

Ohio Board of Regents Minutes
Ohio Board of Regents, Columbus, Ohio
October 20, 2009

I. Call to Order

Chair Tuschman called the meeting to order and thanked the Chancellor's staff for their assistance in preparing for the meeting.

II. Roll Call

Regent Secretary Reiling called the roll. Those present were:

Bruce R. Beeghly
Timothy M. Burke
Bonnie K. Milenthal
Lana Z. Moresky
James F. Patterson
Walter A. Reiling, Jr.
James M. Tuschman

Dan Hurwitz participated by audio conference.

Donna M. Alvarado joined the meeting at 12:00 p.m.

Secretary Reiling stated "the record reflects that notice of this meeting was given in accordance with provisions of the Board of Regents' Ohio Administrative Code § 3333-1-14, which rule was adopted in accordance with section 121.22(F) of the Ohio Revised Code." A quorum was present.

III. Approval of Minutes

Chair Tuschman asked if there were any edits or changes to the minutes submitted in advance for the Regents' review. A motion was made by Regent Patterson and seconded by Regent Milenthal to approve the minutes as submitted. The motion carried.

IV. Opening Reports from the Regent Chair

Chair Tuschman opening comments included a thank you to Regent Patterson for the apples from his farm that he shared at the meeting, appreciation for the new regent name plates, and the request for the Regents to place the 2010 board meeting dates on their calendars. He reviewed the agenda items for the board meeting and said the Third Condition report was in its final stages.

As the Board faces hard decisions it will look at new directions, new challenges and new opportunities. He stated that the leadership changes in the universities and colleges will bring new dynamics and ideas to the state. The state must convince their constituents that the budget woes belong to the entire state and the higher education institutions are looking at efficiencies, collaborations and staffing changes to address the budget. New ideas for innovation and technology bring opportunities for universities to expand research, develop new synergies and, partner with business.

The Chancellor said the campuses are meeting the challenges with enthusiasm and motivation and will lead the way for economic growth. He works on economic development daily with the Department of Development. The top items on his agenda for this year are workforce development, innovation, education, and research.

V. Discussion on Third Condition Report

Regent Patterson said the board is soliciting input from students and stakeholders on the student centeredness of the University System of Ohio. Testimony was given by stakeholders: Bruce Johnson, President, the Inter-University Council; Stephanie Frantz, Directive of Government Relations, Ohio Association of Community Colleges; Rudy Fenwick, Chair, Ohio Faculty Council; and students: Ben Anthony, President of Student Government, The Ohio State University; Robin Hodges, Executive Secretary, Student Senate, Lorain County Community College; and Cedric Brown, Student, Lorain County Community College.

Bruce Johnson testified that campuses should be student centered in every aspect so that students attend the Ohio campus of their choice. Student financial aid is down because of the current economy. He said the schools' mission differentiation adds to the quality of the student experience, diverse academic programs give students options for their education. Students need to be engaged in discussions to create a classroom that is student centered based on their observations and not those of their professors. Universities are surveying students for their input. The measurement of success will be how many students graduate and not how many are enrolled. Campuses need to have better programs to help students succeed and meet the needs of the marketplace. Discussion followed regarding the programs offered by the institutions

Chair Tuschman asked Mr. Johnson regarding the IUC's position on the construction reform for higher education. Mr. Johnson said the fourteen universities are totally in support of construction overhaul in Ohio. The state mandate on construction costs the universities hundreds of millions of dollars. The public four year universities could gain substantial dollar savings if there were able to overhaul construction contracts in accordance with Governor Strickland's study and recommendations to remove unnecessary restraints that delay construction reform. Reform would reduce time and increase efficiency of construction projects in Ohio. All but Ohio and one other state have repealed the construction restraints. He said the public four year institutions unanimously stand behind the reform.

Stephanie Franz testified that student success is the first priority of the community colleges. Community colleges are leaders in infrastructure efficiencies. They offer flexibility to meet scheduling needs of students and offer classes in many community locations. Academic efficiencies have shortened the path to received degrees by: 1. Giving high school students a jump start in college by using such programs as Seniors to Sophomores, tech prep and the career technical credit transfer initiative; 2. Easing transfers and giving credit for previous experiences; 3. Recognizing certificate development to help students in their fields and to develop a more schematic approach to help adults move through the system; 4. Coordinating efforts to a statewide semester system; 5. Implementing of electronic student transcripts.

She said that college affordability is complicated issue. Schools strive to keep tuition low and affordable because they understand that students have other expenses beyond tuitions and fees that make it difficult for students to attend college. Seventy-seven percent of undergraduate students over the age of 24 attend community colleges in the state of Ohio. They are looking at performance based scholarships and have staff working to raise funds. Discussion was held regarding the applied baccalaureate degrees. These are structured so that students receive a technical degree up front and then get their liberal arts degrees. It also allows the students to go on to a master's degree.

Chair Tuschman mentioned a two year institution that lost its accreditation in nursing and now the students cannot transfer to a four year school. He asked Mr. Abrams to report back to the board on what is being done to help the students.

Rudy Fenwick testified that the plan to increase the number of graduates in Ohio is a bold plan that addresses a serious national problem of declining graduate rates in America. He spoke to the need of keeping college affordable, student academic and cultural preparedness, and the quality of the academic delivery system and its impact on student engagement. Financial aid is needed to help stop student indebtedness that can lead to non-graduation. He said administration costs can be held down through shared services such as IT and health care. He also said that students need to be prepared for college to cut down on remediation and length of time in college and these efforts should begin at least by middle school. Some of the innovative ways universities are attempting to engage students are: Developing a culture of inclusiveness or "family", developing an integrated and proactive approach to delivery of student services by having faculty and student service professionals work together as a way of monitoring student progress; developing more engagement through academic programs so that students see the rationale for the courses they take; Re-establishing evening and weekend colleges with full support staff.

Ben Anthony spoke on behalf of a four year public institution. He said his family always anticipated that he would attend college and pursue a master's degree; however, he needed financial aid to do so. He would advise incoming students to look for a school that fits with what you love to study and get involved with the school through working, research, and student groups. Student life will make up 75% of your school experience. Students need to have better academic preparation for higher education. Higher education institutions can help new students attend by meeting their financial needs. Education should be seen as a priority so both the state and federal governments should work to make sure aid is available for students wanting to attend school. Preparing students for higher education should be a priority for K-12. High schools need to assist the students in apply to schools, helping to determine the costs and informing the students of what the higher education schools are looking for. Institutions need to provide superb academic counseling, advising and career education. Good career counseling is critical to cut down on taking unnecessary classes. Students should not be in an "academic silo" but should be encouraged to take a breadth of classes and interdisciplinary studies. Technology needs to be used to help students communicate with their professors and to get through school as efficiently as possible. Professors, teachers, and teaching assistants all need to be engaged with the student. Institutions need to focus on business practices so that the student can focus on academics and career goals. Schools switching to semesters will alleviate many of the current problems with transferring credits to other schools. He said distance learning is very beneficial to the non-traditional students and helps the traditional student with time management.

Robin Hodges spoke on behalf of students at a community college. She is a first generation college student. The community college offers a variety of experiences and classes that will help her choose her career. Presently she is majoring in Spanish. Her career choice will be influenced by family and friends, job opportunities and job stability. Her high school greatly influenced her decision to go to college. She went to a community college because she was not ready to go to a university and because it was cost efficient. Although she received financial aid, she does work to offset the cost of attending college. Financial aid and student activities are very important to the student. She plans to transfer to a four year college next year. Lorain County Community College has partnerships with the University of Akron, Ohio

University, Toledo University, Ashland University, and Kent State University so she has the option of taking classes at those schools while at the community college.

Cedric Brown spoke of his experience at a community college. He said that student life is the heart beat of the campus. He loves Lorain County Community College because of the leadership of President Church. President Church has a grasp of the community and knows what is needed to connect the student with the community needs.

He is a partnership student with Youngstown State University and is working on a bachelor's degree in social work as a family resource specialist. His Cleveland inner city background influenced his career choice because he wants to bring about change. Going to a community college allowed him to stay near his family, keep travel costs low and to work while going to school. The availability of financial aid has a big effect on students. The decrease in OCOG affected students on campus by causing stress, debt, and lack of focus due to wondering how you are going to meet needs. Grant deprivation causes the student to focus on money instead of the education. The relationships that are built with people and students carry the school experience further than just getting a degree. He has an internship with the Ronald McDonald House and is a mentor on campus to help students pick a career path.

The students talked about the importance of a service component in the educational experience to be engaged with the community. It is a way that the institutions can give back to their communities.

VI. Chancellor's Report

Chancellor Fingerhut spoke regarding economic development and the generation of jobs in Ohio. He is part of a campaign to increase jobs in Ohio communities. He used a PowerPoint presentation to show the need for business growth in Ohio. He is working with the Ohio Department of Development and the Third Frontier Commission to develop jobs in the growing job markets of health/care, transportation, advanced materials, advanced energy and environmental technologies and to align these jobs with higher education institutions' centers of excellence. The Third Frontier Commission is successful because it invests in cutting edge research, helps companies convert research into products and jobs, supports entrepreneurship at its roots, keeps and attracts a world class workforce, and subjects all proposals to scrutiny by outside experts through peer review. He would like to keep what is good about the Third Frontier but also move forward from what has been learned in the past five years. Third Frontier investments include: applied research, commercialization, entrepreneurship, attracting and sustaining companies, and attracting and keeping world class talent. Proposed items include support of industry sponsored research, technology transfer incentive, Ohio Venture Capital Authority, the Ohio Co-op and Internship Program, and "Ohio Hubs of Innovation and Opportunity. The Third Frontier should be on the May ballot. He anticipates a robust bond package with the possibility of a decreased payback time. This is an area where the state can build the base to access federal dollars. Discussion was held regarding the Third Frontier and how the Hubs of Innovation component will work to make sure that every region benefits from the program.

VII. Staff Presentation – How Student Centered are the University System of Ohio's Financial Aid Policies

Paolo DeMaria, Executive Vice Chancellor and Chad Foust, Director of Financial Aid gave a PowerPoint presentation regarding tuition and financial aid. Low cost tuition options are becoming more available all the time. There is quite a degree of variability in the tuition costs for community colleges and university branches and attention needs to be given to understand

the variations in the cost and how those variations can be more student centered. Many universities use the branch campuses as portals of entry for students who are not academically ready to attend the parent university. Their roles may need to be better defined and clarified. Costs should be significantly lower than the main campus costs. The fundamental cost of the course itself should not change. Tuition rates for community colleges will rise if they do more to meet the requirements set out for them in the future.

The variability in tuition has several different factors such as student services, outside support, etc. Ohio schools are still a very good bargain when compared with institutions outside of Ohio. Many schools outside of Ohio have greater state support which is why the transfer and articulation part of the strategic plan is so important. Discussion ensued regarding the tuition at each school and the productivity of each school because the tuition charts can be misleading on how student centered the institution is. The quality of the school's services and faculty should be viewed as added value.

Chad Foust continued the presentation with a discussion on student financial aid. There are many ways to discover financial aid options including local and state access programs, high school guidance counselors, Ohio association of student financial aid administrators, College Goal Sunday, institutional admission and financial aid offices, and the college access information hotline. Recent changes at the federal level have increased the Pell Grant and Stafford loan limits, reduced interest rates on Stafford loans, created income sensitive repayment plans, and investments in federal work study programs. The Chancellor's staff is in tune and in line with federal financial aid which helps in making decisions on the state level. The Chancellor's staff anticipates a drop in the amount of financial aid available to students from the previous year.

An overview of how the state financial aid is calculated was given to the Regents. The Pell Grant awards are applied before the OCOG is awarded. The Pell first concept lets the state give out state aid in conjunction with the Pell Grant and gives a true definition of the student's financial need. The Pell Grant award of \$5,350 covers the cost of tuition at Ohio's community colleges and allows a shift of the OCOG to the universities and colleges where the tuition needs are greater. The Chancellor's staff is collecting data on student borrowing patterns to document the students who are creating the most debt and to develop strategies to address this need. The average debt for a four year graduate in Ohio for the class of 2007 was \$21,952 which ranks 14th in the nation.

VIII. Trustee Engagement Discussion

A report was given by Regents Alvarado and Beeghly regarding the trustee engagement working groups. The groups discussed the need for more clarity of the regents' role for trustee engagement and where they should go with the proposal from the facilitators. Other concerns expressed included how the success of the venture will be defined, its goals, possible conflict of trustees' fiduciary responsibilities, and its cost. A portion of the next board meeting will be devoted to working out the details of the trustee engagement project and to come to an agreement on the key points of the engagement project. The project must tie in with the strategic plan but not be limited to the plan. Key questions to be discussed are how the board, trustees and the Chancellor will make the change to a schematic sustained thinking that will

catapult the state forward and if the regents are committed to this charge. Each Regent voiced their concerns and thoughts about the process for trustee engagement.

The Chancellor said it would be a long process because this will be a fundamental change in behavior. The objective is to have trustees as fiduciaries of their schools and the University System of Ohio as a whole. He feels that either consultants or facilitators are needed to help make this change happen. It was suggested that the Board look at applying for a grant from a foundation to help with the cost of the facilitation.

An audio conference will be held with the Chancellor, Regents Reiling, Patterson and Alvarado along with the Chancellor's staff to form the structure of the trustee agenda for either the December or January meeting.

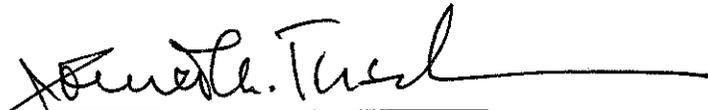
IX. Changes to State Travel Policy

Andy Shaw, Director of Fiscal Services gave a presentation on the new state travel policy and the increase in reimbursements to travelers. The rates of reimbursement are different for the various regions of the state for lodging and meals. The mileage reimbursement rate remains at 45 cents a mile. The changes reflect the state's alignment with the federal reimbursement rates.

X. Adjourn

There being no further business or discussion, Chair Tuschman adjourned the meeting.

The next scheduled Board of Regents meeting will be held November 10, 2009 at the Ohio Board of Regents, 30 E. Broad Street, 36th Floor, Columbus, Ohio.



Ohio Board of Regents

November 10, 2009
Date