

Minutes
OHIO BOARD OF REGENTS
Dayton, Ohio
July 19, 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, Thomas W. Noe. Those present were:

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

Thomas W. Noe
J. Gilbert Reese
Ralph E. Schey

Regent Noe 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 AND VOTE ON OHIO EMINENT SCHOLARS PROGRAM AWARDS

Vice Chancellor Walters presented the FY 2001 Ohio Eminent Scholars Program process and recommendations to the Regents for funding of Eminent Scholars Chairs. (Attached is a copy of Dr. Walters’ presentation.)

A motion was made by Regent Krumm to approve Agenda Item 3.1, Ohio Eminent Scholars Program Awards. Regent Schey seconded the motion and it was unanimously passed.

RESOLUTION 2002-01

WHEREAS, the Governor of the State of Ohio and the 123rd General Assembly of Ohio have supported the establishment of the Ohio Eminent Scholars Program; and

WHEREAS, the 123rd General Assembly appropriated \$5.2 million to be used by the Board of Regents “to establish an Ohio Eminent Scholars Program, the purpose of which is to invest educational resources to address problems that are of vital statewide significance while fostering the growth in eminence of Ohio’s academic programs...”; and an additional \$2.75 million for Eminent Scholars Capital Grants to be used by the Board of Regents “to make grants to state colleges and universities and nonprofit Ohio institutions of higher education holding certificates of authorization issued under section 1713.02 of

the Revised Code that receive endowment grants from appropriation item 235-451, Eminent Scholars...”; and

WHEREAS, Ohio’s state-assisted colleges and universities and nonprofit Ohio institutions of higher education holding certificates of authorization issued under section 1713.02 of the Revised Code were invited to submit proposals in statewide competition for seven Ohio Eminent Scholars endowment awards and an accompanying capital grant; and

WHEREAS, Ohio’s state-assisted colleges and universities and nonprofit Ohio institutions of higher education holding certificates of authorization issued under section 1713.02 of the Revised Code have responded to the goals of the Ohio Eminent Scholars Program with outstanding proposals; and

WHEREAS, the distinguished Ohio Eminent Scholars Final Review Committee, following a careful and thorough review of the sixteen finalists, has submitted its recommendations to the Ohio Board of Regents;

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 Ohio Eminent Scholars Program awards be made to the university programs on the list attached hereto.

BE IT FURTHER RESOLVED: that the Ohio Board of Regents hereby authorizes Sinclair Community College, in its role as the designated fiscal agent, to release the Eminent Scholars Program awards to the appropriate universities upon certification from the Chancellor; and

BE IT FURTHER RESOLVED: that the Ohio Board of Regents expresses its gratitude to the Governor and the General Assembly for their vision in ensuring the enhancement of excellence in Ohio graduate and professional programs as well as for enabling faculty and students in Ohio graduate and professional programs to address problems that are of vital statewide significance; and

BE IT FURTHER RESOLVED: that the Ohio Board of Regents further extends its sincere compliments to each program that was considered; and

BE IT FURTHER RESOLVED: that the Ohio Board of Regents recognizes with appreciation the valuable contributions of the distinguished senior scholar/administrators who served on the Ohio Eminent Scholars Disciplinary and Final Review Committees.

OHIO EMINENT SCHOLARS PROGRAM AWARDS

July 19, 2001

University	Program	OES Award	Capital Grant
Case Western Reserve University	High Energy Density Fuel Cell Research	\$742,857	\$500,000
University of Cincinnati	Structural Biology	\$742,857	\$500,000
University of Cincinnati	Developmental Neurobiology	\$742,857	\$500,000
Ohio State University	Health Psychology	\$742,857	\$250,000
Ohio State University	Nanotechnology: Molecular Self-Assembly	\$742,857	\$500,000
Ohio State University	Networking and Communication Research	\$742,857	\$500,000
Ohio State University	Literacy Partnerships	\$742,857	\$0
Ohio State University	Computational Nanotechnology	Funds not yet available	Funds not yet available
Kent State University	Theoretical Liquid Crystal Physics	Funds not yet available	Funds not yet available
Miami University	Protein Solution Structural Analysis	Funds not yet available	Funds not yet available
Case Western Reserve University	Condensed Matter Physics	Funds not yet available	Funds not yet available

Regent Brown: On behalf of my fellow Regents, I would like to thank Governor Taft for being with us today to celebrate the Eminent Scholar Awards. It is because of your foresight and leadership that Ohio will have these outstanding academic programs and centers of excellence in our universities. These eminent scholars will bring cutting-edge research to bear on compelling statewide economic development opportunities.

Chancellor Chu: Let me add my thanks to the Governor for his participation and support of higher education and for participating in this very first teleconference meeting of the Ohio Board of Regents, enabled by this year's operating budget. We are joined here in Columbus by representatives of Ohio's campuses, by members of the Ohio Board of Regents' staff and members of the press. This teleconference does enable us to expand the reach of the work of the Board of Regents and our meetings, and we are pleased to be able to do so and participate in this way. (Attached is a copy of Chancellor Chu's remarks.)

Governor Taft: It's a pleasure for me to be here with you, with representatives of our colleges and universities, with Chair Jeanette Brown, and all the Board of

Regents. During my inaugural address I made the point that we are embarked on a new frontier of knowledge and technology, a place where Ohio must be a leader among states and among nations, and our colleges and universities are central to our strategy for creating new jobs with new technologies. New knowledge results in new inventions, and that in turn results in new products and new jobs for Ohioans. There is no better investment than in the Eminent Scholars program which enables us to develop a critical mass of knowledge and expertise at our research universities. It enables us to leverage federal research dollars, it attracts investment, it attracts outstanding students, and it positions Ohio for success in the knowledge-driven economy of the 21st Century.

For that reason, I was very pleased that we were able to revive the Eminent Scholars in my first budget, and I want to thank all of the Regents for their support of this program. I also want to personally congratulate our seven Eminent Award recipients. The awards that were announced this morning illustrate that we have centers of excellence across Ohio in emerging fields of science and technology. Although more of the awards were in that area, I personally want to express my appreciation for one of the awards, that being to establish a Chair in Literacy Partnerships, focusing on the connection between our higher education system and our K-12 system, and improving reading and writing skills in K-12, certainly an extremely important goal if Ohio is to succeed in a knowledge economy of the future.

Eminent Scholars is one part of our overall strategy for Ohio's success in the new economy. We have been able to award over the last two years \$32 million from our Technology Action Fund to improve Ohio's entrepreneurial performance and to help move technology from the laboratory to the marketplace. Many of our universities have been involved in projects that were funded through the Technology Action Fund.

In addition, we have committed over the next twelve years one-half billion dollars from tobacco settlement monies for a biomedical research and technology transfer fund, and we are looking forward to working with Frank Samuel, my Science and Technology Advisor, and the board of that commission to make those awards in partnership with our colleges and universities across the state of Ohio.

Finally, let me say that although I was disappointed that because of the pressures of school funding, our Ohio Plan start-up funding was not included in the final budget approved by the legislature. I'm looking forward to working closely with our colleges and universities across Ohio as we establish The Ohio Plan Study Committee with Legislators and determine how we can fund this very important area of investment for Ohio's future.

Thank you very much again to all the member of the Board of Regents for supporting Eminent Scholars and for overseeing a very successful awards process and we look forward to working with you as we establish even stronger centers of excellence in research and technology, establish commercialization into new jobs, and build Ohio's economy for this new century in which knowledge is definitely the key.

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 JUNE 21, 2001

A motion was made by Regent Krumm to approve the Minutes of the June 21, 2001, meeting of the Board. The motion was seconded and it was unanimously passed.

COMMITTEE REPORTS AND SUMMARY OF DELIBERATIONS

Communications Committee – Regent Miller: The Communications Committee had a shortened meeting today due to the announcement of the Eminent Scholars Awards by Governor Bob Taft and Chancellor Rod Chu in Columbus.

The Director of Budgets, Deborah Gavlik, our new liaison to the legislature and higher education associations, reported on recent conversations she and the Chancellor had with several legislative staff and legislators, including Senate President Richard Finan. Common themes in their conversation included:

- Board of Regents’ message is right on the mark. They didn’t see how we could have improved on the message much
- Concerns about a “disjointed” lobbying structure makes the entire effort less effective than it otherwise could be, meaning that the disjointed structure makes it easier to pit one sector of higher education against another
- We need to work harder with all sectors of higher education and present a united front
- Legislators and their staffs “feel guilty” that higher education did not receive more funding, and if money becomes available, they believe higher education would be the first priority
- Basic information about how higher education is funded is needed; we must make it easier to understand. We have a very complex system and our legislators don’t have the opportunities we do to learn the details; we must get it across to them
- Higher education needs a “champion” in the legislature, someone who will make sure that particular initiatives are carried out

Chancellor Chu asked President Finan for his advice for the future:

- President Finan said we must understand the circumstances the legislature is in and work within those parameters
- He said there were “conflicting signals” from colleges and universities and the Board of Regents and in the end he and the Speaker “set up the deck chairs” for the higher ed budget
- He said this budget was unlike other budgets – the caucus actually went through the budget line by line, which will likely happen in future budgets

- Therefore, we had better teach them about each line item and how they affect different campuses and how they are intertwined
- Task Force on the State Share of Instruction will be very important – they will need input from the Board of Regents and both the two-year and four-year sectors
- Feels that tuition increases are “going OK”

Associate Vice Chancellor Sheehan explained in brief about the new structure for External Relations. This will be discussed more in-depth at the September meeting.

Vice Chancellor Walters reported on a new outreach effort – called the “Full State Press” – which consists of several forums around the state to several public and business organizations to help communities understand fully the new “Knowledge Economy” and what it means for Ohio.

Jamie Abel, Assistant Director of Media and Marketing, gave us a brief synopsis of the Ohio Success Express program and its results. While it is currently not funded in the current fiscal year, he gave us some data on the following:

- The bus traveled more than 10,000 miles to nearly 5,000 students at 28 high schools
- Traveled to 17 different counties around the state
- Made 11 community access stops and held 19 community leader meetings with 423 invitees and 188 attendees
- Included among Education Team volunteers 163 individuals from 61 Ohio campuses and 59 individuals from 30 partner organization
- Drew media coverage at each stop; more than 5.8 million media impressions
- Marietta and Lima are currently developing an OCAN site, sparked by Success Express visits
- Steubenville, Dayton, Crooksville, Gallia County and Toledo are among several interested areas cultivated for OCAN site development

Resources Committee – Regent Schey: The Resources Committee met this morning and two items were discussed and recommended for today’s consent agenda:

- Release and distribution of \$2.2 billion in FY 2002 Appropriations
- Controlling Board items

During the course of the meeting, comments were made that there is a growing awareness on the part of the constituencies that we serve that education is a higher priority and a more important priority than as how they have been regarded historically. If we can accomplish anything in that direction, it will be very successful. But it is true that the changing economic environment that we face in this country today is going to force people to think about their contribution to their own livelihood in an entirely different way than they have historically.

Initiatives Committee – Regent Krumm: The Initiatives Committee reviewed the eleven items approved at the last meeting for inclusion in this month’s action agenda. The Committee also discussed the Eminent Scholars Program. There are two changes in items scheduled for next month: the Permanent Charter for Owens Community College was moved forward for this month’s action agenda to coincide with the arrival of the new president and to complete the transition from a technical college to a state community college for Owens. The Initiatives Committee recommended approval of that item. In addition, the record should show that with regard to Tuition Reciprocity Agreement Extensions, new language has been added, which reads:

“It is the mutual intent of the institutions entering into this agreement to achieve a rough parity in terms of the costs and benefits of the student exchange.”

The Initiatives Committee approved this addendum and it will be enforced both for the action items today and in September.

In reviewing September’s action items, some time was spent discussing Antioch’s innovative Ph.D. pilot program in Leadership and Change.

Vice Chancellor Tafel reported that once again the K-16 staff has won a grant from the U.S. Department of Education for technology and teacher education.

Performance Committee – Regent Adams: The Performance Committee discussed the proposed deregulation paper developed by the Regents staff on reducing barriers to competition in higher education. We received and discussed a report on comments from Kent State University and the University of Akron on the deregulation. At the Committee’s request, the paper was revised based on input from the campuses and we now feel comfortable having it moved for approval at today’s meeting. The policy changes include the elimination of enrollment caps; the elimination of fee caps; the elimination of Board oversight of dormitory construction; further study of two-year campus service districts; and continued streamlining of program approval processes by the Board of Regents.

We also reviewed a “marked-up” copy of the Performance Report being worked on now, basically a summary of the different sections indicating the proposed additions and changes. As revised, the report will be even more comprehensive than last year’s initial report. The revisions include changes requested by Governor Taft.

Associate Vice Chancellor Sheehan reported on the July 12 consultation that was held at the beginning of a year-long study on financial aid and college costs. Dr. Sheehan noted that the membership of this consultation was expanded to include several college access network groups as we requested at the last meeting. We will hear much more about this study as it evolves over the next few months.

Finally, because of today's abbreviated schedule, the appearance of Toledo's Dean Closius has been postponed to our September meeting.

Consent Agenda: a motion was made by Regent Krumm to approve agenda items 3.2 through 3.15. Regent Noe seconded the motion and it was unanimously passed.

- 3.2 Mercy College of Northwest Ohio, Institutional Reauthorization
- 3.3 DeVry Institute of Technology, Bachelor of Science in Information Technology
- 3.4 Malone College, Bachelor of Arts in Management Degree Completion Program, Off-Site in Boardman, Ohio
- 3.5 Central Ohio Technical College, Associate of Applied Science in Personal Fitness Training
- 3.6 Ohio University-Chillicothe Campus, Associate of Applied Science in Child Development
- 3.7 Permanent Charter for Owens Community College
- 3.8 Owens Community College, Associate of Applied Science in Surveying Technology
- 3.9 Bowling Green State University, Bachelor of Arts in Africana Studies
- 3.10 University of Cincinnati, Bachelor of Science in Health Sciences
- 3.11 Youngstown State University, Master of Science in Environmental Studies
- 3.12 Tuition Reciprocity Agreement Extensions
 - a) University of Cincinnati and Northern Kentucky University
 - b) University of Cincinnati, Cincinnati State Technical and Community College, Southern State Community College, and Northern Kentucky University
 - c) Belmont Technical College, Jefferson Community College, and West Virginia Northern Community College
 - d) Owens Community College and Monroe County Community College (Michigan)
- 3.13 Partial release and distribution of FY 2002 Operating Appropriations
- 3.14 Requests to the Controlling Board for the period June 1, 2001 through June 30, 2001
- 3.15 The case for further deregulation of Higher Education in Ohio

RESOLUTION 2002-02
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.

Mercy College of Northwest Ohio
Institutional Reauthorization

RESOLUTION 2002-03
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 degree program be approved through December 31, 2002 to coincide with the institution's reauthorization date. Yearly progress reviews of the BSIT program will be submitted to the Ohio Board of Regents by December 31, 2002, and December 31, 2003.

DeVry Institute of Technology
Bachelor of Science in Information Technology

RESOLUTION 2002-04
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 program be approved through December 31, 2004.

Malone College
Bachelor of Arts in Management Off-Campus Degree-Completion Program
at Boardman, Ohio

RESOLUTION 2002-05
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 new degree program is approved:

Central Ohio Technical College
Associate of Applied Science degree in Personal Fitness Training

RESOLUTION 2002-06
Agenda Item 3.6

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.

Ohio University, Chillicothe Campus
Associate of Applied Science degree in Child Development

RESOLUTION 2002-07
Agenda Item 3.7

WHEREAS, in accordance with Section 3358.02 of the Ohio Revised, the Ohio Board of Regents in Resolution 1994-44 did create, on November 19, 1993, the Owens State Community College District, to replace the Owens Technical College District; and

WHEREAS, in accordance with Section 3358.05 of the Ohio Revised Code, the Ohio Board of Regents in Resolution 1994-66 did on February 18, 1994, approve a Transitional Agreement for the transfer of assets, properties, and functions from authority of the Owens Technical College District Board of Trustees to the Owens State Community College District Board of Trustees; and

WHEREAS, the Ohio Board of Regents did authorize and direct the Chancellor on April 15, 1994, to issue a provisional charter for the operation of the College; effective until June 30, 1999, at which time an evaluation of the provisional operations of Owens State Community College will be conducted and permanent authorization considered; and

WHEREAS, Owens State Community College has expanded its mission, through pre-baccalaureate degree programming while continuing its strong support of technical education; and

WHEREAS, Owens State Community College has demonstrated its firm commitment to providing high quality Associate of Arts and Associate of Science degrees, assuring that students are moved assertively toward fulfillment of their educational objectives:

NOW, THEREFORE,

BE IT RESOLVED: that the Chancellor is hereby authorized and directed on behalf of the Board of Regents to issue a permanent Charter for the operation of the College.

RESOLUTION 2002-08
Agenda Item 3.8

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:

Owens Community College
Associate of Applied Science degree in Surveying Technology

RESOLUTION 2002-09
Agenda Item 3.9

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 Bowling Green State University Bachelor of Arts (B.A.) degree in Africana Studies is approved.

RESOLUTION 2002-10
Agenda Item 3.10

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 University of Cincinnati Bachelor of Science (B.S.) degree in Health Sciences is approved.

RESOLUTION 2002-11
Agenda Item 3.11

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:

Youngstown State University
Master of Science in Environmental Studies

RESOLUTION 2002-12
Agenda Item 3.12

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 Tuition Reciprocity Agreements be extended through December 31, 2001. The agreements either expired June 30, 2001, or will expire at the end of the 2000--2001 academic year. All of the agreements are currently under negotiations, and will be forthcoming to the Ohio Board of Regents. The agreements support the mutual intent of achieving rough parity in terms of the costs and benefits of the student exchange. During this period of tuition reciprocity agreement renewal, the extension will protect the tuition status of students covered under the previous agreements, and also protect the tuition status of new students who meet the criteria established for tuition reciprocity in the previous agreements

Tuition Reciprocity Agreement Extensions:

University of Cincinnati and Northern Kentucky University;

University of Cincinnati, Cincinnati State Technical and Community College,
Southern State Community College, and Northern Kentucky University;

Belmont Technical College, Jefferson Community College, and West Virginia
Northern Community College;

Owens Community College and Monroe County Community College (Michigan).

RESOLUTION 2002-13
Agenda Item 3.13

WHEREAS, the Ohio Board of Regents is mandated by the Ohio General Assembly to administer the distribution of various line item appropriations included in Am. Sub. H.B. 94 of the 124th 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;

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 following appropriations for FY 2002 are approved for distribution as specified in Am. Sub. H.B. 94:

RESOLUTION 2002-14
Agenda Item 3.14

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 June 1, 2001 through June 30, 2001, shown on the sheets attached hereto, are hereby approved and recommended for approval by the Controlling Board.

RESOLUTION 2002-15
Agenda Item 3.15

WHEREAS, the Ohio Board of Regents was created in the mid-1960s as a coordinating board, with planning, advisory, and recommendatory powers, but few direct governing powers; and

WHEREAS, public colleges and universities in Ohio are governed by their own Boards of Trustees; and

WHEREAS, Boards of Trustees are responsible for the approval of budgets, the appointment of Presidents, and the general management of fiscal affairs, purchasing, curriculum, human resources, and capital resources; and

WHEREAS, despite Ohio's history and philosophy, certain state regulations remain in place that restrict the decision-making authority of Boards of Trustees of state-assisted colleges and universities; and

WHEREAS, these regulations include a) tuition limitations; b) enrollment limitations; c) state oversight of student housing; d) two-year campus service districts; and e) state control over the creation of new academic programs; and

WHEREAS, the Board of Regents has determined that eliminating some of these regulations would restore to Boards of Trustees the authority they need to discharge their legal and fiduciary responsibilities; and

WHEREAS, the Board of Regents has determined that one other of these regulations need to be studied, and one other continued;

NOW, THEREFORE,

BE IT RESOLVED, upon the recommendation of the Chancellor and with the concurrence of the Performance Committee of the Ohio Board of Regents, that the Board hereby supports the elimination of tuition caps, enrollment caps, and Board oversight of student housing.

BE IT FURTHER RESOLVED, that the Board of Regents hereby calls for a study of two-year campus service districts; and endorses the continuation of current policies regarding program approval of new academic programs, and recommends the continual improvement of the policy and process of program review, with a new emphasis on program outcomes.

BE IT FURTHER RESOLVED, that the attached document, "The Case for Further Deregulation of Higher Education in Ohio" provides the basis and supporting documentation for the Board's changes in policy regarding these matters.

CHANCELLOR'S REPORT

As I noted earlier in the meeting, I am pleased to participate from Columbus with a number of other interested attendees at this first teleconferenced official meeting of the Ohio Board of Regents.

Teleconferencing the meetings of the Regents was authorized in this year's budget bill. I understand that the Board of Regents is the second state board or commission authorized to meet by teleconference. Given the vagaries of new technology, I'm sure we will be working our way through technical glitches as we proceed over the upcoming months. But given the facilities in Ohio's colleges and universities throughout the state, I am excited by the promise that teleconferencing will enable broader participation and more cost-efficient operation of the work of the Regents.

Even though I'm not with you in the room right now, I note that we always enjoy our visits to Ohio's public and independent campuses. There was a time when summer was a slower time at our colleges and universities, but not anymore, we know you're just as busy during the summer as you are in the fall and spring!

Many thanks go to President Kim Goldenberg, the Wright State University Board of Trustees, faculty, staff and students for making us feel welcome and comfortable and especially, thank you for the extra efforts required for this first teleconference meeting with the Governor.

Many thanks also go to Governor Bob Taft and former Ohio Business Roundtable Chairman Doug Olesen and Cleveland Growth Association representative Dick Pogue for their participation and support of the Eminent Scholars awards earlier this morning. We appreciate the Governor's and business leaders' recognition of and commitment to the pivotal role that higher education plays in strengthening Ohio's economy.

While we were still in the midst of completing the state operating budget, your staff and the campus staff have been hard at work preparing our capital budget recommendations for FY 2003-FY 2004. We recently uncovered some alarming trends during this work. Just as we found with the operating budget, higher education has been losing its share of state capital appropriations over the past decade.

- Higher education's share of state capital resources dropped from more than 40% in FY 91-92 to less than 30% in FY 01-02.
- More importantly, the purchasing power of these capital appropriations has eroded over time, due to inflation.
- The magnitude of the loss is substantial – we now have about \$200 million less in the current biennia than we had at the beginning of the 1990s.

Why is this a problem? Because our need for capital funds is substantial and growing. We've identified three areas where significant investment are needed.

- Block obsolescence – Funding has to be provided to cover some of the huge cumulative cost of renovating or replacing the large block of old facilities that were constructed during or before the building boom of the 60s and '70s.
- Technology – We need to ensure that new or rehabilitated facilities have the appropriate systems to accommodate today's technology.
- Enrollment growth – Some campuses are simply busting at the seams and need new buildings to serve additional students.

There appears to be a fundamental mismatch between the need for capital resources and the state's ability or willingness to provide those resources. We look forward to making our case before the Governor and the General Assembly during this year's biennial capital budgeting process.

There is some good news to report this month. As Regent Krumm noted, the Ohio Board of Regents received a significant grant award through the U.S. Department of Education's "Preparing Tomorrow's Teachers to Use Technology" (or "PT3") grant program. This award for Ohio is through the Joint Council representing a consortium of the Ohio Board of Regents, the Ohio Department of Education, Ohio SchoolNet, the Ohio Learning Network and the public universities in Ohio. Through its implementation, the grant efforts will be extended to private institutions as well. The three-year grant, called "catalystOhio," along with the matching funds, is intended to ensure that teachers meet standards for the use of technology in classrooms for teaching and learning. Ohio's grant builds on work begun in 1999 by the State University Education Deans through a technology task force that was charged with sharing information and initiating joint projects to benefit undergraduate technology education in the state. I would like to thank Dr. Bonnie Mathies, Associate Dean of the College of Education and Human Resources at Wright State University who provided sustained leadership for this project.

The "catalystOhio" grant and match is approximately \$1 million a year for three years. We look forward to telling you more about Ohio's project in future months.

On another note, I was invited to meet with the Greater Cleveland Growth Association last week. It was a wonderful opportunity to speak with the business leaders of Northeastern Ohio about higher education's pivotal role in building Ohio's economy and workforce of the 21st century. I'm pleased that these leaders are concerned about the serious higher education deficit Ohio now suffers, with too few Ohioans pursuing the post-secondary education they will need if Ohio is to be a leader in the Knowledge Economy.

Ohio is starting behind in the race for prosperity in the 21st century economy – and Cleveland's business and community leaders know it. They know that Ohio must fuel the economic engine that higher education is, if we are to forge ahead as a state. Unfortunately, the city-state fragmentation of Ohio means that business and community leaders concerned about each of our community's futures – and the entire state's future – will need to find new ways to more effectively work together to inform our fellow citizens and policy makers on the importance of their concerns.

I am heartened by the support of the Greater Cleveland Growth Association and other groups throughout Ohio who share our commitment to improve economic destiny of our state. We look forward to building the strong coalition of business and community leaders throughout Ohio that we will need to change Ohio's state of mind and commitment to a strong higher education system.

Beginning with this month's meeting, personnel actions will no longer be included as an agenda item for board approval. As the Regents had requested, the new budget law provides the Chancellor with the administrative authority to take personnel actions for the Board of Regents. Given this change, I will

include significant personnel items in my monthly report to the Board. That noted, I have some very happy news to report. As the result of our annual performance review, we have promoted a number of individuals, recognizing their outstanding performance and increased responsibilities:

- Charlotte Rogge has been promoted to Administrator, Research and Graduate Programs.
- Christopher Crump has been promoted from Audit Coordinator to Analyst for HEI.
- Ian Davis has been promoted to Administrator, Systems. Operations.
- I am also pleased to announce that with the increase of the Regents' and higher education community's focus and activities on an integrated Pre-K through higher education system, Dr. Jonathan Tafel has been promoted to Vice Chancellor of Educational Linkages and Access.
 - a) Vice Chancellor Garry Walters will focus his activities on his similarly increased responsibilities in the areas of Academic Affairs and Economic Enhancement.
- Finally, with the departure of Vice Chancellor Early Mackey, I thank two individuals:
 - a) Deborah Gavlik, Director of Budget and Resource Planning for taking on the additional responsibilities of coordinating Legislative Relations and heading the staff functions of the Board's Communications Committee.
 - b) Dr. Robert Sheehan, Associate Vice Chancellor for Performance Reporting and Analysis, for taking on the additional responsibility of coordinating our Public Affairs activities.

Congratulations and thanks to all for the contributions that the promotions and increased responsibilities of these individuals recognize.

Every month I enjoy closing my report by providing to you a taste of some of the new and innovative endeavors taking place at Ohio's public and independent colleges and universities. One of our spotlights today will be on our host, Wright State University.

Congratulations to Wright State for becoming the first and only university in Ohio with a combinatorial chemistry lab, thanks to a three-year, \$150,000 grant from Procter & Gamble. Combinatorial chemistry is a new and quickly-evolving approach to organic chemistry in use by the pharmaceutical industry to rapidly discover new drugs. The knowledge and technology used by the drug industry is filtering into the academy; until recently, the only place to learn combinatorial chemistry has been on-the-job. Having this lab will prepare Wright State students with the skill that industry needs.

With a combinatorial chemistry lab, Wright State can produce a diversity of compounds in the lab, rather than relying on nature to do it. The specialized equipment in a combinatorial chemistry lab facilitates the rapid creation of molecular diversity, allowing students to run a number of reactions at once.

Once again, congratulations to Wright State, President Goldenberg and faculty, staff and students on this breakthrough initiative. Many thanks also to Procter & Gamble for its generous gift.

I am proud to say that Ohio's colleges and universities, public and independent, have developed many excellent partnerships with one another. Collaboration and partnership is a major key to Ohio becoming a state with a highly-educated, well-trained workforce. The University of Akron's Wayne College is partnering with Ohio State University's Agricultural Technical Institute in Wooster to provide a foundation of courses equal to the first year of the core classes of an associate's degree for employees of The Gerstenslager Company, a local manufacturing firm in Northeastern Ohio.

Cuyahoga Community College in Cleveland is partnering with Ursuline College in the Cleveland suburb of Pepper Pike to bring the Ursuline College Accelerated program, or UCAP, Business Management baccalaureate degree option to Tri-C's Western Campus in Parma. UCAP is an innovative accelerated degree program designed especially for business professionals, giving them the opportunity to earn their degree in Business Management in half the time of traditional semester-based programs.

Sinclair Community College will host the statewide Upward Bound Olympics beginning July 20 and continue through July 22. The Upward Bound Olympics brings together students from throughout Ohio with diverse backgrounds to promote interaction and unity of Upward bound students, improve youth relationships, reduce hostilities, and provide academic and social skills needed to complete a high school and college education. Upward Bound also provides academic instruction and tutoring, information describing a variety of college opportunities, information on student financial aid and career options available to students after college.

Finally, congratulations to the University of Dayton for having its Web site honored as one of the top five in the nation in the 2002 Kaplan/Newsweek College Catalog, a selection of poll results of high school guidance counselors designed to discover the latest national trends in college selection. The University of Dayton has already been named the top wired college in Ohio by *Yahoo! Internet Life* magazine and the most wired Catholic university in the U.S.

PRESENTATIONS

- a. Welcome from Dr. Kim Goldenberg, President
Wright State University
- b. Featured Research Activities
Dr. Leo Finkelstein, Jr.
College of Engineering and Computer Science
Wright State University

- c. Creating Laboratory Access for Students in Science (CLASS)
Dr. Michele Wheatly
Chair, Department of Biological Sciences
Wright State University

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, September 20, 2001, at John Carroll University, University Heights, Ohio, 1:30 p.m.

Chair

Secretary

Date

Date

