

**Parking Privatization Transparency and Accountability Report
A Resolution Proposed to University Senate (1/31/13)**

Sponsored by Faculty Senator Bruce W. Weide

WHEREAS the University has recently privatized parking at OSU by granting a 50-year lease to a private operator; and

WHEREAS the University has received in consideration an up-front payment of \$483M; and

WHEREAS the University has assured the OSU community that all current Transportation and Parking employees would be offered positions with the new parking operator or elsewhere in the University; and

WHEREAS the University has assured the OSU community that parking privatization would not negatively impact the quality of parking operations and services; and

WHEREAS the University has assured the OSU community that its financial analysis of parking privatization shows that the \$483M received from the private operator would be available for investment in the academic core; and

WHEREAS the University has assured the OSU community that its plan for these funds is to invest them in the Long-Term Investment Pool (LTIP) where they would earn annual returns expected to average 9% over the next 50 years; and

WHEREAS the University has assured the OSU community that the annual draws from these funds in the LTIP would be used in approximately the following proportions based on an assumption that OSU would receive \$400M: draws from \$75M (about 19% of the total) to “increase student scholarship support”, draws from \$200M (about 50% of the total) to “recruit 8-10% additional tenure-track faculty”, draws from \$50M (about 12% of the total) to “support initiatives in critical areas, such as the Arts and Humanities, where external funding is limited”, and draws from \$75M (about 19% of the total) to “improve campus transportation systems and create a more pedestrian-friendly campus”; and

WHEREAS money is fungible, making it possible for a superficial report on the financial aspects of this transaction to mask a situation where, for example, funds needed to pay continuing expenses previously associated with Transportation and Parking are moved from other accounts rather than being paid with draws from the LTIP funds attributable to parking privatization; and

WHEREAS the University administration must be held accountable for the decision to privatize parking, for the validity of its confidential internal financial model of the transaction, and for carrying through with the assurances it has made to the OSU community;

Be it therefore resolved that the University Senate expects an annual Parking Privatization Transparency and Accountability Report to be presented by the University administration to the appropriate University Senate committee each year, starting in FY2013 and throughout the term of the parking privatization agreement. Each report is expected to include information from the previous fiscal year as well as historical year-by-year data broken out as suggested below (with historical information beginning no later than FY2010):

1. An accounting of OSU financial details related to parking privatization, including:
 - the disposition and status of the up-front payment principal;
 - returns earned on the up-front payment;
 - distributions from the up-front payment and the purposes for which they were used;
 - recent expenditure histories for comparable purposes from all sources;
 - sources of funds for, and expenses related to, services for which FY2012 parking revenues are currently paying (e.g, Campus Area Bus Service, parking facilities debt service, etc.); and
 - other expenses related to the parking privatization agreement (e.g., for third-party consultants, compliance monitoring, legal services, etc., whether those expenses are paid through a residual OSU Transportation and Parking office or through other units/services/offices).
2. A report of the results of the annual OSU parking customer satisfaction survey conducted as part of compliance monitoring, including:
 - customer satisfaction trends recognized by the University;
 - quality or service concerns reported by the University to the private parking operator; and
 - any actions taken or not taken by the private operator to address previously reported concerns.
3. An accounting of the total parking revenues collected by OSU and/or the private operator, with a breakdown of revenues by parking permit types and other methods used to generate revenues from parking, as well as any public financial or legal disclosures made by the private operator or concessionaire pertaining to its role in the agreement.
4. A report of all mediation, arbitration, or litigation involving the University and any other party with respect to campus parking.