

Minutes  
OHIO BOARD OF REGENTS  
Piqua, Ohio  
January 18, 2001

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order by the Chair, Jeanette Grasselli Brown.

The roll was called by the Acting Secretary, Edmund J. Adams. Those present were:

Edmund J. Adams  
Jeanette G. Brown  
Tahlman Krumm, Jr.

J. Gilbert Reese  
Ralph E. Schey

Regent Adams stated "the record should show that notice of this meeting has been given in accordance with provisions of the Board of Regents' Rule 3333-1-14, which rule itself was adopted in accordance with Section 121.22(F) of the Ohio Revised Code and of the State Administrative Procedures Act."

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

Regent Brown presented a plaque from the members of the Board of Regents to the out-going chair, Regent Tahlman Krumm, Jr. The plaque reads as follows:

"With grateful appreciation to Tahlman Krumm, Jr., Chairman, 1999-2000, for his years of extraordinary leadership, gracious guidance and diligent pursuit of excellence in higher education for the people of Ohio."

**APPROVAL OF MINUTES OF DECEMBER 14, 2000**

A motion was made by Regent Reese to approve the Minutes of the December 14, 2000, meeting of the Board. Regent Adams seconded the motion and it was unanimously passed.

**COMMITTEE REPORTS AND SUMMARY OF DELIBERATIONS**

Communications Committee – Regent Krumm: Vice Chancellor Mackey reported on the latest budget and legislative developments: Governor Taft will deliver his State-of-the State address on Wednesday, January 24. He will also introduce his executive budget on January 29. House hearings are likely to begin on January 30.

In addition, Vice Chancellor Mackey reported to the committee that the Higher Education Subcommittee of House Finance has several new members, including a new chair and vice chair. David Goodman has been appointed the subcommittee chair. There is only one holdover member from last session's

subcommittee, Ann Womer Benjamin of Aurora. Other members include Jim Trakas, Mary Rose Oakar, both of Cleveland, and Teresa Fedor of Toledo.

The next statewide trustees' conference will be held on March 21 in Columbus. Invited speakers include Governor Taft, former Governor Jim Hunt of North Carolina and the new U.S. Secretary of Education, Roderick Paige. Staff is working to secure those speakers and several others to take part in concurrent breakout sessions during the day-long conference.

Communications Director Brown briefed the committee on the successful debut of the Ohio Success Express, held January 10 at East High School in Columbus. Governor Taft was the keynote speaker at a rally of more than 300 students, community and state leaders, college and university officers, and volunteers. The Success Express is part of our statewide marketing campaign to "change Ohio's state of mind" about higher education. There are 21 stops scheduled between now and the end of May.

Mike Brown and Laura Massie also commented on the various media strategies in support of our marketing campaign and budget themes. Chancellor Chu has had a very successful season visiting most of the states largest newspapers' editorial boards. The higher education community in Ohio has received strong public support from those newspapers. In addition, it was reported that the communications officers at our two- and four-year public and private colleges and universities have been instrumental in advancing our message and setting up meetings for the Chancellor and other Regents' staff with local business and civic leaders. An upcoming regional forum is scheduled for January 30 in Zanesville, co-hosted by Ohio University-Zanesville and Muskingum Area Technical College. Keynote speakers include Chancellor Chu and possibly House Speaker Larry Householder.

Resources Committee - Regent Schey: The Resources Committee met this morning and discussed a number of items. We received four reports from Board staff. First, we learned of some disturbing news about the Operating Budget. As a result of state legislation, the Office of Budget and Management has been required to enact some budget cuts to agencies this year. Our staff is negotiating with O.B.M. regarding higher education's 'contributions' to state shortfalls. It is distressing to report that our experience this year may repeat the experience of the early 1980s and 1990s, when soft state revenues and rising expenditure pressures from welfare, K-12, and prisons led the state to disinvest in higher education. We know that O.B.M. is trying to protect higher education as much as possible, and we appreciate their efforts on our behalf. In addition, we are awaiting the Governor's State-of-the-State address to learn of his recommendations for higher education in FY 2002 and FY 2003.

Second, work on the future Capital Appropriations recommendations proceeds even as we wrestle with the operating budget issues. A preliminary analysis of H.E.I. facilities data indicates that the system needs a minimum of \$2.7 billion simply to repair and renovate existing facilities. While this appears to be a lot of money, it is worth noting that it is less than 3% of the statewide investment in public higher education capital facilities of more than \$97 billion.

Third, I am pleased to report on the progress that is being made in implementing the new required G.A.S.B. financial reporting standards. A working group has developed implementation recommendations, which will be reviewed and discussed at a statewide consultation on February 21. It's important to note that these improvements in financial reporting are expensive to implement, and the cost of implementation is being borne entirely by campuses.

Finally, we had a productive discussion with the president of North Central College, Ron Abrams, regarding their plan to purchase a building and relocate some of their operations to the new facility. It is an attractive deal and plan, and one that the Board should support in future Controlling Board actions.

The committee reviewed two joint use agreements in anticipation of March action: a \$4.5 million agreement between Ohio State University and the Gateway Area revitalization initiative; and a \$3 million agreement between Cuyahoga Community College and Playhouse Square. The committee also learned that Ohio University may submit a request for approval of a fee-backed bond issuance to us for action in March.

There are three items to recommend for today's consent agenda: consideration of a request from the University of Cincinnati for approval of a pledge of student fees in support of a bond issuance not to exceed \$91,650,000; consideration of a Joint Use Agreement between the University of Cincinnati and the Institute of Advanced Manufacturing Science for \$250,000; and Controlling Board items.

Initiatives Committee – Regent Krumm: At its December meeting the Initiatives Committee approved eight items that are on the agenda for action today. In addition, the committee discussed five programs that will be on the agenda for March. They are: release of non-credit job training facilities grants appropriations; Columbus State Community College, Associate of Applied Science in Applied Technology; Stark State College, Associate of Applied Science in E-Solutions Technology; Trinity International University, Deerfield, Michigan, Institutional Reauthorization; and Heidelberg College, a Psychology major in an off-campus degree completion program at Maumee.

The Committee had a series of discussions that will also carry over into the March meeting. The first involved Dr. Andrist's discussion paper entitled "*Strategic Alignment of State of Ohio Science and Technology Programs.*" Since there are a number of State programs designed to secure a more competitive position for Ohio in the 21<sup>st</sup> century economy and we are apparently entering a new period of constrained resources for the State, it certainly makes good sense to align all of the State's science and technology programs in order to have an integrated, efficient, and highly effective economic development system. We know that the Governor seeks to have all such programs strategically aligned and, among the Regents, we are certainly prepared to support that alignment

effort; however, our only concern at this point is what mechanisms will be put in place to foster program alignment as well as sustain and maintain it.

Vice Chancellor Walters presented two issues to the committee. The first is a plan by Ohio State University to offer a Bachelor of Science degree in Business Administration at its regional campuses using distance learning technology from the main campus. In our view this does not constitute a new degree program, it is simply a new delivery system. The committee also discussed proposed modification of Regents' policy for approval of off-campus technical baccalaureate degree programs, for which there is a clear need. We will need to assist those who are interested in developing such programs.

The committee discussed some K-16 and access issues. Leslie Sawyer, Director of Access Initiatives, stated that she had been working closely with the Success Express to ensure that, subsequent to the bus visits, community leaders were planning follow-up activities. Ms. Sawyer explained that the Success Express is an excellent marketing tool in helping to spark thinking about the value of postsecondary education. However, one of our challenges as the bus travels across the state, is to ensure that we move communities to become engaged in helping their students have access to committed people, programs, and services that will help them aspire to, prepare for and have successful college experiences.

Performance Committee – Regent Adams: Associate Vice Chancellor Sheehan reviewed the follow-up activities that have occurred regarding the December issuance of the Governor's Performance Report. First, there were a number of news and radio stories about the report around the state the third week of December. The reports were uniformly positive about the quality and contents of the report.

Second, an updated section to the report was issued January 10 that substituted the "median" time to degree completion for the "mean" time to degree completion. This update was distributed widely and was the subject of a renewed number of news and radio stories in the past few weeks. The revision is a much more stable measure of time to degree completion as the median is unaffected by extreme periods of time to degree. Extreme differences in time to degree happen quite often in higher education where the undergraduate credits a student earns count toward a degree for life and students can complete their degrees, 20, 30 or even 40 years after they begin. For example, Wright State University baccalaureate students graduated in 1998-1999 in 4.8 "median years" compared to 5.4 "mean years". Edison State students completed their associate degrees in 1998-1999 in 3.7 "median years" compared to 5.4 "mean years". Third, a follow-up consultation to the report focusing on urban education is scheduled for February 2. To date, 30 campus representatives from 19 colleges and universities have indicated they will attend the consultation.

The committee received an update from Larry Christman of the Association of Independent Colleges and Universities of Ohio on a meeting with some or all of the private college deans on the subject of bar examination

results. Tentatively, we are looking at the spring bar meetings as a possible time for a meeting with the deans.

We received a report from Associate Vice Chancellor Sheehan about a possible statewide study of financial aid policies and practices. Work on this as well as other staff projects is contingent on our ability to identify the necessary resources to get the job done. The Performance Committee of the Board approved the conduct of the study under the committee's auspices with monthly progress updates.

The committee reviewed a draft of a random sample telephone survey of Ohio residents to be conducted jointly by the Ohio Association of Community Colleges and the Regents. Data gathered by this survey will be included in next year's annual performance report and also be added into the HEI information system. The staff will revisit the question of the sample size so as to reduce the projected margin of error from 10% to 5%. The committee recommended, that subject to the qualification that if funds permit, the Regents contribute to the cost of conducting the survey. The total survey cost is expected to be around \$40,000. The survey data would be available by early summer of this year.

Finally, following the committee's December request, we received a draft prepared by the Regents' staff on the case for further deregulation of higher education in Ohio, dealing with subjects such as tuition caps, enrollment caps, housing, program approvals, etc. The staff has invited campuses to comment on the report. The full Board will be reviewing the report for action, at least in part, perhaps as early as the March meeting, once we have an opportunity to hear from the campuses. Their input is solicited in writing as well as in group consultations which will be held as soon as practicable.

Evaluation Committee – Regent Krumm: Personnel actions consist of four new hires, one promotion and a pay adjustment.

Consent Agenda – A motion was made by Regent Schey to approve agenda items 3.1 through 3.12. The motion was seconded by Regent Adams and unanimously passed.

- 3.1 Community Hospital School of Nursing, Institutional Reauthorization
- 3.2 Ohio Wesleyan University, Institutional Reauthorization
- 3.3 Allegheny Wesleyan College, change of degree designation from Bachelor of Religious Education degree program to Bachelor of Arts degree program
- 3.4 Cedarville University, Master of Education
- 3.5 University of Notre Dame Du Lac, Notre Dame, Indiana, off-campus Executive Master of Business Administration degree program in Cincinnati
- 3.6 Kent State University, Master of Science in Information Architecture and Knowledge Management
- 3.7 University of Cincinnati, Master of Architecture
- 3.8 Reduction in the interest rate paid on loans made in the Nurse Education Assistance Loan Program (NEALP)

- 3.9 Fee pledge by the University of Cincinnati in support of a bond issuance not to exceed \$91,650,000
- 3.10 Joint Use Agreement between the University of Cincinnati and the Institute of Advanced Manufacturing Science, Inc.
- 3.11 Requests to the Controlling Board for the period December 1, 2000 through December 31, 2000
- 3.12 Personnel Actions

RESOLUTION 2001-70  
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 institution be reauthorized through December 31, 2010.

Community Hospital School of Nursing

RESOLUTION 2001-71  
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 institution be reauthorized through December 31, 2009.

Ohio Wesleyan University

RESOLUTION 2001-72  
Agenda Item 3.3

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 institution be authorized to change the designation of its degree program from Bachelor of Religious Education degree to Bachelor of Arts degree initially through December 31, 2003, with progress reviews to be submitted to the Ohio Board of Regents by December 31, 2001, December 31, 2002, and December 31, 2003.

Allegheny Wesleyan College  
Bachelor of Religious Education degree to be changed to Bachelor of Arts degree

RESOLUTION 2001-73  
Agenda Item 3.4

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 authorized through December 31, 2008, with

yearly progress reviews to be submitted to the Ohio Board of Regents by December 31, 2001, December 31, 2002, and December 31, 2003.

Cedarville University  
Master of Education Degree

RESOLUTION 2001-74  
Agenda Item 3.5

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, 2004, with a program progress review to be submitted to the Ohio Board of Regents by December 31, 2003.

University Of Notre Dame Du Lac  
Off-Campus Executive Master of Business Administration Degree Program  
in Cincinnati, Ohio

RESOLUTION 2001-75  
Agenda Item 3.6

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:

Kent State University  
Master of Science in Information Architecture and Knowledge Management

RESOLUTION 2001-76  
Agenda Item 3.7

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:

University of Cincinnati  
Master of Architecture

RESOLUTION 2001-77  
Agenda Item 3.8

WHEREAS, The Nurse Education Assistance Loan Program (NEALP) provides forgivable loans to Ohio college students preparing for nursing professions; and

WHEREAS, authority to set the interest rate on Nurse Education Assistance Loans is vested in the Board of Regents by Section 3333.28 of the Ohio Revised Code; and

WHEREAS, the current 12% interest rate on Nurse Education Assistance Loans was established when the Nurse Education Assistance Loan Program (NEALP) was enacted in 1990; and

WHEREAS, an interest rate of 12% may discourage students from participating in the Nurse Education Assistance Loan Program; and

WHEREAS, the Ohio Board of Nursing has recommended that the Board of Regents tie the NEALP interest rate to an equivalent federal educational loan interest rate; and

WHEREAS, the current interest rate on Federally subsidized Stafford Loans (in repayment) is 8.25%;

NOW, THEREFORE,

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 interest rate on Nurse Education Assistance Loans made after September 1, 2001 shall be 8%.

RESOLUTION 2001-78  
Agenda Item 3.9

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

WHEREAS, the University of Cincinnati proposes to pledge student fees in support of bond anticipation notes and general receipts bonds in an aggregate amount not to exceed \$91,650,000 for the purpose of financing multiple renovations and new projects on campus; and

WHEREAS, of this amount, financing of \$7,550,000 is requested in anticipation of future state capital appropriations expected to be recommended by the Board of Regents for the FY 2003-2004 and FY 2005-2006 biennia; and

WHEREAS, the University has established a multi-year debt service schedule for the remaining \$84.1 million to be retired using revenues from student fees, new and existing auxiliary operations, and gifts to the University; and

WHEREAS, the University has determined that the proposed renovations and projects are essential to meeting the needs of students and fulfilling institutional goals; and

WHEREAS, the University's Board of Trustees approved the resolutions authorizing this bond issuance at its meeting of September 26, 2000; and

WHEREAS, the proposed bond issuance complies with the requirements of Section 3345.11 and Section 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 pledge of fees by the University of Cincinnati in support of bonds and bond anticipation notes not to exceed \$91,650,000 is hereby approved.

RESOLUTION 2001-79  
Agenda Item 3.10

WHEREAS, the 123<sup>rd</sup> Ohio General Assembly enacted H.B. 640 which includes a specific capital appropriation of \$250,000 to the University of Cincinnati for The Institute Of Advanced Manufacturing Science, 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, to the University of Cincinnati and the Institute Of Advanced Manufacturing Science, Inc. have presented a joint use agreement for approval 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 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 Joint Use Agreement between the University of Cincinnati and the Institute Of Advanced Manufacturing Science; and attached and made a part hereof, be approved.

RESOLUTION 2001-80  
Agenda Item 3.11

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 December 1, 2000 through December 31, 2000, shown on the sheets attached hereto, are hereby approved and recommended for approval by the Controlling Board.

RESOLUTION 2001-81  
Agenda Item 3.12

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

| <u>NEW HIRE</u>   | <u>EFFECTIVE DATE</u> |
|---|-----------------------|
| Andrew Shaw<br>Purchasing Coordinator<br>Human Resources and<br>Fiscal Services | 01/16/01              |
| Erica Brown<br>Administrator<br>Human Resources                                 | 01/02/01              |
| Jeffrey Koppe<br>Programmer, HEI  | 01/02/01              |
| Jerome Hampson<br>Programmer, HEI   | 01/16/01              |
| <u>PROMOTION</u>  |                       |
| Robert Johnson<br>Assistant Director<br>Workforce Development                   | 01/01/02              |
| <u>SALARY ADJUSTMENT</u>  |                       |
| Kirk Trickett<br>Webmaster  | 01/01/01              |

## **CHANCELLOR'S REPORT**

Thank you, Madam Chair. Congratulations on presiding over this your first board meeting as chair of the Ohio Board of Regents.

I would like to add my acknowledgment of former Chairman Krumm's outstanding service during his two years as chair by noting that during his chairmanship, he has persistently insisted that January 1<sup>st</sup>, 2001 is the actual start of the new millennium. Therefore, in recognition of his having the best job of any organization – that of *former* chair – I would like to welcome all to the first meeting of the Ohio Board of Regents of the 21<sup>st</sup> century!

It is always a pleasure to hold our meetings at Ohio's campuses. This month, we are grateful for the gracious hospitality of Edison Community College, its Board of Trustees, President Ken Yowell, and Edison's faculty, staff and students. Special thanks also go to all our presenters last night and today. We truly appreciate the time and efforts you and your colleagues, Linda Peltier, Chuck Jones, Ray Lepore and Bill Meyer, the Edison Board of Trustees and your faculty and staff put into hosting us and making us feel welcome and comfortable. Our stay here has been productive and stimulating.

A defining moment for Ohio and for education is about to occur – the consequences of which will be felt for many years to come. As Regent Krumm noted, Governor Bob Taft will present his annual State-of-the State address next Wednesday, January 24<sup>th</sup>, in which he will outline his administration's achievements from the last year and provide an indication of the focus of his executive budget. Governor Taft will introduce his specific proposals for the budget publicly on Monday, January 29<sup>th</sup>.

Your staff and I have been addressing the questions of Budget Director Tom Johnson and his staff on the higher education operating budget that you have recommended, but no details on the Governor's budget proposal will be available until his release of the budget. We have all heard of the challenges the state will face in this budget, given unexpected Medicaid costs, lagging revenues and the court ruling on K-12 education funding. In the face of these challenges, it will take real leadership by the Governor to propel Ohio into the prominent position required if our state is to become a winner in the 21<sup>st</sup> Century Information Age economy.

The wealth of opportunities that can be generated by the higher education community was demonstrated last week with the successful launch of the Ohio Success Express that Regent Krumm noted. About 200 high school students participated in this kick-off on Wednesday, January 10<sup>th</sup> at East High School in Columbus.

Sophomore and junior class students from East High participated in a thirty-minute rally led by Governor Bob Taft, Chair Jenny Brown, Vice Chair Tom Noe, State Representative Ray Miller, Columbus City Councilman Kevin Boyce, and East High School Principal Rob McKinney. Both Representative Miller, who represents the area of Columbus where East High School is located,

and Councilman Boyce are graduates of East High. I also learned that Dr. Donna Evans, the new dean of the College of Education at The Ohio State University, who attended this kick-off event, is also an alumna of that school.

Staff and alumni from Columbus area colleges and universities, and leaders of community organizations who would be so crucial in our program to encourage more of our high school graduates to consider and attend college and university in Ohio, were there representing their partnership with the Board of Regents, leading discussions with small groups of students, and helping them match their interests with potential careers.

As we all know, Ohio lags behind other states in the number of residents participating in higher education. Together, with our statewide community and higher education partners, we're rolling up our sleeves and spreading the word to Ohio students and their families that higher education leads to both personal and professional success. The Ohio Success Express brings college information to students on their turf. The bus' next scheduled visit will be at Logan High School in Hocking County on Thursday, February 15<sup>th</sup>.

I would like to note my special thanks to the Governor, to our Chair Jenny Brown and Vice Chair Tom Noe, without whom we could not have succeeded in successfully launching this bus. It is especially through Regent Noe's guidance as chair of the Statewide Marketing Task Force that this effort has culminated successfully with this launch and, of course, with the support and active work of all of the Regents, college and university staff, and the elected officials that participated in the session.

Let me close this brief remark by noting a recent comment made by President-elect Bush, following a summit meeting he had with about 30 technology business leaders. On January 12, President-elect Bush noted: "Higher education is the economic engine of the 21<sup>st</sup> century" – a sage observation with which I think it is appropriate to close my remarks this month.

## **PRESENTATIONS**

- a. Urban Literacy Institute, Wright State University

Kim Goldenberg  
President

Gregory R. Bernardt, Dean  
College of Education and Human Services

- b. Targeted Industries Training Grant Program

Michael Taggart, Director  
Workforce Development  
Ohio Board of Regents

- c. Introduction from President Kenneth A. Yowell

Edison State Community College

“The Plastics Partnership” Workforce Development Grant  
Edison State Community College

Ray Lepore, Assistant Dean  
Engineering Technologies

Roger Scherer, Associate Professor  
Manufacturing – Plastics

Jim Zerkle  
Kelly Baker  
Plastics Manufacturing Program students and co-chairs  
for the Student Chapter of the Society of Plastics Engineers

Master Industries, Piqua and Ansonia  
Jim Brogden President  
Nancy Sharp, Vice President for Production

Midwest Plastics Systems, Piqua  
Jack Bell, Co-owner and Sales Engineer

**OTHER BUSINESS**

There being no further business to come before the Board, the meeting was adjourned.

The next meeting of the Board of Regents will be held on Thursday, March 22, 2001, at 1:30 p.m., in the Main conference Room of the Board of Regents offices, 36<sup>th</sup> Floor, Rhodes State Office Tower, Columbus, Ohio.

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Chair

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Vice Chair

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Date

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Date