesses. The future goal will include recruiting and maintaining relationships with foreign corporations with operations in Gateway regions. The Global Gateway Office will work closely with these select corporations to understand their unique needs based on their industry, size, strategic goals, requirements on talents, etc.
1. **Workforce Training and Education Services**

Customized workforce training and education programs will be executed in conjunction with various academic units on campus. The Global Gateways will conduct marketing and business development activities in the Gateway regions to highlight Ohio State expertise in a variety of fields and will work with Ohio State Colleges to develop programs and services for corporate partners. College units will focus on curriculum and delivery while the Gateway office will provide logistical support and facilitation in-country and on the main campus, where the programs will be delivered. We will conduct market surveys upon entry into Brazil and work with the Colleges to develop opportunities and market them in the region. For scouting the opportunities, marketing, and providing logistical support, the Global Gateway office will be charged an overhead rate of 23% of the program. The Global Gateways have conducted 7 programs in the last academic year.

2. **Career Services**

The Global Gateway Program will create a platform of services that will benefit our corporate partners by providing talent to their workforce. With the number of international students currently enrolled at Ohio State, we are in the unique position to provide our corporate partners with a number of resources to meet their growing needs for international staffing. The Global Gateway office will work with individual Career Services offices at the various colleges of the University to appropriately match students with our corporate partners. We will accomplish this through the following sub-programs:

a. Internships – As our corporate partners expand their operations globally, they are consistently looking for talented people that not only know how to function in their home environment, but also can operate on an international level. These custom-designed programs can take a number of forms. Our office will work with the various colleges to identify and match students, both graduate and under-graduate, to corporate partner needs. Internships can be conducted at local operations here in the US, or at our corporate partners’ overseas locations. Our individual Gateway offices in China, India, Brazil, Turkey, etc. will support student international internships with providing advice and support on overseas logistics to include accommodation, travel, etc. This program will be closely aligned with the Global Internship Program.

b. Job Vacancy Recruiting – We will work with our corporate partners to fill open positions in their global operations. With our wealth of 6,000+ international students and a growing number of internationally-minded US students, we maintain a vast pool of resources from which our corporate partners can draw. In addition, OSU currently has thousands of alumni overseas that are continually searching for employment opportunities. We will collect position vacancies and circulate within our network as well as actively recruit talented students and alumni. The Global Gateway office will also launch a web-based job vacancy board where our students and alumni can access current requirements from corporate partners.

c. Specialized Dual Degree Programs – We will partner with other highly regarded international universities to create dual degree programs so that graduates will attain region specific expertise and professional practices. Potential corporate partners have expressed great interest in this idea.
Management & Staffing Plan

The Global Gateways office is headquartered on the main campus of The Ohio State University. The office is overseen by the Vice-Provost for Global Strategies and International Affairs, and currently employs two full-time FTEs, a Director and a Business Operations Coordinator. In the next five years, we expect to expand the staff in Columbus to four FTEs.

To establish the various offices around the globe and incorporate them in the local region, the university created the OSU Global Gateways LLC as an affiliated entity and parent company of the various Gateway offices. This Ohio LLC is managed by two directors: a President and a Secretary/Treasurer. The LLC is governed by a board of four directors, consisting of four Ohio State employees: the Executive Vice President and Provost, the Vice-Provost for Global Strategies and International Affairs, the Senior Vice President and CFO, and the Senior Vice-President and General Counsel.

For the first two years of operation, the Brazil Gateway office will employ one FTE to commence operations for Ohio State. This Gateway Director will not be an employee of The Ohio State University, but will be contracted through the local Limitada in Brazil. Ideally, we are searching for an individual that holds a graduate degree from Ohio State that understands the culture in Brazil and that will be independently able to obtain a permanent work authorization visa. This Director will report directly to the Global Gateways Director based on the main campus in Columbus. We anticipate the need to hire one additional staff member during the 2015-2016 academic year, followed by one in the 2016-2017 academic year.

Before commencing operations, Ohio State must apply for and receive the appropriate business license in order to conduct business in Brazil. The commercial license we will apply for is known as a Limitada and the application process takes approximately four months from submission of all materials to issuance. Having established a Limited Liability Company (LLC) to apply for a commercial license in China and India, we have already undergone much of the work in terms of structuring the operation in the state of Ohio. As this LLC is an affiliated entity of The Ohio State University, the university will not be the owner of the Limitada, but our LLC, the OSU Global Gateways LLC, will maintain authority for the operation.

The Ohio State Brazil Gateway and the Global Gateway program is not a for-profit enterprise. Although operating as a University Affiliated Entity with overseas subsidiaries with a commercial business license equivalent to a U.S. LLC, the core mission of the Global Gateways will be academic in nature. These offices operate to provide value to the core academic mission of Ohio State but have a secondary goal of offering a platform of programs and services to raise revenue to be self-sustaining in the future. This is a crucial aspect of the Global Gateways to continue to support the University on a global level, as funding will decrease over time.
**iAgri-Tanzania was created as an Ohio LLC to execute the conditions for a USAID grant under the College of Food, Agriculture and Environmental Sciences. This entity falls under the OSU Global Gateways LLC for legal purposes but is under the operational control of CFAES, and not a Global Gateway activity.

**iAgri-Tanzania (LLC)

The Ohio State University

OSU Global Gateways LLC

OSU China Gateway (WFOE)

OSU India Gateway (PLC)

OSU Brazil Gateway (Limitada)

OSU Global Gateways HQ
Financial Plan

With the platform of programs and services listed above, the Global Gateways greatly enhance the internalization agenda for The Ohio State University. At the onset of this project, the Global Gateways were provided start-up funding for the first Gateway office in Shanghai, China. The intent of this investment was to build the office and the programs and services to an anticipated level of self-sustainment within the first five years of operation. Funding for the Global Gateway office in India came from annual contribution commitments from various colleges and departmental units on campus with the aim of self-sustainment.

After three years of operations for the Global Gateways, and experimenting in a great number of potential programs to generate revenue to offset the expenses, we believe the assumption of self-sustaining global offices is not feasible with the current staffing model of the Global Gateway offices and the primary goal of supporting the academic mission of The Ohio State University internationally. The Gateway office in China has generated a minor amount of revenue, but the value created for The Ohio State University has been substantial.

The Brazil Gateway will be funded and supported by the Office of Academic Affairs. For Academic Year 2013-2014, the office will begin the work of incorporating in Brazil with a contribution of $87k from OAA. OAA will further contribute $160k and $215k for academic years 2014-2015 and 2015-2016 respectively. Detailed metrics have been developed for the Global Gateways program as a whole, and will be refined and focused for Brazil after developing benchmarks after one year of operation. These metrics will serve to validate the value the Brazil Gateway has created for Ohio State.

In this section, we will list our revenue-generating activities conducted to date with a list of potential future offerings, especially for those in Brazil.

Grants

The Global Gateway office has been instrumental in the planning, application and execution process in two State Department awards of $150,000 in total for The Ohio State University. The Gateway office has further facilitated in over $400,000 in grant applications that are currently under review.

The Global Gateways office has also been instrumental in forming a new partnership with Fundação de Amparo à Pesquisa do Estado de São Paulo (FAPESP) in Brazil that has created a $1.4 million funding source to support research and innovation. The partnership encourages researchers at Ohio State to collaborate with university researchers in the state of São Paulo. Ohio State has committed $700k and FAPESP has agreed to match that commitment.

International Corporate Partnership Program

Through seven previous customized workforce development education programs, the Global Gateways have received approximately $112,000 in profit from contracted work. In addition, the partner academic units at Ohio State are estimated to bring in over $50,000. These partner units include the Colleges that are conducting the primary education to the customers.
The Global Gateway received one gift of $10,000 from a corporate partner to assist in the establishment of a customized internship program.

**Gifts**

The Global Gateway office has received nearly $50,000 in cash gifts to support operations. In addition, the India Gateway office space has been gifted by an alum for a five-year period and valued at over $500,000. We have also been offered gifted space to operate our Brazil Gateway office in São Paulo.

**Potential Programs**

The establishment of Ohio State’s Office of Economic & Workforce Development could lead to a number of future opportunities for the university to generate revenue in Gateway regions. Using the Gateway offices to connect international corporations to university Intellectual Property (IP) and research through the Office of Economic & Workforce Development and the Technology Commercialization Office (TCO) provides a great platform for potential revenues. With the potential expansion of West Campus activities, partnering with these growing corporations and facilitating interactions with the Office of Economic & Workforce Development could lead to substantial foreign direct investment in the region.

With the inception of Ohio State’s Office of Distance Education and eLearning, further opportunities exist for substantial revenue for the university. With the vastly populous markets of China, India, and Brazil hungry for US-based education, the Global Gateway offices have much to offer in developing opportunities and marketing potential offerings in the region. Plans are already underway on one specific program in collaboration with the College of Pharmacy to deliver a certificate program in China, with great potential for revenue.
## Time Task Plan

The following chart depicts the Time-Task plan in which we will conduct the various activities of the Brazil Gateway launch:

<table>
<thead>
<tr>
<th>Brazil Project Activity</th>
<th>Q1 Jul-Sep</th>
<th>Q2 Aug-Sep</th>
<th>Q3 Oct-Nov</th>
<th>Q4 Nov-Dec</th>
<th>Year 2 (2014-2015)</th>
<th>Q1 Jan-Feb</th>
<th>Q2 Mar-Apr</th>
<th>Q3 May-Jun</th>
<th>Q4 Jul-Aug</th>
<th>Year 3 (2015-2016)</th>
<th>Q1 Jan-Feb</th>
<th>Q2 Mar-Apr</th>
<th>Q3 May-Jun</th>
<th>Q4 Jul-Aug</th>
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<td>Build Programming Opportunities</td>
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<td>Begin Search for Gateway Director</td>
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<td>Complete Gift Agreement with University Donor for office space</td>
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<td>Obtain BOT Approval</td>
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<td>Select Accounting and Tax Service Representation</td>
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<td>Build Website Infrastructure</td>
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<td>Design and Purchase of Marketing &amp; Exhibition Materials</td>
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<td>Newsletter Created</td>
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<td><strong>Incorporation Process</strong></td>
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<td>Hire Director</td>
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<td>Establish Bank Account</td>
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<td>Complete Incorporation of Limitada</td>
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<td>Gateway Launch</td>
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<td>Planning for Ohio State Delegation Visit for Launch</td>
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<td>Launch Event</td>
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<td><strong>Monitoring and Evaluation Activities</strong></td>
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<td>Assessment and Evaluation Toward Goals and Metrics</td>
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</table>
The Global Gateways will support a number of academic, alumni, and corporate core goals for The Ohio State University. In evaluating the success of Ohio State’s Global Gateway offices, we have developed the following lists of measures, goals, and metrics for the next 3 academic years, using 2012-2013 as a baseline for future success. These will be scored and reviewed on an annual basis with the Global Gateways Board of Directors. In addition, the Brazil Gateway will establish benchmarks in AY2014-2015 for further evaluation.

### Core Goals & Metrics

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<tbody>
<tr>
<td>1. Increase the percentage of international students and faculty</td>
<td>Number of international student applications from Gateway regions</td>
<td>6000+</td>
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<td>2. Promote scholarship on the major global issues</td>
<td>Number of Discovery Theme initiatives in Gateway regions</td>
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<td>3. Create dual degree programs</td>
<td>Number of dual-degree programs created in Gateway regions</td>
<td>2</td>
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<tr>
<td>4. Promote Collaborations with Ohio’s international business ventures</td>
<td>Number of corporate collaborations with businesses in Ohio and in Gateway regions</td>
<td>45</td>
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<tr>
<td>5. Develop an international physical presence</td>
<td>Number of Global Gateway offices launched</td>
<td>2</td>
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<tr>
<td>6. Increase the international experience for undergraduate, graduate, and professional students</td>
<td>Number of students engaged in an education abroad experience in Gateway regions</td>
<td>207</td>
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### Additional Measurable Goals & Metrics

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<tbody>
<tr>
<td>1. MOUs and MOAs</td>
<td>Total number of active MOUs and MOAs with Gateway region partner institutions</td>
<td>35</td>
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</tr>
<tr>
<td>2. Grant Funds from External Sources</td>
<td>Total of grant funds brought to Ohio State through Gateway facilitation</td>
<td>$1,000,000.00</td>
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<tr>
<td>3. Faculty Support Grants</td>
<td>Total of grant funds remitted to support faculty research initiatives</td>
<td>$17,839.62</td>
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<tr>
<td>4. Student Grants</td>
<td>Total of grant funds remitted to support student research and education abroad initiatives</td>
<td>$5,500.00</td>
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<tr>
<td>5. Revenue Earned</td>
<td>Total of revenue generated to support Global Gateway offices</td>
<td>$32,846.00</td>
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<tr>
<td>6. Development and Charitable Gifts</td>
<td>Total of cash and in-kind gifts brought to Ohio State through gateway efforts</td>
<td>$176,307.20</td>
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</table>
Furthermore, we have developed the following scorecard to assign a monetary value to the activities being performed at the Gateway offices. The first table on the scorecard lists simply the goals and metrics as well as the specific goal for each academic year. The second table lists the monetized value of achieving that goal based on industry standards and surveying the various Ohio State departmental units supported.

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Increase international internships in Global Gateway regions</td>
<td>Number of internships in Gateway regions</td>
<td>10</td>
<td>15</td>
<td>20</td>
<td>30</td>
<td>50</td>
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<tr>
<td>Increase faculty and staff collaboration assistance in Gateway regions</td>
<td>Number of faculty and staff supported initiatives in Gateway regions</td>
<td>30</td>
<td>35</td>
<td>50</td>
<td>70</td>
<td>90</td>
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<tr>
<td>Increase international student recruitment</td>
<td>Number of international student applications from Gateway regions</td>
<td>5000</td>
<td>6500</td>
<td>7500</td>
<td>8000</td>
<td>8500</td>
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<tr>
<td>Increase alumni interaction and engagement in Gateway regions</td>
<td>Number of alumni interactions in Gateway regions</td>
<td>400</td>
<td>350</td>
<td>450</td>
<td>550</td>
<td>700</td>
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</table>

<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Increase international internships in Global Gateway regions</td>
<td>Number of internships in Gateway regions</td>
<td>$44,000.00</td>
<td>$46,000.00</td>
<td>$88,000.00</td>
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<td>$132,000.00</td>
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<tr>
<td>Increase faculty and staff collaboration assistance in Gateway regions</td>
<td>Number of faculty and staff supported initiatives in Gateway regions</td>
<td>$81,000.00</td>
<td>$105,300.00</td>
<td>$135,000.00</td>
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<td>$189,000.00</td>
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<tr>
<td>Increase international student recruitment</td>
<td>Number of international undergraduate students at Ohio State from Gateway regions</td>
<td>$475,000.00</td>
<td>$490,425.00</td>
<td>$412,500.00</td>
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<td>$450,000.00</td>
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<tr>
<td>Increase alumni interaction and engagement in Gateway regions</td>
<td>Number of alumni interactions in Gateway regions</td>
<td>$47,400.00</td>
<td>$44,727.50</td>
<td>$53,125.00</td>
<td>$0.00</td>
<td>$61,175.00</td>
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</table>

| Achieve Total Value | $697,400.00 | $681,852.50 | $688,825.00 | $0.00 | $836,175.00 | $0.00 |

<table>
<thead>
<tr>
<th>Metric Descriptions</th>
<th>Metric</th>
<th>Monetary Value</th>
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</thead>
<tbody>
<tr>
<td>Number of internships in Gateway regions</td>
<td>$4,400 - Based on the average of industry prices for securing international internships through third-party providers</td>
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<tr>
<td>Number of faculty and staff supported initiatives in Gateway regions</td>
<td>$2,700 - Based on the average value of the collaboration to include factors such as assistance level provided, amount of grant, revenue to college or unit</td>
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<tr>
<td>Number of international student applications from Gateway regions</td>
<td>$375 - Based on the cost for an international student to submit an application for admission to The Ohio State University</td>
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<tr>
<td>Number of alumni interactions in Gateway regions</td>
<td>$118.50 - Based on the Office of Advancement metrics for Associate Directors that are expected to raise $30K annually with 430 annual interactions; this number will be divided by 10 for the Gateway</td>
<td></td>
</tr>
</tbody>
</table>

18
## Brazil Gateway – São Paulo, Brazil - Operating Budget

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Personnel</strong></td>
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</tr>
<tr>
<td>Director</td>
<td>$10,000.00</td>
<td>$60,000.00</td>
<td>$63,600.00</td>
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<td>Employee Benefits</td>
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<td>$20,625.00</td>
<td>$30,723.00</td>
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<td><strong>Personnel Total</strong></td>
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<td>$85,125.00</td>
<td>$125,823.00</td>
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<tr>
<td><strong>Operations</strong></td>
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<tr>
<td>Services</td>
<td></td>
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<tr>
<td>Office Lease</td>
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<td>$42,000.00</td>
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<tr>
<td>Legal &amp; Secretarial Fees</td>
<td>$35,000.00</td>
<td>$15,000.00</td>
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<td>$8,250.00</td>
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<td>Accounting Fees</td>
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<td>Banking Fees</td>
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<td>$600.00</td>
<td>$660.00</td>
<td>$726.00</td>
<td>$798.60</td>
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<td>Annual Auditing Fees</td>
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<td>IT &amp; Telecom</td>
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<td>$1,320.00</td>
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<td>Postal Fees</td>
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<td>$660.00</td>
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<tr>
<td><strong>Operations Total</strong></td>
<td>$49,900.00</td>
<td>$31,020.00</td>
<td>$26,522.00</td>
<td>$70,874.20</td>
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<td><strong>Events</strong></td>
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<tr>
<td>Event Space Rental</td>
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<td>Business Meals &amp; Entertainment</td>
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<tr>
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<td>$4,500.00</td>
<td>$4,500.00</td>
<td>$4,500.00</td>
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<tr>
<td><strong>Events Total</strong></td>
<td>$6,000.00</td>
<td>$12,500.00</td>
<td>$15,500.00</td>
<td>$15,500.00</td>
<td>$15,500.00</td>
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<tr>
<td><strong>Business Travel</strong></td>
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<tr>
<td>Foreign Travel</td>
<td>$5,000.00</td>
<td>$8,000.00</td>
<td>$12,000.00</td>
<td>$12,000.00</td>
<td>$12,000.00</td>
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<tr>
<td>In-Country Travel</td>
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<td>$6,000.00</td>
<td>$12,000.00</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
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<tr>
<td>Local Travel &amp; Transportation</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
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<tr>
<td><strong>Travel Total</strong></td>
<td>$10,500.00</td>
<td>$16,000.00</td>
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<td>$29,000.00</td>
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<tr>
<td>Annual Contingency @ 10%</td>
<td>$7,970.00</td>
<td>$14,464.50</td>
<td>$19,384.50</td>
<td>$27,502.71</td>
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<tr>
<td><strong>Annual Budget Total</strong></td>
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<td>$159,109.50</td>
<td>$213,229.50</td>
<td>$302,529.79</td>
<td>$319,576.59</td>
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