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STRATEGIC INVESTMENTS DRIVE NEW HIGHER EDUCATION BUDGET

CINCINNATI, September 21, 2000 – The Ohio Board of Regents at its monthly meeting today approved a higher education budget proposal for the 2002-2003 biennium that calls for breakthrough investments designed to make Ohio a leading economic state in the new knowledge-based economy.

The Regents' budget, based on recommendations made by the Higher Education Funding Commission, focus on a single integrated goal – “to create Ohio's 21st century economy with an educated and technologically competent workforce,” said Regents' Chancellor Roderick G. W. Chu.

“Higher education has focused its efforts on making a significant impact on Ohio and its economy,” Chu said. “Specifically, the Board seeks to target higher education investments to clear, measurable outcomes.”

Altogether, the budget proposal seeks state investments of \$2.9 billion in fiscal year 2002 and \$3.2 billion in fiscal year 2003, an average 12.9% increase in the state's higher education budget over those two years. Current funding levels are \$2.4 billion in fiscal year 2000 and \$2.5 billion in fiscal year 2001.

Key new investments are:

- **“The IT Guarantee”** is designed to guarantee information technology skills for all Ohio workers. Through the workforce development training provided by Ohio's two-year community and technical colleges, this initiative is intended to immediately help alleviate the shortage of technology-skilled workers, assisting Ohio employers in closing the IT skills gap. Total investment: \$9 million in FY 2002; \$23 million in FY 2003.

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- **The Ohio Plan** for technology and economic development targets breakthrough investments for research, development and commercialization in biotechnology, nanotechnology and information technology. The plan is designed to spark an increase in federal research funding for universities, as well as encourage new start-up businesses, making Ohio more economically competitive in the

knowledge economy. Total investment: \$150 million in FY 2002; \$150 million in FY 2003.

- Led by Ohio University, **The Appalachian New Economy Partnership** is a cooperative venture among Appalachian higher education institutions, businesses, schools and government. This initiative will increase opportunities in Ohio's Appalachian region through expanding information technology literacy and training for area residents and increasing successful start-up companies in the region. Total investment: \$2.5 million in FY 2002; \$6 million in FY 2003.
- **K-16 initiatives** focus on three key issues: teacher education improvement in Ohio's colleges and universities; math and science improvement; and college readiness of high school students. The Board's proposal in this area reflects the work of the Joint Council of the Ohio Board of Regents and State Board of Education. Total investment: \$44.3 million in FY 2002; \$56.2 million in FY 2003.
- **The "CollegeNet" initiative** would help Ohio's campuses ensure technology literacy of their graduates by helping campuses provide the technology required for student learning. Total investment: \$50 million in FY 2002; \$50 million in FY 2003.

Other key aspects of the budget proposal include increasing funding to extend the success of current performance-based initiatives, including \$101 million in FY 2002 and \$138 million in FY 2003 for the **Access Challenge** program, which has led to tuition reductions of 5% and enrollment increases at Ohio's community and technical colleges. In addition, Ohio's **Success Challenge** program will continue to support timely degree completion of at-risk university students. The Board proposes that \$57.8 million in FY 2002 and \$66.2 million be set aside for Success Challenge. **Student Financial Aid** state grants and scholarships also receive a boost: \$206 million in FY 2002 and \$228 million in FY 2003. The **State Share of Instruction**, which is the enrollment-

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based, core funding for the cost of instruction at all of Ohio's public colleges and universities, is recommended at \$1.7 billion in FY 2002 and \$1.8 billion in FY 2003.

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