

Minutes
OHIO BOARD OF REGENTS
Columbus, Ohio
December 14, 2000

CALL TO ORDER AND ROLL CALL

The meeting was called to order by the Chair, Tahlman Krumm, Jr.

The roll was called by the Acting Secretary, Thomas W. Noe. Those present were:

Edmund J. Adams
Jeanette G. Brown
Tahlman Krumm, Jr.
Gerald M. Miller

Thomas W. Noe
Stephen A. Perry
J. Gilbert Reese
Ralph E. Schey

CONSIDERATION OF MATTERS RELATED TO THE AGENDA (ITEMS MAY BE AMENDED, ADDED TO OR DELETED FROM THE AGENDA AT THE DISCRETION OF THE BOARD)

No changes.

APPROVAL OF MINUTES OF NOVEMBER 16, 2000

A motion was made by Regent Brown to approve the Minutes of the November 16, 2000, meeting of the Board. Regent Perry seconded the motion and it was unanimously passed.

COMMITTEE REPORTS AND SUMMARY OF DELIBERATIONS

Communications Committee – Regent Noe: Vice Chancellor Mackey updated the committee on the latest news of the higher education operating budget. A budget brochure, which will more easily define our budget requests, will be out in mid-January.

Special Events: Two orientation luncheons for new legislators, held December 11 and 13, 2000, were very successful. The rollout of the Ohio Express Success bus will be held Wednesday, January 10, 2001, at East High School in Columbus, and includes Governor Bob Taft as lead presenter.

The Chancellor's visits to editorial boards around the state resulted in several supportive editorials, primarily discussing the underfunding of higher education. Papers included The Columbus Dispatch, Toledo Blade, Akron Beacon Journal, Cincinnati Enquirer and the Cleveland Plain Dealer.

Much attention was also paid to the national report on higher education, which showed that Ohio needs much improvement, something the Regents have said for a long time. I believe that if we can get more people enrolled in our colleges and universities we will raise Ohio's national stature.

The Committee heard an interesting report from Mark Rickel, Assistant Deputy Director of the Office of Communications for the Ohio Department of Development, on the state of Ohio's "e/Corridor" campaign. The national campaign is an advertising initiative of the state to attract new business to Ohio.

Resources Committee – Regent Schey: The Committee received an interesting report from H.E.I. Director Harold Horton regarding developments of the higher education information system. The information system has been transformed over the past couple of years. It is accessible, fast, web-based, and increasingly a tool to be used by campus and state decision makers.

I am especially pleased to note that we plan to use H.E.I. to improve the student financial aid process. This will be an additional service to students, parents, and campuses. In addition, Mr. Horton and his staff have worked with campuses to enable them to use H.E.I. as an efficient means of preparing many complex reports required by the federal government.

We were joined by representatives from Belmont Technical College who discussed their plans to buy about 44 acres of land to help accommodate their needs for growth. In addition, we were informed of revisions to the University of Toledo's capital plan that would result in improvements in their classrooms and labs.

Vice Chancellor Petrick briefed the Committee on the FY 2002-2003 Operating Budget. The Board's recommendations have been formally submitted to the Office of Budget and Management.

The Committee reviewed two items: The University of Cincinnati requests approval of a pledge of student fees in support of a bond issuance not to exceed \$91,650,000 to finance construction of new facilities. Part of this project includes the construction of a new power plant at the University which is expected to generate revenues or savings which will pay for the debt service for the project. The Committee was also asked to consider approval of a Joint Use Agreement between the University of Cincinnati and the Institute of Advanced Manufacturing for \$250,000.

There are five items for inclusion in the Consent Agenda: the final FY 2001 Instructional Subsidy allocations; the final FY 2001 Jobs Challenge allocations; a request by Kent State University for a pledge of student fees in support of a bond issuance not to exceed \$155.5 million. The bond issuance will fund the construction and renovation of the University's aging dormitories and related facilities; an Addendum to the Joint Use Agreement between Ohio State University and the Jack Nicklaus Museum for \$500,000; and Controlling Board items for November 2000.

Initiatives Committee – Regent Perry: The Committee heard an excellent presentation from Diane Birckbichler, Director of the Foreign Language Center at Ohio State University. The focus of her presentation was the development of a web-based approach to assessment assistance to foreign-language students at

the high school level. This process is used to help the teachers assess students and to generate remedial activities so the students really do better in learning the language. This is another example of how the world-wide web is having an impact on education. Currently, they are working with 80 high schools in the state. Their charge is to try to double that number in the next year.

The three items on the Consent Agenda were discussed at our Initiatives Committee meeting last month, and will be presented for approval today. Harry Andrist and Jack Connell reported on new degree programs. There were no controversies or questions. Upon further review, it is my expectation that they will be presented at next month's meeting for approval. Tom Rudd reported on the reduction in the interest rate paid in the Nurse Education Assistance Loan Program.

Performance Committee – Regent Adams: We are pleased to report that on December 13, 2000, the first annual performance report on Ohio's state supported colleges and universities was submitted to Governor Taft and was released to the public yesterday. This report presents statewide and campus data on ten performance outcomes and statewide and campus data on six measure of the experience of first-year students.

The report is composed of an executive summary and several sub-reports. Each of these documents are included with the written version and are also available via the worldwide web on the OBR web site.

In the Performance Committee meeting today we also discussed the omission of class-size data and exploring the development of urban school data for future performance reports. The contents of the report will be presented today by Associate Vice Chancellor Sheehan.

Vice Chancellor Petrick provided an update to the Performance Committee on a report he is working on addressing the elimination of barriers to competition at Ohio's colleges and universities. He dealt with five areas: tuition caps, enrollment caps, service districts, dormitory construction, and program approval. Vice Chancellor Petrick will provide a draft analysis on those topics in advance of the January Board meeting for discussion.

Evaluation Committee – Regent Brown: The Evaluation Committee recommends approval of personnel actions on today's agenda.

Consent Agenda – A motion was made by Regent Noe to approve agenda items 3.1 through 3.9. Regent Brown seconded the motion and it was unanimously passed.

- 3.1 Urbana University – Community Hospital School of Nursing, Associate of Arts in Health Science joint degree program
- 3.2 Hocking Technical College, Associate of Applied Science in Archaeology Technology
- 3.3 Ohio University, Master of Science in Computer Science

- 3.4 FY 2001 Instructional Subsidy Allocation and Revised FY 2001 Access Challenge Allocation
- 3.5 FY 2001 Jobs Challenge-Workforce Development Incentive Grants
- 3.6 Fee pledge by Kent State University in support of a bond issuance not to exceed \$155.5 million
- 3.7 Amended Joint Use Agreement between The Ohio State University and the Jack Nicklaus Private Operating Foundation, Inc.
- 3.8 Requests to the Controlling Board for the period November 1, 2000 through November 30, 2000
- 3.9 Personnel Actions
 - (a) Establishment of a compensation plan for the Chancellor of the Ohio Board of Regents

RESOLUTION 2001-60
Agenda Item 3.1

BE IT RESOLVED: upon the recommendation of the Chancellor and with the concurrence of the Initiatives Committee of the Ohio Board of Regents that the following degree program be approved through December 31, 2007, with a one (1) year progress review to be submitted to the Ohio Board of Regents by December 31, 2001.

Urbana University—Community Hospital School of Nursing
Associate of Arts in Health Science joint degree program

RESOLUTION 2001-61
Agenda Item 3.2

BE IT RESOLVED: upon the recommendation of the Chancellor and with the concurrence of the Initiatives Committee of the Ohio Board of Regents that the following new degree program is approved:

Hocking Technical College
Associate of Applied Science degree in Archaeology Technology

RESOLUTION 2001-62
Agenda Item 3.3

BE IT RESOLVED: upon the recommendation of the Chancellor and with the concurrence of the Regents' Advisory Committee on Graduate Study as well as the Initiatives Committee of the Ohio Board of Regents that the following new degree program is approved:

Ohio University
Master of Science in Computer Science

RESOLUTION 2001-63
Agenda Item 3.4

WHEREAS, the state's biennial budget directs the Ohio Board of Regents to distribute higher education funds in accordance with various requirements; and

WHEREAS, certain of these funds are provided for a specific purpose and others are to be distributed at the discretion of the Board; and

WHEREAS, Section 7.01 of Amended House Bill 282 requires the Board of Regents to calculate the distribution of instructional subsidies based on certain enrollments and facility data, and the formula provisions of that act; and

WHEREAS, the enrollment and facilities data have been revised by the staff of the Board of Regents, with the cooperation and assistance of the state's public colleges and universities; and

WHEREAS, the acquisition of revised enrollment data has resulted in adjusted Instructional Subsidy and Access Challenge calculations for fiscal years 1999, 2000, and 2001, the net effect of which is reflected in this request for the distribution and release of the FY 2001 Instructional Subsidy funds and the distribution and release of revised FY 2001 Access Challenge funds;

WHEREAS, Amended Substitute House Bill 282 provides each campus with a guarantee of 101% of FY 2000 distributions based on the combination of the instructional subsidy and selected challenge allocations; and

WHEREAS, in compliance with legislative direction, the FY 2001 instructional subsidy distribution is based in part on all-terms counts of student enrollments.

NOW, THEREFORE,

BE IT RESOLVED: upon the recommendation of the Chancellor and with the concurrence of the Resources Committee of the Ohio Board of Regents, that the allocation of available instructional subsidies for FY 2001, as described in the attached table and made a part hereof, and the revised FY 2001 Access Challenge allocation, as described in the attached table and made a part hereof, are hereby approved.

RESOLUTION 2001-64
Agenda Item 3.5

WHEREAS, the state's biennial budget directs the Ohio Board of Regents to distribute higher education funds in accordance with various requirements; and

WHEREAS, in this action the Board is requested to consider the release and distribution of the Workforce Incentive Grants portion of the FY 2001 Jobs Challenge appropriations; and

WHEREAS, the Ohio Board of Regents is mandated by the Ohio General Assembly to administer the distribution of various line item appropriations included in Amended Substitute House Bill 282 of the 123rd General Assembly; and

WHEREAS, certain of these funds are provided for a specific purpose and others are to be distributed at the discretion of the Board; and

WHEREAS, the Challenge line items were recommended by the Higher Education Funding Commission and the Board of Regents, and enacted by the General Assembly, in an effort to allocate more state funds to performance-related activities in higher education;

WHEREAS, the \$4 million Workforce Incentive Grants portion of the Jobs Challenge appropriation is distributed according to a formula that recognizes institutional efforts to support economic development through the provision of noncredit job-related training and instruction; and

NOW, THEREFORE,

BE IT RESOLVED: upon the recommendation of the Chancellor and with the concurrence of the Resources Committee of the Ohio Board of Regents, that the FY 2001 appropriations for Jobs Challenge Workforce Incentive Grants, as described in the attached table and made a part hereof, be approved for distribution.

RESOLUTION 2001-65
Agenda Item 3.6

WHEREAS, Section 7.06 of Am. Sub. H.B. 282 of the 123rd General Assembly requires that any new pledge of fees to secure bonds or notes of a state college or university must be approved by the Ohio Board of Regents; and

WHEREAS, 85 percent of the space currently used to house undergraduate students at Kent State University's residential facilities was constructed between 1959 and 1969; and

WHEREAS, Kent State University undertook a master planning process in 1999, the results of which demonstrated a need to make immediate improvements in existing facilities and increase the supply of certain types of rooms to the existing housing stock; and

WHEREAS, Kent State University proposes to begin Phase One of a multi-phase project to renovate existing residential facilities and construct new residential facilities; and

WHEREAS, Kent State University proposes to pledge student fees in support of General Receipts bonds in an aggregate amount not to exceed \$155.5 million to finance the construction and renovation of residential facilities; and

WHEREAS, it is the intent of Kent State University to generate and use room and board revenues funds to retire the debt; and

WHEREAS, the proposed bond or note issue complies with the requirements of Sections 3345.11 and 3345.12 of the Ohio Revised Code;

NOW, THEREFORE,

BE IT RESOLVED, upon the recommendation of the Chancellor and with the concurrence of the Resources Committee of the Ohio Board of Regents, that the Kent State University request for the approval of a pledge of student fees to secure General Receipts bonds and/or bond anticipation notes in an amount not to exceed \$155.5 million is hereby approved.

BE IT FURTHER RESOLVED, that this approval is made contingent upon approval of this bond issuance by the Kent State University Board of Trustees.

RESOLUTION 2001-66
Agenda Item 3.7

WHEREAS, the 123rd Ohio General Assembly enacted H.B. 640 which includes a specific capital appropriation of \$500,000 to the Ohio State University for the Jack Nicklaus Museum, Inc.; and

WHEREAS, the Ohio Board of Regents' Rule 3333-1-03 requires that a joint use agreement between the institution for which funds are appropriated and the organization which will own or lease and operate facilities to be constructed or improved with such funds must be approved by the Board; and

WHEREAS, the Ohio State University and the Jack Nicklaus Museum, Inc., have presented an addendum to the original agreement approved by the Ohio Board of Regents; and

WHEREAS, the agreement has been reviewed and its format is found to be appropriate, its description of extent and nature of use has been specified, and the commitment extends no less than fifteen years, and it is in conformity with Rule 3333-1-03; and

WHEREAS, the following benefits are provided to the university:

- Education benefits of student and faculty access to the Museum
- Availability of Museum for research projects
- Exhibit displays for OSU turf grass program
- Exhibit displays for OSU golf team program

- Ability to design Museum study programs for undergraduate and graduate degrees
- Opportunities for internships for OSU students
- Presence of Museum honoring an alumnus of OSU who is recognized as one of the greatest athletes of the 20th Century
- Attraction in recruiting student-athletes to OSU for all sports
- Attraction in recruiting students for the OSU turf grass program
- Attraction in recruiting students generally
- Promotes OSU themes of tradition and excellence
- OSU owns the Museum building as a leasehold improvement

WHEREAS, the parties have determined that the value of the use is reasonably related to the amount of the appropriation;

NOW, THEREFORE,

BE IT RESOLVED: upon the recommendation of the Chancellor and with the concurrence of the Resources Committee of the Ohio Board of Regents, that the agreement between The Ohio State University and the Jack Nicklaus Museum, Inc., attached and made a part hereof, be approved.

RESOLUTION 2001-67
Agenda Item 3.8

BE IT RESOLVED: upon the recommendation of the Resources Committee of the Ohio Board of Regents, that the request for release of capital improvements funds received in the period November 1, 2000 through November 30, 2000, shown on the sheets attached hereto, are hereby approved and recommended for approval by the Controlling Board.

RESOLUTION 2001-68
Agenda Item 3.9

BE IT RESOLVED: upon the recommendation of the Chancellor that the following personnel actions be approved:

<u>NEW HIRE</u>	<u>EFFECTIVE DATE</u>
Kyle Gephart Administrator Capital Development	12/04/00
William Wagner Financial Analyst Budget and Finance	12/18/00

Tony Cornett Fiscal Specialist Human Resources and Fiscal Services	12/18/00
Kendra Dowdy-Cornute Secretary Capital Development	12/04/00
<u>SALARY ADJUSTMENT</u>	
Eric Burke Programmer, HEI	01/01/01
Ian Davis PC/LAN Administrator	01/01/01
Roderick G.W. Chu Chancellor	12/18/00
E. Garrison Walters Vice Chancellor for Academic and Access Programs	12/18/00
Richard L. Petrick Vice Chancellor for Finance	12/18/00
Arkadiy Khitrik Programmer, HEI	01/01/01
Beverly Farmer Enrollment Audit Coordinator	01/01/01

RESOLUTION 2001-69
Agenda Item 9a

WHEREAS, Ohio Revised Code §3333.03 authorizes the Board to fix the compensation for the Chancellor and all other professional administrative and clerical employees of the Ohio Board of Regents, and

WHEREAS, the Board has researched the compensation paid to State Higher Education Executive Officers and those of Ohio's public university presidents, the positions that represent the pool of qualified candidates with which the Ohio Board of Regents competes when recruiting a Chancellor, and

WHEREAS, the Board recognizes the need to maintain a competitive compensation level to retain qualified individuals in the position of Chancellor, and

WHEREAS, the Chancellor's existing compensation level is well below that of comparable state systems and below the median of Ohio public university presidents, and

WHEREAS, the Board recognizes the Chancellor's numerous achievements and superior performance since accepting the position more than two years ago, and

WHEREAS, the Board recognizes the need to adjust the Chancellor's compensation to reflect the Chancellor's contributions and to reach a level of competitiveness with the relevant marketplace.

NOW, THEREFORE,

BE IT RESOLVED, the Ohio Board of Regents shall adjust the Chancellor's compensation. The Ohio Board of Regents shall review this schedule periodically to maintain marketplace competitiveness.

CHANCELLOR'S REPORT

After many months of holding our board meetings on the road, it's good to be home! We always enjoy our meetings at Ohio's colleges and universities, and most recently, Procter & Gamble, but it is logistically easier every now and then to have our meetings here in Columbus.

As Regent Noe noted, since our meeting last month in Cincinnati, we have conducted numerous briefings for business and community leaders, editorial boards, and two orientation luncheons for members of the General Assembly. The legislative briefings were held this week at Cincinnati State Technical and Community College and here in our Columbus offices. At both the Cincinnati and Columbus luncheons, Regent Adams provided an introduction to the role and operations of the Regents. Thanks to Regent Adams and also to Regents Jenny Brown and Ralph Schey for their participation at the luncheons.

At those luncheons I presented an introduction to the Regents' higher education budget recommendations to the Governor and the General Assembly. We had excellent interaction with the members, many of whom are newly elected state representatives. Most stayed long beyond the announced ending time to engage in questions and discussions.

In each of the legislative, business, community and media meetings of the past several weeks, the attendees all appeared concerned about and sympathetic to our state's need and opportunity to create a bright, new economic future for Ohio through an educated, technologically competent workforce. In fact, in yesterday's meeting of the Governor's Workforce Policy Board, Chairman Mike Summers of Summers Rubber, commented on the briefing I had presented at the prior meeting of the group. He reported the

Workforce Policy Board's endorsement of the Regents' higher education operating budget recommendations.

In a meeting yesterday morning, I briefed the Board of the Columbus Chamber of Commerce on our budget recommendations. Later in the day, Board Chair Alex Shumate called to inform me of their Board's full support of our budget plans.

As you know, your budget recommendations are focused on three major objectives:

1. To build Ohio's 21st century economy through a focus on workforce development and university research, development and commercialization
2. To better educate more Ohioans through Ohio's colleges and universities, based largely through our performance-based funding
3. To improve the education results of our state's elementary and secondary schools.

On this third objective, higher education's impact is already being felt. The Governor's Commission on Student Success is having its final meeting as I speak. In its final report to Governor Taft, the Commission is making a series of recommendations to establish an integrated, aligned system of academic standards, assessments and accountability.

The Commission's recommendations rest on the development of clear, rigorous academic K-12 standards. These standards are now being developed as the result of the initiative of the Joint Council of the Ohio Board of Regents and the State Board of Education began 2-1/2 years ago. Before the involvement of the Regents, Ohio's elementary/secondary education community had not developed the clear, rigorous academic standards that are required so parents and teachers understand what we all expect our kids to know and be able to do.

The work of the Governor's Commission on Student Success highlights the crucial role that the higher education community has played and must play if Ohio is to enjoy improved student achievement by our elementary and secondary school students.

On another front, as Regent Adams noted, earlier this week I provided Governor Taft with the State-Supported Ohio Colleges and Universities Performance Report. Yesterday, I released that report to the media at a press briefing at which about 20 members of the press attended. Associate Vice Chancellor Rob Sheehan and I will be discussing the Performance Report in more detail with you in a few moments.

This report follows on the heels of a national, state-by-state higher education report card issued by the National Center for Public Policy and Higher Education. That report was issued on November 30. The National Report

Card did not contain any surprises for us. It confirms what you, the Regents, have been saying for years:

1. Ohio is graded a C+ for preparation. Ohio's high school students simply don't take challenging enough courses
2. Participation: C- Ohio badly lags the national average in terms of high school graduates and adults who go on to college
3. Affordability: D- Since Ohio's colleges and universities have about average costs, the low state support that Ohio provides requires our campuses to charge a high tuition to our students and families, hence making a college education less affordable
4. Completion: B The best grade Ohio received in this national report card, and interestingly the only factor directly in control of Ohio's colleges and universities. Our campuses do a good job in getting their students through their studies
5. Benefits: C The low college-going rate results in a lower educated Ohio population. Since, as Governor Taft has long noted, "The more you learn, the more you earn," the benefit of higher education to Ohio's economy is lower than that of other states simply because of our low participation rate
6. Learning: Incomplete. In fact all states received an Incomplete grade, but with our new Ohio Performance Report I believe this puts us in a small group of other states that is now reporting on the educational performance of college students that will permit systematic state and national comparisons.

The state Higher Education Performance Report supports the focus of your proposed new budget: targeting investments in higher education to improve student and teacher achievement and to build the economic future of Ohio.

These reports are helpful because they provide Ohio with a profile of how we rank on a national scale. The state report that Rob Sheehan and I are about to present also gives our citizens a more detailed perspective on the issues raised by the national report.

Dr. Robert Sheehan, Associate Vice Chancellor for Performance Reporting and Analysis, will join me in presenting the new State-Supported Colleges and Universities Performance Report. Dr. Sheehan and his staff gathered the data and put the report together. However, this report could not have been completed successfully without the frequent consultation and support of Ohio's colleges and universities. I want to personally thank the many college and university presidents and their staff who participated in the creation of this report. I also thank the Inter-University Council, the Ohio Association of

Community Colleges and the Association of Independent Colleges and Universities for their support.

PRESENTATIONS

a. Performance Report

Roderick Chu, Chancellor
Ohio Board of Regents

Robert Sheehan, Associate Vice Chancellor for Performance
Reporting and Analysis
Ohio Board of Regents

b. Articulation and Transfer

Dick Arndt, Director
K-16 Initiatives
Ohio Board of Regents

Roy Church, President
Lorain County Community College

Jack Southard, Director
Degree Audit Reporting System
Miami University

Jason Elwood, Assistant Director
Manager – Course Applicability System
Miami University

OTHER BUSINESS

Regent Krumm: The Nominating Committee recommends the following Regents as Officers for 2001, effective January 1:

Jeanette Grasselli Brown, Chair
Thomas W. Noe, Vice Chair
Gerald H. Gordon, Secretary

A motion was made by Regent Miller to approve the recommendations of the Nominating Committee. Regent Adams seconded the motion and it was unanimously passed.

The next meeting of the Board of Regents will be held on Thursday, January 18, 2001, at 1:30 p.m., at Edison State Community College in Piqua, Ohio.

Chair

Secretary

Date

Date