DIRECTIVE 2020-024

May 11, 2020

RE: JOINT USE AGREEMENT BETWEEN CINCINNATI STATE TECHNICAL AND COMMUNITY COLLEGE DISTRICT AND MERCY HEALTH CINCINNATI, LLC

Cincinnati State Technical and Community College has been granted appropriations contained in House Bill 529 of 132nd General Assembly in the amount of five hundred thousand dollars. Cincinnati State Technical and Community College will use the funds to improve the facility owned by Mercy Health Cincinnati, LLC. As required by Ohio Administrative Code section 3333-1-03, Cincinnati State Technical and Community College submitted a Joint Use Agreement for consideration and approval by the Chancellor.

The agreement conforms to Ohio Administrative Code as follows –

- The format of the agreement is appropriate
- The commitment extends no less than twenty years
- The value of use to Ohio higher education institutions is reasonably related to the amount of the appropriation

Agency staff reviewed the agreement and posted its recommendations to the Department’s website for the purpose of providing a period of public comment before final approval by the Chancellor. The materials posted for comment and the joint use agreement are attached to this document.

Based on my review of staff recommendations, I hereby approve the Joint Use Agreement between Cincinnati State Technical and Community College and Mercy Health Cincinnati, LLC.

This directive will take effect immediately.

Randy Gardner
Chancellor
JOINT USE AGREEMENT

(For capital funds released to institutions for facilities not owned by the institution)

This Joint Use Agreement (“Agreement”) is entered into by and between Cincinnati State Technical & Community College (the “College”), an instrumentality of the State of Ohio, created under Chapter 3358 of the Ohio Revised Code, whose address is 3520 Central Parkway, Cincinnati, OH 45223, and Mercy Health Cincinnati, LLC, a non-profit tax exempt limited liability company, whose address is 4600 McAuley Place, 6TH Floor Cincinnati, OH 45242.

WHEREAS, the Ohio General Assembly has passed HB 529 which provides capital appropriations to the College from the State of Ohio in the amount of $500,000.00 for construction of its dental operatory within the Health Source health center located in the West Clermont Middle School, at 1341 Clough Pike, Batavia, OH 45103, Clermont County, Ohio.

WHEREAS, Mercy Health Cincinnati offers a residency in general dentistry to train graduated dentists in the clinically distinct area of public dentistry but due to lack of clinical space, is currently unable to expand the residency program to underserved areas such as Clermont County.

WHEREAS, Mercy Health Cincinnati has a long and robust partnership with the West Clermont School District, including offering primary care services and school-based services in partnership with Health Source, a private not-for-profit community health center focused on primary care access.

WHEREAS, Ohio Administrative Code §3333-1-03(E) requires a public institution to submit to the Chancellor of the Ohio Department of Higher Education a joint use agreement that contains the requirements in (E)(1)-(11) for review and approval.

NOW, THEREFORE, in consideration of the mutual benefits hereunder, it is hereby agreed to between the parties as follows:

1. **Facility or equipment owned, to be built or purchased by nonprofit or public body.**
   Mercer Health Cincinnati, a non-profit tax exempt limited liability company will lease for not less than twenty (20) years, space sufficient in the West Clermont Middle School/Health Source school-based health care center for the construction of a 4-chair dental operatory, located at 1341 Clough Pike, Batavia, OH 45103, Clermont County, Ohio.
2. **Use of the facility or equipment by public institution.**
   The College has demonstrated that the value of the use of the facility or equipment is reasonably related to the amount of appropriation through the worksheet included in this Agreement as Attachment A, hereby incorporated. Mercy Health Cincinnati and Health Source already partner to provide primary care and vision services to medically underserved Clermont County residents at the West Clermont Middle School. Mercy Health Cincinnati leases the space for the health center from the West Clermont School District. Health Source subleases the space from Mercy Health Cincinnati. The Health Source health center at the Middle School will be expanded to include a 4 chair dental operatory. Cincinnati State will have the ability to place students seeking externships in their Licensed Practical Nurse, Medical Assistant, Medical Administrative Assistant, and Community Health Worker programs. Eligible students may be placed at the West Clermont Middle School health center to complete clinical and/or externship assignments as outlined in Attachment B, hereby incorporated. The value is the time of the Mercy Health Cincinnati and Health Source staff that will oversee and plan for the externship program for each student as calculated in the worksheet included in this Agreement as Attachment A, hereby incorporated. Mercy Health Cincinnati will also provide expertise to Cincinnati State in assessing the feasibility of developing a dental assistant/hygiene program as outlined in Attachment B, hereby incorporated. Subject matter experts (SME) are needed to assist in the development and ongoing evaluation of such a curriculum.

3. **Reimbursement of funds.** Mercy Health Cincinnati shall provide for reimbursement to the state should the College’s right to use the Facility be terminated by the non-profit corporation or public body prior to the expiration of the twenty-year term, which reimbursement shall be calculated by dividing the funds contributed by the State of Ohio by twenty and multiplying that sum by twenty less the number of full years the Facility is used by the College.

4. **Use of funds.** Mercy Health Cincinnati shall use the Funds only for the capital improvements as defined in the bill(s) appropriating the funds. Specifically, Mercy Health Cincinnati will utilize the $500,000.00 capital appropriation in combination with $385,000.00 raised by its nonprofit partner Health Source. Health Source and Mercy Health Cincinnati already partner to provide primary care and vision services to medically underserved Clermont County residents at the West Clermont Middle School. Mercy Health Cincinnati leases the space for the health center from the Clermont County School District. Health Source subleases the space from Mercy Health Cincinnati. The Health Source health center at the Middle School will be expanded to include a 4 chair dental operatory.
5. **Insurance for facility and hold harmless.** Mercy Health Cincinnati has and shall maintain for the entire term of this Agreement a comprehensive program of insurance covering the Facility including liability and casualty coverage in an amount reasonably sufficient to protect the College, and Mercy Health Cincinnati from claims and any losses relating to construction, ownership and operation of the Facility. Each party agrees to be responsible for any personal injury or property damage caused solely by its negligent acts or omissions as determined by a court of competent jurisdiction, or as the parties may otherwise mutually agree. Mercy Health Cincinnati shall hold College harmless from all liability for construction, operation, and maintenance costs of the facility.

6. **Compliance with federal, state and local law.** Mercy Health Cincinnati shall comply with all pertinent federal, state and local laws as well as state administrative regulations, including but not limited to the requirement that it follow competitive bidding procedures, as outlined generally in ORC Chapter 307.86.

7. **Competitive bidding.** Mercy Health Cincinnati shall follow competitive bidding procedures which include, at a minimum, publishing advertisements to seek bids, receiving sealed bids, and awarding contracts to the lowest responsive and responsible bidder, as described generally in Ohio Revised Code Chapter 153.

8. **Appropriation administrative fee.** The College shall deduct and retain from the Funds the total amount of Seven Thousand Five Hundred dollars ($7,500.00), constituting 1-\(\frac{1}{2}\)% of the funds to compensate it for actual costs of administration.

9. **Amendments.** Any amendments to this Agreement shall be in writing, signed by Mercy Health Cincinnati and College, and shall require approval by the Ohio Department of Higher Education and will be submitted to the Chancellor before any amendment takes effect.

10. **Payment.** An approved Controlling Board request will release funds to College. These funds will be encumbered upon release. Funds will be reimbursed to Mercy Health Cincinnati after presentation by Mercy Health Cincinnati of invoices or other evidence of expenditures for permitted uses of the capital funds. Such obligation must be properly documented to the reasonable satisfaction of College.

11. **Terms and conditions of use.** Mercy Health Cincinnati will provide the use of the new dental operatory located within the Health Source school-based health center at West Clermont Middle School located at 1341 Clough Pike, Batavia, OH 45103 to Cincinnati State Technical and Community College for externships and meetings with dental subject matter experts at such date and time that can be mutually agreed upon by the College, but
at a minimum of three (3) times per year for a term of twenty years commencing when the facility is ready to be used by the College.
IN WITNESS WHEREOF, the parties have hereunto executed this Agreement as of the month, day and year signed.

Cincinnati State Technical & Community College

By: [Signature]
Title: Vice President, Administration
Date: 4/20/2020

Mercy Health Cincinnati, LLC

By: [Signature]
Title: President, Mercy Health - Cincinnati
Date: 4/13/20
Scope of Work to be funded by capital appropriation designated for Mercy Health Cincinnati to be located at 1341 Clough Pike, Batavia, OH  45103.

Mercy Health Cincinnati is to receive the $500,000, which will be leveraged against $385,000 raised by its nonprofit partner Health Source. Health Source and Mercy Health Cincinnati already partner to provide primary care and vision services to medically underserved Clermont County residents at the West Clermont Middle School. Mercy Health Cincinnati leases the space for the health center from the Clermont County School District. Health Source subleases the space from Mercy Health Cincinnati. The Health Source health center at the Middle School will be expanded to include a 4 chair dental operatory. Cincinnati State will have the ability to place students seeking externships in their Licensed Practical Nurse, Medical Assistant, Medical Administrative Assistant, and Community Health Worker programs. Eligible students will be placed at the West Clermont Middle School health center to complete clinical and/or externship assignments. The value is the time of the Mercy Health and Health Source staff that will oversee and plan for the externship program for each student.

Mercy Health Cincinnati and Health Source have the ability to provide a practicum site and a staff member to precept for 6 students per year. The hourly rate paid to adjunct instructors at the college is $40/hr. An average of 100 precept hours per student will be needed for the above referenced credentials. Therefore, 100 hours x $40 = $4,000 for each student placed x 6 students/year = $24,000/year. This number may fluctuate slightly depending on the number of students placed.

Mercy Health will also provide expertise to Cincinnati State in assessing the feasibility of developing a dental assistant/hygiene program. Subject matter experts (SME) are needed to assist in the development and ongoing evaluation of such a curriculum. Approximately 40 hours/year of expertise valued at $100/hr will be required or up to $4,000 per year. With the development of a dental assistant/hygiene program, the College will partner with Mercy and Health Source at the West Clermont Middle School for precepts and externship opportunities for up to 4 students per year. An average of 100 precept hours per student will be needed for the dental program. Therefore, 100 hours x $40/hr = $4,000 for each student place x 4 students/yr = $16,000/yr.

Total value to Cincinnati State from this partnership with Mercy Health and Health Source at the West Clermont Middle School will be up to $44,000/yr.
ATTACHMENT A

Project: Mercy Health Cincinnati / Health Source Dental Operatory

Date: April 2020

Section I: State appropriation information.

1. Amount of state appropriation provided: $500,000
2. Estimated annual debt service on the appropriation: $ 38,439
3. Term of the state bond, in years: 20 years

Section II: Estimated value of use of the facility.

<table>
<thead>
<tr>
<th>Use(s) of the facility*</th>
<th>Annual value of use</th>
<th># of years</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Practicum Site &amp; Precept for 6 students/yr @ $4,000/student</td>
<td>$24,000</td>
<td>20</td>
</tr>
<tr>
<td>b 40 hours of Subject Matter Expertise/yr</td>
<td>$4,000</td>
<td>5</td>
</tr>
<tr>
<td>c Dental externships/clinical placements for 4 students/yr $4,000/student</td>
<td>$16,000</td>
<td>20</td>
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(* List additional uses on separate page as needed.)

Section III:

On a separate page, explain how each use listed in Section II was valued for this analysis. Direction: The purpose of this worksheet is to enable a campus to demonstrate how the value of the uses that will be derived from a Joint Use Agreement is reasonably related to the value of the state capital appropriation made to the partner entity. Section I is to be filled out by the staff of the Department of Higher Education. Sections II and III are to be filled out by the partner campus.
**Section III:**

The Health Source health center at the Middle School will be expanded to include a 4 chair dental operatory. Cincinnati State will have the ability to place students seeking externships in their Licensed Practical Nurse, Medical Assistant, Medical Administrative Assistant, and Community Health Worker programs. Eligible students may be placed at the West Clermont Middle School health center to complete clinical and/or externship assignments. The value is the time of the Mercy Health Cincinnati and Health Source staff that will oversee and plan for the externship program for each student.

Mercy Health Cincinnati and Health Source have the ability to provide a practicum site and a staff member to precept for 6 students per year. The hourly rate paid to adjunct instructors at the college is $40/hr. An average of 100 precept hours per student will be needed for the above referenced credentials. Therefore, 100 hours x $40 = $4,000 for each student placed x 6 students/year = $24,000/year. This number may fluctuate slightly depending on the number of students placed.

Mercy Health Cincinnati will also provide expertise to Cincinnati State in assessing the feasibility of developing a dental assistant/hygiene program. Subject matter experts (SME) are needed to assist in the development and ongoing evaluation of such a curriculum. Up to 40 hours/year of expertise valued at $100/hr will be required or up to $4,000 per year for 5 years.

With the development of a dental assistant/hygiene program, the College will partner with Mercy Health Cincinnati and Health Source at the West Clermont Middle School for precepts and externship opportunities for up to 4 students per year. Up to 100 precept hours per student will be needed for the dental program. Therefore, 100 hours x $40/hr = $4,000 for each student placed x 4 students/yr = $16,000/yr.

Total value to Cincinnati State from this partnership with Mercy Health Cincinnati and Health Source at the West Clermont Middle School will be up to $44,000/yr., which includes the 5 year value of the Subject Matter Expert.