Executive Committee
March 10, 2015
Meeting Minutes

Attendance: Chris Habel, Nick Vehr, Mike Fox, Peter Alpaugh, Bill Robinson, Sean McGrory, Julie Heath, Holly Kohls and Lorrie Penner

I. Welcome
Julie Heath introduced Holly Kohls, the Center’s new Development Officer. Holly’s previous position was as a regional director with the UC Foundation.

II. Annual Award Luncheon Activity
Julie Heath reported that the Annual Award Luncheon Subcommittee, led by co-chairs Brian Brockhoff and Shawn Kelley, has raised over $200,000 in sponsorships for the event.

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The Center has business and other sponsorships with many of the sponsors of the luncheon. Julie noted that Fidelity, one of the Platinum sponsors, is also a sponsor for the activities associated with Financial Literacy month in April. One of the Gold sponsors, Scripps, is also engaged in providing media coverage for the Personal Finance Challenge coming in May.

A video of the Center’s programs featuring the educator and students award winners will include the Platinum sponsors. Inclusion in the video was one of the benefits of their sponsorship.

Julie confirmed that Tom Humes (past Chair of the Center’s Board and current UC Board President) will be attending the luncheon. He and UC Provost, Beverly Davenport will be representing the University in place of President Ono, who is traveling on the date of the luncheon. She also shared that Katherine Nero has been confirmed as the Emcee for the event.

Event details are in the final stages and the private reception featuring Mr. Jeff Immelt, Chairman and CEO of GE will begin at 11:15 a.m. at the Hyatt Cincinnati in the BUCKEYE Rooms A/B. (3rd floor - same floor as the ballroom). John Westheimer, CCC - reception sponsor, will introduce Mr. Immelt, who will
make a few short remarks and be available for networking with our guests at this intimate gathering.
A photographer from Venue Magazine will be in the room taking casual photos with Center personnel assisting to group people together. Photos will be sent to attendees with a thank you for their participation as sponsors for the event.

III. Development / Fundraising
Julie presented the Fundraising Income Report dated 7/1/2014-03/02/2015. FY2015 YTD funds are $650,093, up from the same time last year of $426,454.
The Center has some pending proposals and has secured a wide variety of funds from foundations and local businesses. She highlighted the following:

Pending:
Bank of America - $7500 for TL2 from the Bank of America Foundation

Mr. & Mrs. Tom Heekin - there has been no movement

City of Cincinnati - $175,000. Julie and Crystal Faulkner have been meeting with Councilman Charlie Winburn. His original idea for the funds was to provide financial literacy for children of incarcerated parents. However, since the Center cannot single out those students, the funds, if secured, would be used in urban schools, with the understanding that a significant proportion of these students have an incarcerated parent or other family member. Although there has not been much progress on this proposal, Mr. Winburn seems optimistic and has indicated the Center should have a decision by July 1.

Approved:
All of the approved funds involved personal calls from the Center’s Board members to members of foundation board members with which they have connections.

Sutphin Family Foundation: $20,000 for StEP
State Farm: $24,000 - this is an annual award for Teacher Training
Luther Foundation: $20,000 for StEP & Teacher Training
L & L Nippert Foundation: $20,000 for StEP
Helen Steiner Rice Foundation: $10,000 for StEP
William P Anderson Foundation: $5,000 for StEP
RC Durr Foundation: $52,888 for StEP in No. Kentucky

Declined:
A Good Neighbor Foundation. $100k. Although the Center was asked to submit a proposal, securing the grant seemed promising, and a number of trustees have made contacts, the proposal was denied. The Center will resubmit again and a list of board members is being sent to the committee to see if there are
any other connections that can be made.

IV. Financials
Treasurer, Mike Fox presented the Balance Sheet as of January 31, 2015, Profit & Loss Budget vs. Actual dated July 2014-January 2015 and the Cash Flow Schedule through 06/30/2015.

Highlights from the Profit & Loss Budget vs. Actual included reviewing the Revenue for Contract Research. Mike indicated that, although under budget by $66k, the fundraising is strong and offsets it. The Contract Research budget is still within reach at $575k. Mike reminded the committee that Research has $430k under contract, but experience shows that the additional $145K in new business within the next 90 days may come as contracted business rather than income. The Center routinely invoices 50% upfront on all their contracts and 50% is paid upon completion of the project, but the income is accounted for in the FY in which the contract is started.
On the Expense side, the Fundraising Expenditures are over budget due to the UC Foundation Fee of 3% being increased to 5%. This fee was raised universally for the entire University. Expenses for Professional/Legal are over budget. These fees are associated with the Ohio Ethics Commission and may be reimbursed by the University through the new Affiliate Agreement (formerly the MOU). Overall, the Center is on budget for FY2015.

Mike spoke briefly to the Cash Flow Schedule and the Balance sheet. The highlight from the Cash Flow Schedule was to inform the committee that the Finance & Investment Committee and a special Finance Committee Task Force continue to monitor the cash flow situation closely along with the Center’s accountant, Sue Heilmayer.
From the Balance sheet, Mike drew the committee’s attention to the Fixed Assets (1501-computer software) of $307,500. This item is related directly to the iLearn program (Peter Alpaugh’s $1MM donation for distance learning.)

Motion to approve the Finance Report by Chris Habel, seconded by Nick Vehr. Motion passed unanimously.

V. Scorecard
Julie Heath presented the FY2015 Scorecard Second Quarter. Highlights from the scorecard;
StEP - Goals for StEP have exceeded expectations with 138 classrooms in 19 schools participating this year. More than 500 volunteer hours have been logged to date – the most ever. Special thanks to the Young Professionals Council who have added more business partners to the program.
TL2 – Today’s Learner’s Tomorrow’s Leader’s will have the highest attendance of 40 recorded for the upcoming session which starts June 8 and runs through June 26.
SMG – is behind goals for the Fall and Yearlong game, but up in participation for the Spring Game. The Center is still looking for a statewide sponsor.
Professional Development (PD) – the number of teachers being reached through PD will exceed the goal of 260 educators and the number of sponsored sessions has risen significantly so that the Center...
no longer has to rely on the educators to purchase graduate credits.

VI. **New Affiliate Agreement** (previously known as the MOU) update
Chris Habel reviewed the sequence of events and upcoming timeline for the completion of the Affiliate Agreement the University of Cincinnati.

A rough draft of the new Affiliate Agreement was referenced as Chris indicated that the agreement had been sent to Steve Goodin, the board’s counsel in January, who in turn presented it to UC’s outside counsel, Larry James. It was also sent to the Ethics Commission. The Commission asked for a few minor adjustments to how UC employees are reimbursed for Center program expenses and travel.

Chris shared a document titled, “Mutual Benefits of the UC-Economics Center Affiliation”.

At this time UC is trying to determine where the Center will be housed and what person or department will be the Center’s administrative liaison that will receive the Center’s reporting on such things as the annual work plan. Goal for completion of the agreement is April 30, 2015.

Items highlighted in the new Affiliate Agreement:

1. The Centers attorney’s fees of $55,000, of which $12,000 has been paid to date. It was indicated that the remaining balance is worked into the agreement with the University, so that the University will cover those fees.

2. Economics Center will not be housed in the College of Business any longer.

3. Funds raised for the Center by the new Development Director will be funneled through the UC Foundation system.

4. Funds obtained by the Center from Research & Consulting activities as well as funds obtained through program fees (i.e., direct payment from schools or individuals for Professional Development, SMG, StEP or TL2 programs) will be directed through the Center’s bank account.

5. Employees of the Center may remain as UC staff members or may choose to be Center employees, whichever method of employment is best for their situation. All hiring and firing decisions for staff members will continue to rest with the Director of the Center. UC general HR policies will apply to UC staff members.

6. Operations of the Center are directed by policy and strategic planning and recommendations by the Economics Center’s Board of Trustees.

7. As part of the Affiliate Agreement the Center Director, with selected Trustees, will attend an annual strategy meeting with UC representation consistent with the current Annual Meeting agenda followed by the Center’s Board of Trustees in which a review of Center activities and the work plan for the coming year are presented.

8. The selection, performance review and termination processes for the Center Director will include input from the Center’s Board of Trustees and will not rest solely with the University.
VII. **Changelabs project update**

Julie shared an update on the iLearn project with the committee. The company engaged in the project, ChangeLabs, has a base office in Denver in the United States and their home office is in Australia. The project is currently in the “building stage”. They are creating a platform that will make an impact and is built for sustainability. The project is called “FinLit in a Box”. It is a predefined curriculum path and toolkit for Ohio K-6 teachers and students. This browser-based tool contains grade specific learning modules.

Storyboarding has begun, creating the evolution of content design and development. The content scripting for the lessons are also in process. Activities for students within each lesson are vibrant and interactive. The blueprint for the assessment piece is particularly important piece to allow teachers to track individual students. Julie confirmed that the intellectual property in iLearn is owned by the Center.

One of the monetization and commercialization concepts for the iLearn program is that ChangeLab will assist the Center in securing corporate partnerships. Julie said a sponsoring company could have their branding incorporated into the online game by use of banner space and product placement.

VIII. **Next Meeting**

Please save the date for the following scheduled meetings in 2105 to be held at the Economics Center;

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<td>Tuesday, June 16, 2015</td>
<td>7:30am – 8:00am</td>
<td>Room 352</td>
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<td>Tuesday, September 8, 2015</td>
<td>7:30am – 8:00am</td>
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<td>Tuesday, December 1, 2015</td>
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MISSION: As a thought leader in the community, the Economics Center provides the knowledge building blocks for a stronger economy through education and research. Our student-based programs, interactive tools and professional development improve the economic and financial literacy of school children and young adults. Our research and consulting empowers business and civic leaders to make informed policy and economic development decisions.

Economics Center – Executive Committee Meeting – March 10, 2015