

OHIO BOARD OF REGENTS

Agenda Item 3.5 Consideration of release and distribution of FY 2004
State Share of Instruction appropriations from Amended
Substitute House Bill 95 of the 125th General Assembly.

RESOLUTION

WHEREAS, the state's biennial budget directs the Ohio Board of Regents to distribute higher education appropriations 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, §89.04 of Amended Substitute House Bill 95 requires the Board of Regents to calculate the distribution of the State Share of Instruction 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

NOW, THEREFORE,

BE IT RESOLVED: that the FY 2004 State Share of Instruction allocation, as presented in the attached table and made a part hereof, be approved for distribution.

FY 2004 State Share of Instruction Background Information

The estimated campus-specific State Share of Instruction (SSI) allocations used in the development of the biennial budget bill were based in part on projected enrollments and preliminary facility data. As is done each autumn, the staff of the Board of Regents, with the cooperation of the staff of Ohio's state-assisted colleges and universities, has produced the final SSI distribution using final enrollment and facility data.

The FY 2004 SSI distribution contains three significant adjustments:

1. The University of Toledo reported revisions to its historical FTE enrollments for fiscal years 1999, 2000, 2001 and 2002. These revisions resulted in a net increase of 1,031 FTEs to UT's five-year subsidy-eligible FTEs used to determine its FY 2004 SSI. However, these revisions resulted in a net decrease in UT's historical doctoral FTEs, thereby necessitating a permanent reduction to UT's base doctoral enrollments that drive its doctoral set-aside allocation.

This reduction in UT's base doctoral FTEs resulted in a 1.53% reduction in statewide total base doctoral FTEs. Accordingly, the FY 2004 doctoral set-aside was also reduced by 1.53%, from \$158,635,171 to \$156,208,053. Therefore, the doctoral set-aside is in effect reduced from 10.34% to 10.18% of the total FY 2004 SSI appropriation. This adjustment is consistent with the recommendations of both the Higher Education Funding Commission and the Graduate Funding Commission.

2. The doctoral set-aside was further reduced to comply with the "15% rule". This rule requires a reduction to the doctoral set-aside allocation for universities having two- or five-year average doctoral FTEs at least 15% less than their FY 1998 doctoral FTEs (the terminal year in the base FTE averages). The reduction in the doctoral set-aside allocation for each affected campus is proportionate to the amount by which its two- or five-year average doctoral FTEs exceeds 15% of its base FTEs.

In FY 2004, four campuses—the University of Akron, Bowling Green State, Miami University, and the Medical College of Ohio—were affected by this rule, which resulted in a net reduction of \$761,568 to the total doctoral set-aside allocation. Consequently, the total doctoral set-aside allocation was reduced to 10.13% of the total FY 2004 SSI appropriation.

3. Total campus earnings of the FY 2004 SSI exceed the FY 2004 appropriation by \$700,015 or 0.02%. When formula earnings exceed appropriations, the budget act directs the Board of Regents to proportionately reduce each campus's allocation. This adjustment supercedes the hold harmless guarantee, and for many campuses results in an FY 2004 SSI allocation that is slightly less than their FY 2003 allocations. The guiding provision in §89.04(D) of H.B. 95 states:

"If the total state share of instruction earnings in any fiscal year exceed the total appropriations available for such purposes, the Board of Regents shall proportionately reduce the state share of instruction earnings for all campuses by a uniform percentage so that the system wide sum equals available appropriations."

FY 2003 and FY 2004 State Share of Instruction

SSI	FY 2003	FY 2004			
	Final, after cuts	Earnings with Guarantee	After 0.02% proportionate reduction	Final FY 2003 vs. FY 2004	
UNIVERSITIES					
UNIVERSITY OF AKRON	\$83,943,488	\$83,943,488	\$83,925,239	-0.02%	(\$18,249)
BOWLING GREEN	\$76,244,540	\$76,244,539	\$76,227,964	-0.02%	(\$16,576)
CENTRAL STATE	\$5,955,878	\$5,955,878	\$5,954,584	-0.02%	(\$1,295)
UNIV. CINCINNATI	\$144,219,588	\$144,219,588	\$144,188,235	-0.02%	(\$31,353)
CLEVELAND ST.	\$64,983,804	\$64,983,804	\$64,969,677	-0.02%	(\$14,127)
KENT STATE	\$85,458,007	\$85,458,007	\$85,439,428	-0.02%	(\$18,578)
MCOT	\$23,556,900	\$23,556,901	\$23,551,779	-0.02%	(\$5,121)
MIAMI UNIVERSITY	\$59,948,676	\$59,948,676	\$59,935,644	-0.02%	(\$13,033)
NEOUCOM	\$11,150,788	\$11,150,788	\$11,027,352	-1.11%	(\$123,436)
OHIO STATE	\$300,063,614	\$300,063,614	\$299,998,381	-0.02%	(\$65,233)
OHIO UNIVERSITY	\$105,150,254	\$105,150,254	\$105,127,394	-0.02%	(\$22,859)
SHAWNEE ST.	\$9,832,630	\$9,832,630	\$9,830,492	-0.02%	(\$2,138)
UNIVERSITY OF TOLEDO	\$79,938,463	\$79,938,463	\$79,921,085	-0.02%	(\$17,378)
WRIGHT STATE	\$72,233,189	\$72,233,189	\$72,217,486	-0.02%	(\$15,703)
YOUNGSTOWN ST.	\$41,539,147	\$41,539,147	\$41,530,116	-0.02%	(\$9,031)
SUBTOTAL	\$1,164,218,966	\$1,164,218,966	\$1,163,844,856	-0.03%	(\$374,110)
BRANCHES					
AKRON-WAYNE	\$2,968,476	\$2,968,476	\$2,967,830	-0.02%	(\$646)
BGSU-FIRELANDS	\$3,147,518	\$3,147,518	\$3,146,834	-0.02%	(\$684)
KENT-ASHTABULA	\$2,613,225	\$2,613,224	\$2,612,656	-0.02%	(\$568)
KENT-EAST LIVERPOOL	\$1,886,785	\$1,886,785	\$1,886,374	-0.02%	(\$410)
KENT-GEAUGA	\$1,251,009	\$1,251,009	\$1,250,737	-0.02%	(\$272)
KENT-SALEM	\$2,189,866	\$2,189,866	\$2,189,390	-0.02%	(\$476)
KENT-STARK	\$6,584,029	\$6,584,029	\$6,582,597	-0.02%	(\$1,431)
KENT-TRUMBULL	\$4,867,384	\$4,867,384	\$4,846,583	-0.43%	(\$20,801)
KENT-TUSCARAWAS	\$3,900,723	\$3,900,723	\$3,899,875	-0.02%	(\$848)
MIAMI-HAMILTON	\$5,865,768	\$5,865,768	\$5,864,493	-0.02%	(\$1,275)
MIAMI-MIDDLETOWN	\$6,144,244	\$6,144,244	\$6,142,908	-0.02%	(\$1,336)
OSU-LIMA	\$3,978,655	\$3,978,655	\$3,977,790	-0.02%	(\$865)
OSU-MANSFIELD	\$4,025,614	\$4,025,614	\$4,024,739	-0.02%	(\$875)
OSU-MARION	\$3,496,669	\$3,496,669	\$3,495,909	-0.02%	(\$760)
OSU-NEWARK	\$5,156,856	\$5,156,856	\$5,155,735	-0.02%	(\$1,121)
OU-CHILLICOTHE	\$3,926,424	\$3,926,424	\$3,925,570	-0.02%	(\$854)
OU-EASTERN	\$3,094,106	\$3,094,106	\$3,093,433	-0.02%	(\$673)
OU-LANCASTER	\$3,801,748	\$3,801,748	\$3,800,922	-0.02%	(\$827)
OU-SOUTHERN	\$4,222,835	\$4,222,835	\$4,221,917	-0.02%	(\$918)
OU-ZANESVILLE	\$4,044,026	\$4,044,026	\$4,043,147	-0.02%	(\$879)
UC-CLERMONT	\$4,160,720	\$4,160,720	\$4,159,815	-0.02%	(\$905)
UC-WALTERS	\$7,412,146	\$7,412,146	\$7,327,564	-1.14%	(\$84,582)
WRIGHT-LAKE	\$2,288,943	\$2,288,943	\$2,288,445	-0.02%	(\$498)
SUBTOTAL	\$91,027,768	\$91,027,768	\$90,905,264	-0.13%	(\$122,504)

FY 2003 and FY 2004 State Share of Instruction (cont.)

SSI	FY 2003	FY 2004			
	Final, after cuts	Earnings with Guarantee	After 0.02% proportionate reduction	Final FY 2003 vs. FY 2004	
COMMUNITY COLLEGES					
CINCINNATI STATE	\$17,311,423	\$17,880,079	\$17,876,192	3.26%	\$564,769
CLARK STATE	\$5,615,429	\$5,615,429	\$5,614,208	-0.02%	(\$1,221)
COLUMBUS STATE	\$37,254,127	\$38,708,600	\$38,700,185	3.88%	\$1,446,058
CUYAHOGA	\$37,406,276	\$37,919,566	\$37,911,322	1.35%	\$505,047
EDISON STATE	\$5,039,948	\$5,039,948	\$5,038,852	-0.02%	(\$1,096)
JEFFERSON	\$3,053,821	\$3,053,822	\$3,053,158	-0.02%	(\$664)
LAKELAND	\$12,394,658	\$12,394,658	\$12,391,963	-0.02%	(\$2,695)
LORAIN COUNTY	\$14,122,113	\$14,561,828	\$14,558,662	3.09%	\$436,549
NORTHWEST STATE	\$5,053,744	\$5,872,368	\$5,871,091	16.17%	\$817,348
OWENS STATE	\$27,910,653	\$27,910,653	\$27,904,585	-0.02%	(\$6,068)
RIO GRANDE	\$3,450,880	\$3,450,880	\$3,450,130	-0.02%	(\$750)
SINCLAIR	\$35,732,575	\$35,961,097	\$35,953,279	0.62%	\$220,704
SOUTHERN STATE	\$3,741,959	\$3,920,183	\$3,919,331	4.74%	\$177,372
TERRA STATE	\$5,333,685	\$5,333,685	\$5,332,526	-0.02%	(\$1,159)
WASHINGTON STATE	\$3,931,169	\$3,931,169	\$3,924,410	-0.17%	(\$6,760)
SUBTOTAL	\$217,352,460	\$221,553,964	\$221,499,894	1.91%	\$4,147,435
TECHNICAL COLLEGES					
AGRICULTURAL	\$4,292,657	\$4,292,657	\$4,291,724	-0.02%	(\$933)
BELMONT TECH	\$4,001,827	\$4,001,827	\$4,000,957	-0.02%	(\$870)
CENTRAL OHIO	\$3,686,933	\$4,123,094	\$4,122,198	11.81%	\$435,265
HOCKING	\$14,868,781	\$14,868,781	\$14,825,458	-0.29%	(\$43,324)
LIMA TECH	\$6,375,998	\$6,375,997	\$6,277,919	-1.54%	(\$98,078)
MARION TECH	\$3,058,729	\$3,339,045	\$3,338,319	9.14%	\$279,591
MUSKINGUM	\$4,495,743	\$4,495,743	\$4,494,766	-0.02%	(\$977)
NORTH CENTRAL	\$6,215,672	\$6,215,672	\$6,214,321	-0.02%	(\$1,351)
STARK TECH	\$9,686,981	\$10,009,363	\$10,007,187	3.31%	\$320,206
SUBTOTAL	\$56,683,320	\$57,722,180	\$57,572,848	1.57%	\$889,528
Capital Ded. Transfer	\$0	\$366,414	\$366,414	N/A	\$366,414
STATEWIDE TOTAL	\$1,529,282,514	\$1,534,889,292	\$1,534,189,277	0.32%	\$4,906,763