

# **LSC Greenbook**

**Analysis of the Enacted Budget**

**Ohio Board of Regents**

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**ATTACHMENT:**

Budget Spreadsheet By Line Item

# Ohio Board of Regents

- Total State Share of Instruction funding reduced by 13.1% in FY 2012 and increased by 0.9% in FY 2013
- Annual tuition increases capped at 3.5% for universities and \$200 for community colleges
- Chancellor required to create a plan to establish charter universities

## OVERVIEW

### Agency Overview

Created in 1963 by the General Assembly, the Ohio Board of Regents (BOR) is responsible for coordinating higher education in Ohio and has a direct, nongoverning relationship with all of Ohio's colleges and universities. Ohio's higher education system is comprised of 61 public and 73 independent colleges and universities. This system currently enrolls nearly 700,000 students and produces more than 125,000 degrees and certificates annually.

The Chancellor of BOR is responsible for all of the agency's day-to-day operations. BOR has an 11-member board which provides guidance and oversight to the Chancellor. At the end of FY 2011, BOR had 73 staff members to administer its main responsibilities, including (a) advising the Governor and the General Assembly on higher education policy, (b) overseeing state operating and capital funds for public colleges and universities and student financial aid programs, (c) authorizing and approving new charters and degrees, (d) overseeing the development of workforce education, and (e) developing a strategy to maximize higher education's contribution to the state of Ohio and its citizens. Beginning in FY 2012, the Ohio Tuition Trust Authority (OTTA) is included in BOR's budget, adding approximately 44 employees.

### Appropriation Overview

**Table 1. Agency Appropriations by Fund Group, FY 2011-FY 2013**

| Fund Group                            | FY 2011*               | FY 2012                | % change,<br>FY 2011-FY 2012 | FY 2013                | % change,<br>FY 2012-FY 2013 |
|---------------------------------------|------------------------|------------------------|------------------------------|------------------------|------------------------------|
| General Revenue                       | \$2,494,926,391        | \$2,226,105,156        | -10.8%                       | \$2,310,109,335        | 3.8%                         |
| General Services                      | \$4,458,615            | \$23,510,817           | 427.3%                       | \$23,657,209           | 0.6%                         |
| Federal Special Revenue               | \$27,550,451           | \$34,021,913           | 23.5%                        | \$36,073,913           | 6.0%                         |
| State Special Revenue                 | \$3,463,414            | \$11,859,426           | 242.4%                       | \$11,969,789           | 0.9%                         |
| Third Frontier Research & Development | \$7,766,727            | \$8,000,000            | 3.0%                         | \$8,000,000            | 0.0%                         |
| <b>TOTAL</b>                          | <b>\$2,538,165,599</b> | <b>\$2,303,497,312</b> | <b>-9.3%</b>                 | <b>\$2,389,810,246</b> | <b>3.8%</b>                  |

\*FY 2011 figures represent actual expenditures.

Table 1 shows BOR's appropriations by fund group. Of BOR's total biennial appropriation of \$4,693.3 million, approximately 96.7% is appropriated from the General Revenue Fund (GRF). In FY 2011, GRF spending includes \$287.8 million in federal stimulus funding that was only partially offset by an increase in state-source GRF appropriations leading to decrease of 10.8%. The large increase in the General Services Fund group (427.3%) is due to the addition of \$22.0 million in casino revenue funds, to be used for the Co-op Internship Program, the Ohio College Opportunity Grant, and the Air Force Institute of Technology and Defense/Aerospace Graduate Studies Institute. The 242.4% increase in the State Special Revenue Fund group in FY 2012 is due to the transfer of OTTA's operating line items to BOR, for a total of approximately \$9.8 million. The FY 2012 Federal Special Revenue Fund group decrease of 23.5% is largely due to typical fluctuations of as needed and one-time federal grant funding.

## Summary of Major Initiatives

### State Share of Instruction Changes

The State Share of Instruction (SSI) formula is used to distribute the core state operating funding for public higher education. H.B. 1 of the 128th General Assembly substantially revised the SSI formula, splitting it into three separate sector formulas for the FY 2010-FY 2011 biennium. The budget largely continues the SSI subsidy formula from the FY 2010-FY 2011 biennium. LSC's BOR Redbook for H.B. 153 of the 129th General Assembly contains a more detailed analysis and description of the continuing SSI formula.<sup>1</sup> Some of the changes that were included in the budget, such as the increase in model costs, are necessary in every biennium due to economic factors. Others, such as the increase in the percentages of funding allocated to success factors and degree attainment, are planned and ongoing gradual shifts in the formula. The budget makes the following changes:

- Permits state-supported universities, in consultation with the Chancellor, to request the transfer of SSI subsidy allocations to their university branch campuses. University main and branch campus appropriation allocations may be transferred by the Director of Budget and Management for this purpose;
- Continues the previous formula's method of incentivizing the enrollment of "at-risk" students and accounting for the additional cost of educating those students through course model weights, but alters the way that at-risk

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<sup>1</sup> The enacted budget does not include the limitations on law student FTEs and degrees that were included in the executive proposal.

- student weights are calculated and creates a new definition of "at-risk" student that includes financial need, remedial education, race, and age;
- Eliminates the Medical II FTE enrollment buffers, which kept medical school FTE counts from falling below a certain level, and adds a Medical II stability guarantee, which limits the decrease to an institution's Medical II funding;
  - Requires that law school students be residents of Ohio to be considered subsidy-eligible for formula purposes;
  - Increases instructional model costs;
  - Increases the percentage of the instructional model costs allocated to factors other than course completion, including student success factors, the Medical II set-aside, the degree attainment component; and the doctoral set-aside;
  - Increases the portion of the doctoral set-aside allocated to degrees granted, research activity, and quality measures, and makes some changes to the measurement of those factors; and
  - Changes the stability guarantee calculation, which limits the funding cuts an institution may receive, to reflect the percentage change in sector level appropriations.

### **Tuition Restrictions and Changes**

In both FY 2012 and FY 2013, the budget restricts state-assisted university main campuses and branch campuses from increasing tuition more than 3.5% over the previous year's tuition. The budget also restricts community colleges, state community colleges, and technical colleges from increasing tuition more than \$200 in FY 2012 and FY 2013.

#### **In-State Tuition for Out-of-state Students**

The budget grants residency status for the purposes of in-state college tuition to Ohio high school graduates regardless of their residence prior to enrollment. Aliens are only granted residency status if they have been granted the right to reside in the U.S.

#### **Charter Universities Plan**

The budget requires the Chancellor to develop a plan for designating some state institutions of higher education as charter universities and giving those institutions more flexibility in managing their finances and operations. While creating the plan, the Chancellor must study the existing financial and administrative relationships between the state and institutions, examine legal and other issues related to restructuring those relationships, and consult with the institutions' presidents. The Chancellor must submit a report of findings and recommendations to the General Assembly and the Governor by August 15, 2011. The budget specifies that it is the General Assembly's intent to begin implementing the plan on July 1, 2012, but prohibits institutions from being

designated charter universities until the General Assembly has enacted legislation that establishes a procedure to designate them.

### **Construction Reform**

The budget permits public institutions and other state entities to use alternative methods of construction delivery for capital projects and makes various other changes to the law governing public improvements. Under the budget, in addition to multiple prime contracting, institutions of higher education and other public entities may use the following types of construction delivery:

- Construction manager at risk: An arrangement in which the construction manager provides a guaranteed maximum state cost and assumes all risk that the project's actual costs may go over that maximum;
- Design build: A contract with one vendor for both design and construction work, in which design and construction work are integrated; and
- General contracting: A contract for a project that includes a single aggregate lump sum contract, rather than a multiple prime contract.

The budget increases the contract amount threshold for the competitive bid process from \$50,000 to \$200,000 for construction projects and from \$25,000 to \$50,000 for professional design contracts. The budget exempts institutions from performing a full competitive bid process when contracting for capital projects using the design build or construction manager at-risk methods of construction described above.

### **State Institutions Leaseback Agreements**

The budget authorizes state institutions of higher education and university housing commissions to enter into lease agreements with nonpublic vendors to construct and operate new or existing campus housing facilities. State institutions may also convey "auxiliary" facilities, such as student services buildings, dining halls, athletic facilities, etc, to a charitable conduit entity, which would then enter into a lease-leaseback arrangement with a third-party independent funding source. The budget also specifically permits school districts to rent or lease facilities to institutions of higher education for summer or evening classes.

### **Employee Health Care**

The budget requires DAS to design health care plans for employees of state institutions of higher education. Once DAS has established the health care plans, state institutions may offer the DAS plans to employees or contract for other health care insurance policies. Health care insurance policies offered by an institution must conform to the best practices established by DAS or the School Employees Health Care Board.



### **Distance Learning and Ohio Digital Learning Taskforce**

Under continuing law, the Chancellor is required to establish and maintain a distance learning clearinghouse through which education providers can offer courses for primary, secondary, and higher education students. The budget specifies that the clearinghouse be located at the Ohio Resource Center for Mathematics, Science, and Reading administered by the College of Education and Human Ecology at The Ohio State University. Primary and secondary school students are permitted to take a course through the clearinghouse if approved by their school or district. The budget requires public schools to encourage students to take the courses and to award credit for successful completion.

The budget also establishes the Ohio Digital Learning Taskforce "to develop a strategy for the expansion of digital learning that enables students to customize their education, produces cost savings, and meets the needs of Ohio's economy." The Taskforce must issue recommendations by March 1, 2012.

### **Efficiency Advisory Committee**

The budget requires the Chancellor to establish an Efficiency Advisory Committee to generate plans for optimal campus efficiency. The Committee will identify shared services opportunities and best practices for sharing. Each state institution of higher education must appoint an employee to serve as an efficiency officer, to serve on the Efficiency Advisory Committee and take responsibility for the evaluation and improvement of operational efficiencies on campus.

The Efficiency Advisory Committee is also required to attempt to reduce the cost of textbooks and other education resource materials. Likewise, the budget requires each state institution of higher education to submit a plan to reduce students' costs for textbooks and other education resource materials. Plans must be submitted to the Chancellor by December 31, 2011. The Chancellor must facilitate full implementation of digital textbook and content pilot programs planned at institutions and ensure that those programs examine the cost savings and academic benefits of digital content.

### **College Remediation**

The budget requires state institutions of higher education to jointly establish, by December 31, 2012, uniform statewide standards in math, science, reading, and writing for students to be considered as having a "remediation free" status. The institutions must establish a method of assessing student knowledge in those four fields. Each institution must also report its costs of providing remediation, both at an aggregate level and disaggregated by the school district that graduated the student. Finally, the budget requires the Chancellor and the Superintendent of Public Instruction to annually report, beginning December 31, 2011, recommendations for reducing remediation.

**Three Year Degree Plans**

The budget requires all Ohio state-assisted institutions of higher education to create a plan to offer a baccalaureate degree in three academic years for each degree program. By October 15, 2012, institutions must have a three-year plan for 10% of degree programs, and by June 30, 2014, they must have a three-year plan for 60% of degree programs. Once the plans are determined, institutions must post the plans on their web sites and share them with the Department of Education for distribution to students and secondary schools.

**Term of the Chancellor**

The budget changes the term of the Chancellor from a five-year term to the same term as the Governor that appoints the Chancellor. The budget makes the Chancellor serve at the pleasure of the Governor, replacing a provision allowing the Governor to remove the Chancellor only for certain work or conduct violations.

**Student Groups and Religious Beliefs**

The budget prohibits state institutions from denying benefits to a religious student group based on the group's requirement that its leaders or members adhere to its religious beliefs or standards of conduct.

## ***ANALYSIS OF ENACTED BUDGET***

### **Introduction**

This section provides an analysis of the Governor's recommended funding for each appropriation item in BOR's budget. In this analysis, BOR's line items are grouped into 11 major categories. For each category, a table is provided listing the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are made by the budget. If the appropriation is earmarked, the earmarks are listed and described. The 11 categories used in this analysis are as follows:

1. College and University Instructional Operations;
2. Facilities and Debt Service;
3. Pre-Kindergarten Through Sixteen Preparation and Access;
4. Student Access;
5. Basic and Applied Research;
6. Workforce and Regional Economic Development;
7. Higher Education Collaboration;
8. Public Services and Safety;
9. Medical Support;
10. Planning and Coordination; and
11. Ohio Tuition Trust Authority.

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

| Categorization of BOR's Appropriation Line Items for Analysis of Enacted Budget |  |  |
|---|--|--|
| Fund  | ALI and Name                                       | Category   |
| <b>General Revenue Fund Group</b>   |  |  |
| GRF 235321  | Operating Expenses                                 | 10: Planning and Coordination                      |
| GRF 235401  | Lease Rental Payments                              | 2: Facilities and Debt Service                     |
| GRF 235402  | Sea Grants   | 6: Workforce and Regional Economic Development     |
| GRF 235406  | Articulation and Transfer                          | 7: Higher Education Collaboration                  |
| GRF 235408  | Midwest Higher Education Compact                   | 7: Higher Education Collaboration                  |
| GRF 235409  | Information System                                 | 10: Planning and Coordination                      |
| GRF 235414  | State Grants and Scholarship Administration        | 4: Student Access                                  |
| GRF 235417  | Ohio Learning Network                              | 7: Higher Education Collaboration                  |
| GRF 235428  | Appalachian New Economy Partnership                | 6: Workforce and Regional Economic Development     |
| GRF 235433  | Economic Growth Challenge                          | 5: Basic and Applied Research                      |
| GRF 235438  | Choose Ohio First Scholarship                      | 4: Student Access                                  |
| GRF 235443  | Adult Basic and Literacy Education – State         | 3: Pre-K—16 Preparation and Access                 |
| GRF 235444  | Post-Secondary Adult Career Technical Education    | 6: Workforce and Regional Economic Development     |
| GRF 235474  | Area Health Education Centers Program Support      | 9: Medical Support                                 |
| GRF 235501  | State Share of Instruction                         | 1: College and University Instructional Operations |
| GRF 235502  | Student Support Services                           | 4: Student Access                                  |
| GRF 235504  | War Orphans Scholarships                           | 4: Student Access                                  |
| GRF 235507  | OhioLINK   | 7: Higher Education Collaboration                  |
| GRF 235508  | Air Force Institute of Technology                  | 5: Basic and Applied Research                      |
| GRF 235510  | Ohio Supercomputer Center                          | 5: Basic and Applied Research                      |
| GRF 235511  | Cooperative Extension Service                      | 6: Workforce and Regional Economic Development     |
| GRF 235514  | Central State Supplement                           | 4: Student Access                                  |
| GRF 235515  | Case Western Reserve University School of Medicine | 9: Medical Support                                 |
| GRF 235519  | Family Practice                                    | 9: Medical Support                                 |
| GRF 235520  | Shawnee State Supplement                           | 4: Student Access                                  |
| GRF 235524  | Police and Fire Protection                         | 8: Public Service and Safety                       |
| GRF 235525  | Geriatric Medicine                                 | 9: Medical Support                                 |
| GRF 235526  | Primary Care Residencies                           | 9: Medical Support                                 |
| GRF 235535  | Ohio Agricultural Research and Development Center  | 5: Basic and Applied Research                      |
| GRF 235536  | The Ohio State University Clinical Teaching        | 9: Medical Support                                 |
| GRF 235537  | University of Cincinnati Clinical Teaching         | 9: Medical Support                                 |
| GRF 235538  | University of Toledo Clinical Teaching             | 9: Medical Support                                 |

| <b>Categorization of BOR's Appropriation Line Items for Analysis of Enacted Budget</b> |                     |  |  |
|--|---------------------|--|--|
| <b>Fund</b>  | <b>ALI and Name</b> |  | <b>Category</b>                                |
| GRF  | 235539              | Wright State University Clinical Teaching  | 9: Medical Support                             |
| GRF  | 235540              | Ohio University Clinical Teaching  | 9: Medical Support                             |
| GRF  | 235541              | Northeast Ohio Medical University Clinical Teaching                              | 9: Medical Support                             |
| GRF  | 235552              | Capital Component  | 2: Facilities and Debt Service                 |
| GRF  | 235555              | Library Depositories   | 7: Higher Education Collaboration              |
| GRF  | 235556              | Ohio Academic Resources Network  | 7: Higher Education Collaboration              |
| GRF  | 235558              | Long-term Care Research  | 9: Medical Support                             |
| GRF  | 235563              | Ohio College Opportunity Grant   | 4: Student Access                              |
| GRF  | 235572              | The Ohio State University Clinic Support   | 9: Medical Support                             |
| GRF  | 235599              | National Guard Scholarship Program   | 8: Public Service and Safety                   |
| GRF  | 235909              | Higher Education General Obligation Debt Service                                 | 2: Facilities and Debt Service                 |
| <b>General Services Fund Group</b>   |                     |  |  |
| 2200   | 235614              | Program Approval and Reauthorization   | 10: Planning and Coordination                  |
| 4560   | 235603              | Sales and Services   | 10: Planning and Coordination                  |
| 5JC0   | 235649              | Co-op Internship Program   | 6: Workforce and Regional Economic Development |
| 5JC0   | 235667              | Ohio College Opportunity Grant - Proprietary                                     | 4: Student Access                              |
| 5JC0   | 235668              | Air Force Institute of Technology - Defense/Aerospace Graduate Studies Institute | 5: Basic and Applied Research                  |
| <b>Federal Special Revenue Fund Group</b>  |                     |  |  |
| 3120   | 235609              | Tech Prep  | 6: Workforce and Regional Economic Development |
| 3120   | 235611              | Gear-up Grant  | 3: Pre-K—16 Preparation and Access             |
| 3120   | 235612              | Carl D. Perkins Grant/Plan Administration  | 6: Workforce and Regional Economic Development |
| 3120   | 235617              | Improving Teacher Quality Grant  | 3: Pre-K—16 Preparation and Access             |
| 3120   | 235641              | Adult Basic and Literacy Education – Federal                                     | 3: Pre-K—16 Preparation and Access             |
| 3120   | 235659              | Race to the Top Scholarship Program  | 4: Student Access                              |
| 3120   | 235660              | Race to the Top Educator Preparation Reform Initiative                           | 10: Planning and Coordination                  |
| 3120   | 235661              | AmeriCorps Grant   | 3: Pre-K-16 Preparation and Access             |
| 3H20   | 235608              | Human Services Project   | 9: Medical Support                             |
| 3N60   | 235638              | College Access Challenge Grant   | 4: Student Access                              |
| <b>State Special Revenue Fund Group</b>  |                     |  |  |
| 4E80   | 235602              | Higher Educational Facility Commission Administration                            | 2: Facilities and Debt Service                 |
| 5FR0   | 235640              | Joyce Foundation Grant   | 10: Planning and Coordination                  |
| 5FR0   | 235647              | Developmental Education Grant  | 10: Planning and Coordination                  |
| 5FR0   | 235657              | Win-Win Grant  | 10: Planning and Coordination                  |

| Categorization of BOR's Appropriation Line Items for Analysis of Enacted Budget |  |                                  |
|---|--|----------------------------------|
| Fund  | ALI and Name                           | Category                         |
| 5P30 235663   | Variable Savings Plan                  | 11: Ohio Tuition Trust Authority |
| 6450 235664   | Guaranteed Savings Plan                | 11: Ohio Tuition Trust Authority |
| 6820 235606   | Nursing Loan Program                   | 9: Medical Support               |
| <b>Third Frontier Research and Development Fund Group</b>                       |  |                                  |
| 7011 235634   | Research Incentive Third Frontier Fund | 5: Basic and Applied Research    |

## Category 1: College and University Instructional Operations

This category of appropriations provides basic state support for instructional and general operations and activities at Ohio's public colleges and universities. The following table shows the College and University Instructional Operations appropriation item and funding levels.

| Appropriations for College and University Instructional Operations    |        |                            |                         |                         |
|---|--------|----------------------------|-------------------------|-------------------------|
| Fund  | ALI    | Title                      | FY 2012                 | FY 2013                 |
| <b>General Revenue Fund (GRF)</b>                                     |        |                            |                         |                         |
| GRF   | 235501 | State Share of Instruction | \$ 1,735,530,031        | \$ 1,751,225,497        |
| <b>General Revenue Fund Subtotal</b>                                  |        |                            | <b>\$ 1,735,530,031</b> | <b>\$ 1,751,225,497</b> |
| <b>Total Funding: College and University Instructional Operations</b> |        |                            | <b>\$ 1,735,530,031</b> | <b>\$ 1,751,225,497</b> |

### State Share of Instruction (235501)

Ohio's State Share of Instruction (SSI) serves as the state's primary financial support to public higher education in Ohio. SSI provides unrestricted operating subsidies to Ohio's 61 public colleges and universities and funds a portion of the operating costs of serving the approximately 440,000 full-time equivalent (FTE) students enrolled in those colleges and universities. SSI is distributed to campuses in approximately equal monthly payments during a given fiscal year.

The budget distributes SSI to each sector through three different formulas. The sectors are: (1) university main campuses, (2) university branch campuses, and (3) community colleges, state community colleges, and technical colleges. The following table shows the amounts earmarked in the budget for each sector.

| GRF, 235501, State Share of Instruction            |                         |                         |
|--|-------------------------|-------------------------|
| Earmarks   | FY 2012                 | FY 2013                 |
| Community, State Community, and Technical Colleges | \$ 400,039,672          | \$ 403,657,477          |
| University Branch Campuses                         | \$ 115,139,824          | \$ 116,181,104          |
| University Main Campuses                           | \$ 1,220,350,535        | \$ 1,231,386,916        |
| <b>Total:</b>                                      | <b>\$ 1,735,530,031</b> | <b>\$ 1,751,225,497</b> |

Within the earmarks shown in the table, the budget earmarks \$61.0 million to be distributed based on Access Challenge funding in FY 2009 and \$10.3 million to be distributed based on each campus's share of the FY 2009 supplemental tuition subsidy.

## Category 2: Facilities and Debt Service

This category of appropriations provides funds for the servicing of debt obligations incurred by the state and for the administration of capital-related activities. The following table shows the Facilities and Debt Service appropriation items and funding levels.

| Appropriations for Facilities and Debt Service    |        |   |                       |                       |
|---|--------|---|-----------------------|-----------------------|
| Fund  | ALI    | Title   | FY 2012               | FY 2013               |
| <b>General Revenue Fund (GRF)</b>                 |        |   |                       |                       |
| GRF   | 235401 | Lease Rental Payments                                 | \$ 83,151,600         | \$ 57,634,400         |
| GRF   | 235552 | Capital Component                                     | \$ 20,638,274         | \$ 20,638,274         |
| GRF   | 235909 | Higher Education General Obligation Debt Service      | \$ 108,262,500        | \$ 201,555,000        |
| <b>General Revenue Fund Subtotal</b>              |        |   | <b>\$ 212,052,374</b> | <b>\$ 279,827,674</b> |
| <b>State Special Revenue Fund (SSR) Group</b>     |        |   |                       |                       |
| 4E80  | 235602 | Higher Educational Facility Commission Administration | \$ 29,100             | \$ 29,100             |
| <b>State Special Revenue Fund Group Subtotal</b>  |        |   | <b>\$ 29,100</b>      | <b>\$ 29,100</b>      |
| <b>Total Funding: Facilities and Debt Service</b> |        |   | <b>\$ 212,081,474</b> | <b>\$ 279,856,774</b> |

### Debt Service (235401 and 235909)

These appropriation items provide the funds necessary to make debt service payments during the FY 2012-FY 2013 biennium on bonds issued to build and renovate facilities at state-supported colleges and universities throughout the state.

Until FY 2000, the capital needs of higher education were entirely met by the issuance of special revenue bonds. This type of bond is considered to be direct debt of the state but is not backed by the full faith and credit of the state. Special revenue bonds are supported and repaid only by a dedicated state revenue source. In November 1999, Ohio voters approved a constitutional amendment authorizing the state to issue another type of bond – general obligation (GO) bonds – for funding higher education's capital projects. In addition to being considered direct debt of the state, GO bonds are backed by the full faith and credit of the state. This additional backing reduces the risk to the bondholder; as a result, GO bonds can usually be sold at lower interest rates than special revenue bonds. Because of the lower interest charges from the issuance of GO bonds, the state has not issued any special revenue bonds for higher education's capital projects since FY 2000. Accordingly, debt service for GO bonds has been increasing, while debt service for special revenue bonds has been decreasing. Special revenue debt service will continue to decline until FY 2014 when all of the special revenue debt will be retired.



As of March 1, 2011, there was \$1,763.7 million in general obligation higher education debt, and \$139.5 million in special revenue higher education debt outstanding for the state. As of August 1, 2011, there have been no issuances of GO bond money for FY 2012 or FY 2013.

The principal and interest on special revenue bonds that have been issued for capital improvements at state-supported colleges and universities is paid from GRF appropriation item 235401, Lease Rental Payments. The principal and interest on GO bonds that have been issued for capital improvements at state-supported colleges and universities is paid from GRF appropriation item 235909, Higher Education General Obligation Debt Service. The budget also restructures part of the debt service owed in FY 2012 by issuing new bonds. Debt service for FY 2012 is thereby lowered; however, in FY 2013 and future years, debt service will be higher, since it must be paid on the new bonds as well as the old.

### **Capital Component (235552)**

This appropriation item provides funding for campuses that request and receive capital appropriations lower than their formula allocated capital appropriation amounts. If there are no capital appropriations during the FY 2011-FY 2012 capital biennium that are subject to the funding policy, seven institutions are likely to have their SSI allocations reduced by total of \$256,790 in FY 2012. Those SSI reductions will be transferred to this appropriation item. These institutions have requested and received capital appropriations above their formula allocated amounts. The transferred funds and the original appropriations will be distributed to the remaining eligible institutions.

This appropriation item provides an incentive for campuses to make sound choices in capital-related decisions. This capital funding policy provides each campus with a formula-determined capital appropriation share based on the amount and age of space, the number of student enrollments, and the total capital appropriations available. Campuses can use these funds only for capital projects. The SSI formula reduces a campus's SSI subsidy if the campus requests and receives capital appropriations greater than its formula-determined amount. The reduction amount equals the difference between a campus's formula-determined debt service amount and the debt service amount actually received by the campus. For all campuses except the Ohio Agricultural Research and Development Center (OARDC), these reduced subsidies are deducted from GRF appropriation item 235501, State Share of Instruction, and transferred to the Capital Component appropriation item. For OARDC, a reduced subsidy is deducted from GRF appropriation item 235535, Ohio Agricultural Research and Development Center, and transferred to the Capital Component appropriation item.

**Higher Educational Facility Commission Administration (235602)**

This line item supports BOR's administration of the Higher Educational Facility Commission (HEFC), an agency of the state that provides for the issuance of tax-exempt revenue bonds for Ohio's independent nonprofit private colleges and universities and nonprofit hospitals and health care systems. HEFC does not have a separate staff or permanent offices; it relies on bond counsel (who is paid by the universities and hospitals for which bonds are issued) and the support of BOR for its operations. The budget authorizes the transfer of up to \$29,100 in FY 2012 and FY 2013 from HEFC's Agency Fund (Fund 4610) to the HEFC Administration Fund (Fund 4E80) of BOR, in order to enable BOR to perform HEFC's administrative duties. The LSC Greenbook for the Higher Educational Facility Commission provides a more detailed description of HEFC's budget and operations.

### Category 3: Pre-Kindergarten through Sixteen Preparation and Access

This category of appropriations provides opportunities for Ohio's Pre-K-16 student development and helps to train Ohio's future teachers. The following table shows the Pre-Kindergarten through Sixteen Preparation and Access appropriation items and funding levels.

| Fund  | ALI    | Title  | FY 2012              | FY 2013              |
|---|--------|--|----------------------|----------------------|
| <b>General Revenue Fund (GRF)</b>   |        |  |                      |                      |
| GRF   | 235443 | Adult Basic and Literacy Education - State   | \$ 7,302,416         | \$ 7,302,416         |
| <b>General Revenue Fund Subtotal</b>  |        |  | <b>\$ 7,302,416</b>  | <b>\$ 7,302,416</b>  |
| <b>Federal Special Revenue Fund (FED) Group</b>                               |        |  |                      |                      |
| 3120  | 235611 | Gear-up Grant                                | \$ 3,900,000         | \$ 3,900,000         |
| 3120  | 235617 | Improving Teacher Quality Grant              | \$ 3,200,000         | \$ 3,200,000         |
| 3120  | 235641 | Adult Basic and Literacy Education - Federal | \$ 14,835,671        | \$ 14,835,671        |
| 3120  | 235661 | AmeriCorps Grant                             | \$ 260,000           | \$ 260,000           |
| <b>Federal Special Revenue Fund Group Subtotal</b>                            |        |  | <b>\$ 22,195,671</b> | <b>\$ 22,195,671</b> |
| <b>Total Funding: Pre-Kindergarten through Sixteen Preparation and Access</b> |        |  | <b>\$ 29,498,087</b> | <b>\$ 29,498,087</b> |

#### Adult Basic and Literacy Education (ABLE) (235443 and 235641)

GRF appropriation item 235443, Adult Basic and Literacy Education – State provides the state match for the federal Adult Basic and Literacy Education (ABLE) grants appropriated in item 235641, Adult Basic and Literacy Education – Federal. The ABLE program provides grants for the development and administration of courses with instruction in basic literacy, workplace literacy, family literacy, English for speakers of other languages (ESOL), and preparation for the General Education Development (GED) test.

#### Gear-Up Grant (235611)

This federal funding supports the Gaining Early Awareness and Readiness – Undergraduate Programs (Gear-Up). Gear-Up is designed to increase college participation among rural Appalachian and inner-city Ohioans by promoting college awareness among low-income students, helping them prepare for college, and enhancing their transitions to higher education. A dollar-for-dollar match is required and is provided by various private partners, including the Ohio College Access Network (OCAN).

#### Improving Teacher Quality Grant (235617)

This federal funding provides competitive grants to universities for research based, content rich, professional development projects for pre-kindergarten to twelfth grade teachers. Funds are allocated to states based on population and granted to high-need school districts in partnership with colleges or universities. The grants are

intended to increase student academic achievement by improving teacher quality. Partnerships may use the grants to recruit and retain teachers, increase the number of high quality teachers, or reform state certification programs.

**AmeriCorps Grant (235661)**

This appropriation item funds an Ohio Board of Regents AmeriCorps Project that reaches out to historically under-represented student populations, veterans, and adult learners to promote the education pathways, resources, support systems, and benefits offered by the University System of Ohio. The Board of Regents AmeriCorps Program is part of the national AmeriCorps network which is dedicated to improving America's communities through volunteerism. The grant requires a 24% match (\$62,400 per year), which will come from BOR administration and staff support.

## Category 4: Student Access

This category of appropriations supports efforts to increase college access and participation in higher education by providing a variety of student aid, from direct financial assistance for college students to institutional subsidies that help institutions maintain lower and more affordable tuitions. The following table shows the Student Access appropriation items and funding levels.

| <b>Appropriations for Student Access</b>           |            |  |                       |                       |
|--|------------|--|-----------------------|-----------------------|
| <b>Fund</b>  | <b>ALI</b> | <b>Title</b>                                 | <b>FY 2012</b>        | <b>FY 2013</b>        |
| <b>General Revenue Fund (GRF)</b>                  |            |  |                       |                       |
| GRF  | 235414     | State Grants and Scholarship Administration  | \$ 1,230,000          | \$ 1,230,000          |
| GRF  | 235438     | Choose Ohio First Scholarships               | \$ 15,750,085         | \$ 15,750,085         |
| GRF  | 235502     | Student Support Services                     | \$ 632,974            | \$ 632,974            |
| GRF  | 235504     | War Orphans Scholarships                     | \$ 4,787,833          | \$ 4,787,833          |
| GRF  | 235514     | Central State Supplement                     | \$ 11,503,651         | \$ 10,928,468         |
| GRF  | 235520     | Shawnee State Supplement                     | \$ 2,448,523          | \$ 2,326,097          |
| GRF  | 235563     | Ohio College Opportunity Grant               | \$ 80,284,265         | \$ 80,284,265         |
| <b>General Revenue Fund Subtotal</b>               |            |  | <b>\$ 116,637,331</b> | <b>\$ 115,939,722</b> |
| <b>General Services Fund (GSF)</b>                 |            |  |                       |                       |
| 5JC0   | 235667     | Ohio College Opportunity Grant - Proprietary | \$ 6,000,000          | \$ 6,000,000          |
| <b>General Services Fund Subtotal</b>              |            |  | <b>\$ 6,000,000</b>   | <b>\$ 6,000,000</b>   |
| <b>Federal Special Revenue Fund (FED) Group</b>    |            |  |                       |                       |
| 3120   | 235659     | Race to the Top Scholarship Program          | \$ 2,400,000          | \$ 3,780,000          |
| 3N60   | 235638     | College Access Challenge Grant               | \$ 4,381,431          | \$ 4,381,431          |
| <b>Federal Special Revenue Fund Group Subtotal</b> |            |  | <b>\$ 6,781,431</b>   | <b>\$ 8,161,431</b>   |
| <b>Total Funding: Student Access</b>               |            |  | <b>\$ 129,418,762</b> | <b>\$ 130,101,153</b> |

### State Grants and Scholarship Administration (235414)

This appropriation item provides funds to support the operating expenses of all of the student financial aid programs administered by BOR. In addition to administration of the state need-based financial aid programs, this line item provides funding for BOR to support all state financial aid audits and serve as fiscal manager for the Ohio National Guard Scholarship Program, the War Orphans Scholarship Program, the Ohio College Opportunity Grant Program (OCOG), the Choose Ohio First Scholarship Program, and the Nurse Education Assistance Loan Program (NEALP).

### Choose Ohio First Scholarship (235438)

This appropriation item provides scholarships to students pursuing STEM or STEM education degrees attending Ohio's institutions of higher education. Public and private institutions with plans to recruit students in an effort to increase the number of STEM graduates in Ohio and attract the students of the highest quality receive grants through a competitive process. Recipient institutions then distribute scholarships to

students. The budget expands the graduate-level recruitment target of the scholarships to include retaining Ohio students to take a master's teacher education program in a STEM field and teach in a hard-to-staff Ohio school district. Funding for this item will support the ongoing scholarships for the cohort who began in FY 2009 and a new cohort in each fiscal year. Choose Ohio First funding also provides a state match for the Woodrow Wilson Foundation Choose Ohio First STEM Teaching Fellowship Program, a competitive award program intended to attract excellent students to graduate programs that will prepare them to become STEM teachers. Federal funding for this program is appropriated in line item 235659, Race to the Top Scholarship Program.

#### **Student Support Services (235502)**

This appropriation item provides funds for supplemental state support to Ohio's public colleges and universities that have high concentrations of disabled students and incur disproportionate costs in providing instructional and related services to these students. Examples of these services include tutoring, note taking, counseling, and transportation services. BOR annually determines the qualified campuses and the statewide average costs for the provision of these services. The purpose of the program is to help Ohio's public colleges and universities conform to the Americans with Disabilities Act and to make their campuses more physically accessible for disabled students. In FY 2012 and FY 2013, the budget authorizes the transfer of this appropriation to RSC to be used for the same purpose.

#### **War Orphans Scholarship (235504)**

This appropriation item provides funds for scholarships for the children of deceased or severely disabled Ohio veterans of wartime military service in the U.S. armed forces. The scholarship can be used at both state-assisted institutions and private institutions. In FY 2012 and FY 2013, awards are expected to be approximately 80% of tuition and general fees at a public institution, or a comparable amount at a private institution. The budget provides appropriations which will fund more than 800 awards at those award levels. If there are more eligible recipients than expected, the awards will be reduced proportionally to meet appropriation levels.

#### **Campus Supplements (235514 and 235520)**

##### **Central State Supplement (235514)**

This appropriation item provides additional subsidy to Central State University. This funding is intended to allow the university to maintain lower tuition, fund scholarships, and increase access for minority students, mainly African Americans. In FY 2011, Central State University's tuition is the lowest among the 13 university main campuses.

**Shawnee State Supplement (235520)**

This appropriation item provides an additional subsidy to Shawnee State University. Shawnee State primarily serves students from the Appalachian region of the state. This supplemental funding is provided to enable Shawnee State to maintain lower undergraduate fees and to fund scholarships that will increase access for populations that have been historically under-represented in higher education. In FY 2011, Shawnee State's tuition is the second lowest among the 13 university main campuses.

**Supplement Improvement Plans**

The budget requires the Chancellor to work separately with Central State University and Shawnee State University to develop plans for both institutions to improve their success rates and mission achievement. The Chancellor is required to submit a summary of both plans to the General Assembly and the Governor by December 31, 2011. Beginning January 1, 2012, the Chancellor is to distribute the supplement funds from appropriation items 235514, Central State Supplement, and 235520, Shawnee State Supplement, according to the plans.

The budget also requires the Chancellor to monitor the use of supplement funds and the implementation of both universities' plans. If the Chancellor determines that either university is not using its supplement funds in accordance with its plan, or if the plan is not achieving its goals, the Chancellor may suspend the plan and the university must avoid all unnecessary expenditures of supplement funds. In that case, the Chancellor must then notify the Controlling Board of the plan's suspension and prepare a new plan within sixty days.

**Ohio College Opportunity Grant (235563 and 235667)**

The Ohio College Opportunity Grant (OCOG) began in FY 2007 and completed its phase-in as Ohio's sole need-based financial aid program for public school students in FY 2010. In that year, the formula was changed to make OCOG awards equal to the remaining "state cost of attendance," as determined by the Chancellor, after a student's expected financial contribution (EFC) and federal Pell grant are applied to the instructional and general charges for the program. This change reduced the total (state and federal) amount of need-based financial aid received by students, and essentially eliminated OCOG awards for those attending low-cost institutions, including community colleges and university branch campuses. In addition, in FY 2010 and FY 2011, students attending career colleges and schools were not eligible for OCOG. The budget continues the OCOG formula from the FY 2010-FY 2011 biennium, but reinstates eligibility for students attending career colleges and schools. These students are funded partially through 235563; the budget also creates General Services Fund appropriation item 235667, Ohio College Opportunity Grant – Propriety, to provide

further funding for OCOG grants to students of career colleges and schools. Should OCOG obligations exceed appropriations, the Chancellor may change eligibility requirements or decrease award amounts.

As illustrated below, for GRF item 235563, Ohio College Opportunity Grant, the budget earmarks \$41.0 million (52.4%) in each fiscal year for OCOG awards to students of eligible private nonprofit institutions, and \$37.0 million (46.1%) for students of four-year public universities. The remainder of the appropriation (2.8%) is earmarked for students of career colleges and schools.

| <b>GRF, 235563, Ohio College Opportunity Grant</b> |                      |                      |
|--|----------------------|----------------------|
| <b>Earmarks</b>                                    | <b>FY 2012</b>       | <b>FY 2013</b>       |
| Private Nonprofit Institution OCOG Grants          | \$ 41,000,000        | \$ 41,000,000        |
| Public Universities OCOG Grants                    | \$ 37,000,000        | \$ 37,000,000        |
| Remainder - Career College and Schools OCOG Grants | \$ 2,284,265         | \$ 2,284,265         |
| <b>Total:</b>                                      | <b>\$ 80,284,265</b> | <b>\$ 80,284,265</b> |

Before determining OCOG award amounts, the Chancellor must provide renewals or partial renewals of Ohio Academic Scholarships. In FY 2011, approximately 4.4% (\$3.4 million) of total OCOG expenditures were used to provide 1,838 Ohio Academic Scholarship renewals. Academic Scholarship awards are expected to decrease in FY 2012 and FY 2013 as the renewals continue to phase out. The OCOG appropriation item is also used to provide tuition waivers for children and spouses of United States armed forces members or public service officers that are killed in the line of duty. In FY 2011, this program provided 45 individuals tuition waivers totaling \$304,142, or 0.4% of the OCOG expenditures in that fiscal year.

### **Race to the Top Scholarship Program (235659)**

This appropriation item funds the Woodrow Wilson Foundation Choose Ohio First STEM Teaching Fellowship Program at several Ohio institutions. The Ohio Department of Education will transfer federal Race to the Top (RttT) funds to the Board of Regents for the program, which will provide scholarships and mentorships to graduate students studying to be teachers. The intent of the program is to improve teaching and learning conditions in order to impact student success, and to provide intensive, high-quality mentoring and support to new teachers. The graduate teaching student fellows will be paid stipends of \$30,000 and will be mentored by an experienced teacher in a high-need school district for three years. The scholarship program will support 80 fellows at four Ohio institutions in FY 2012 and 126 fellows at seven Ohio institutions in FY 2013. Participating institutions will include one that serves the Appalachian region of the state.



**College Access Challenge Grant (235638)**

This appropriation item funds the College Access Challenge Grant Program (CACG), a federal program which offers grants aimed at increasing the number of low-income students who are prepared to enter and succeed in postsecondary education. Flat funding is expected for this program in FY 2012 and FY 2013. In the past, CACG was used to supplement the Ohio College Opportunity Grant (OCOG), however, since FY 2011, CACG is used as an independent source of grants for programs that promote college access to underserved populations. Approximately 30-45 organizations are expected to be invited to partner with BOR in the administration and delivery of CACG programs and services. CACG grants will range from \$0.5 million to \$1.5 million. Contributing private organizations and nonprofit partners will provide the one-third state match required by the grant program.

## Category 5: Basic and Applied Research

This category of appropriations provides research programs and institutions with the means to create new technologies and help the economic vitality of the state. The following table shows the Basic and Applied Research appropriation items and funding levels.

| Appropriations for Basic and Applied Research                |        |   |                      |                      |
|--|--------|---|----------------------|----------------------|
| Fund   | ALI    | Title   | FY 2012              | FY 2013              |
| <b>General Revenue Fund (GRF)</b>                            |        |   |                      |                      |
| GRF  | 235433 | Economic Growth Challenge   | \$ 440,000           | \$ 440,000           |
| GRF  | 235508 | Air Force Institute of Technology   | \$ 1,740,803         | \$ 1,740,803         |
| GRF  | 235510 | Ohio Supercomputer Center   | \$ 3,347,418         | \$ 3,347,418         |
| GRF  | 235535 | Ohio Agricultural Research and Development Center                                   | \$ 33,100,000        | \$ 33,100,000        |
| <b>General Revenue Fund Subtotal</b>                         |        |   | <b>\$ 38,628,221</b> | <b>\$ 38,628,221</b> |
| <b>General Services Fund (GSF)</b>                           |        |   |                      |                      |
| 5JC0   | 235668 | Air Force Institute of Technology - Defense/Aerospace<br>Graduate Studies Institute | \$ 4,000,000         | \$ 4,000,000         |
| <b>General Services Fund Subtotal</b>                        |        |   | <b>\$ 4,000,000</b>  | <b>\$ 4,000,000</b>  |
| <b>Third Frontier Research and Development Fund Group</b>    |        |   |                      |                      |
| 7011   | 235634 | Research Incentive Third Frontier Fund  | \$ 8,000,000         | \$ 8,000,000         |
| <b>Third Frontier Research and Development Fund Subtotal</b> |        |   | <b>\$ 8,000,000</b>  | <b>\$ 8,000,000</b>  |
| <b>Total Funding: Basic and Applied Research</b>             |        |   | <b>\$ 50,628,221</b> | <b>\$ 50,628,221</b> |

### Economic Growth Challenge (235433 and 235634)

These appropriation items provide funds for the Research Incentive Program, which enhances research and scholarship at Ohio's universities, improves graduate programs throughout the state, and encourages research that furthers the state's economic development. The program pursues these three goals by rewarding increases in universities' levels of federal and private research funding and promoting the transfer of university-developed technology to private industry in support of Ohio's Third Frontier Project. Historically, the Economic Growth Challenge programs have maintained a return on investment of ten dollars in federal and private funding for every state dollar spent.

#### Research Incentive Program

The Research Incentive Program aims to enhance the basic research capabilities and promote new research strengths at Ohio's 13 public universities, one stand-alone public medical college, and two private universities (Case Western Reserve University and the University of Dayton) in order to strengthen academic research that contributes to economic growth. The program rewards institutions' successes in attracting external research funds by fractionally matching those external funds obtained during the

previous year. Each institution must submit to BOR a plan that explains its allocation of the matching funds for (a) academic and state purposes, (b) strengthening research programs, and (c) increasing external funding. The plan must also include an evaluation process to determine and report the results of the increased state support. Further, an institution's plan must also demonstrate significant investments in Third Frontier activities funded at that institution.

### **Air Force Institute of Technology and Defense/Aerospace Graduate Studies Institute (235508 and 235668)**

These appropriation items support the Defense Aerospace Graduate Studies Institute at Wright State University and the Air Force Institute of Technology (AFIT), the first joint research program between the state of Ohio and the U.S. Air Force at the Wright-Patterson Air Force Base. Together, these programs provide graduate-level education in logistics and engineering for Air Force personnel. The ongoing purpose of GRF appropriation item 235508, Air Force Institute of Technology, is to strengthen the research and educational linkages between the Wright-Patterson Air Force Base and institutions of higher education in Ohio, and to ensure that Air Force personnel have access to critical training and graduate-level education in logistics and engineering. The budget expands the purpose of that item to include support for the Dayton Area Graduate Studies Institute (DAGSI), an engineering graduate consortium including AFIT, the University of Dayton, Wright State University, The Ohio State University, and the University of Cincinnati.

The budget also creates new appropriation item 235668, Air Force Institute of Technology - Defense/Aerospace Graduate Studies Institute, which provides funding to enhance skills and job training and to strengthen research and educational linkages among Department of Defense facilities, institutions of higher education, and available industry jobs in Ohio. This item requires a \$2.5 million match from the Department of Defense over the course of the biennium.

### **Ohio Supercomputer Center (235510)**

This appropriation item supports the operations of the Ohio Supercomputer Center (OSC), located at The Ohio State University. OSC, established in 1987, provides faculty, students, and researchers at Ohio's public and private colleges and universities access to a statewide high-performance computing resource. The center is also available to researchers in private industry on a cost-recovery basis. Ohio OSC users can access high-performance computing (HPC), including OSC's modeling and simulation services and support. HPC provides the most effective technological tools currently available for solving a range of engineering and scientific problems and enabling advanced research by Ohio's academic and business communities. OSC is awarded grants averaging \$85 million-\$100 million annually; a return of approximately

17 federal or private dollars for every state dollar spent. During the past several years, the center has expanded to provide training, scientific computing, and network research services to national HPC and networking groups, enhancing the services offered to Ohio users while building a national reputation.

**Ohio Agricultural Research and Development Center (OARDC) (235535)**

This appropriation item is used to support a variety of activities at the Ohio Agricultural Research and Development Center (OARDC), which is the research arm of The Ohio State University's College of Food, Agricultural, and Environmental Sciences. OARDC helps Ohio's agricultural industries improve their competitiveness and profitability. The budget specifies that OARDC must internally allocate these appropriations on a competitive basis, based on demonstrated performance of academic units, faculty, and programs.

Located at 12 Ohio facilities in addition to OSU's main campus, OARDC is active in various basic and applied research areas, including agricultural, environmental, and developmental economics; food, agricultural, and biological engineering; animal sciences; entomology; food-animal health; food science and technology; horticulture and crop science; human and community resource development; human ecology; natural resources; and plant pathology. The funds provide technology and scientific infrastructure to attract the nation's top researchers and help leverage external research funding. OARDC serves such diverse groups as consumers, farmers and other producers, food processors, environmentalists, landfill managers, and researchers.

## Category 6: Workforce and Regional Economic Development

This category of appropriations provides support to Ohio's economy through the development of services and activities to improve the adult workforce, especially in underserved areas. The following table shows the Workforce and Regional Economic Development appropriation items and funding levels.

| Appropriations for Workforce and Regional Economic Development    |        |  |                      |                      |
|---|--------|--|----------------------|----------------------|
| Fund  | ALI    | Title  | FY 2012              | FY 2013              |
| <b>General Revenue Fund (GRF)</b>                                 |        |  |                      |                      |
| GRF   | 235402 | Sea Grant  | \$ 285,000           | \$ 285,000           |
| GRF   | 235428 | Appalachian New Economy Partnership                | \$ 737,366           | \$ 737,366           |
| GRF   | 235444 | Post-Secondary Adult Career Technical Education    | \$ 15,317,547        | \$ 15,317,547        |
| GRF   | 235511 | Cooperative Extension Service                      | \$ 22,220,910        | \$ 22,220,910        |
| <b>General Revenue Fund Subtotal</b>                              |        |  | <b>\$ 38,560,823</b> | <b>\$ 38,560,823</b> |
| <b>General Services Fund (GSF)</b>                                |        |  |                      |                      |
| 5JC0  | 235649 | Co-Op Internship Program                           | \$ 12,000,000        | \$ 12,000,000        |
| <b>General Services Fund Subtotal</b>                             |        |  | <b>\$ 12,000,000</b> | <b>\$ 12,000,000</b> |
| <b>Federal Special Revenue Fund (FED)</b>                         |        |  |                      |                      |
| 3120  | 235609 | Tech Prep  | \$ 183,850           | \$ 183,850           |
| 3120  | 235612 | Carl D. Perkins Grants and Planning Administration | \$ 912,961           | \$ 912,961           |
| <b>Federal Special Revenue Fund Subtotal</b>                      |        |  | <b>\$ 1,096,811</b>  | <b>\$ 1,096,811</b>  |
| <b>Total Funding: Workforce and Regional Economic Development</b> |        |  | <b>\$ 51,657,634</b> | <b>\$ 51,657,634</b> |

### Sea Grants (235402)

The Ohio Sea Grant Program is operated by the OSU Extension and located at OSU's Lake Erie research center. The program supports education, research, communication, extension, and outreach activities in multiple disciplines to enhance the use, development, and management of Lake Erie and the other Great Lakes and their coastal resources. The Ohio Sea Grant Program is one of 32 Sea grant programs in the National Oceanic and Atmospheric Administration's (NOAA) Sea Grant College Program, which includes every coastal and Great Lakes state.

### Appalachian New Economy Partnership (ANEP) (235428)

This appropriation item promotes economic development in Appalachian Ohio through integrated investments designed to improve and target the region's information technology and knowledge infrastructure. Led by Ohio University, ANEP supports public-private technology partnerships among Ohio's public and private campuses, private industry, local government, and school districts within the 29-county Appalachian region. ANEP's goal is to develop talent, technology, and capital in the areas of entrepreneurship and business assistance, regional public management, and K-Sixteen education to transform Ohio's Appalachian region so that its residents can take

part in and benefit from the global economy. ANEP also provides workshops; marketing strategies for distressed communities; and consultation services in planning, marketing, finance, and information systems.

### **Post-Secondary Adult Career-Technical Education (235444)**

The Adult Career-Technical Education (AWE) Program provides education and training through full-time and part-time adult career-technical training programs. School districts, joint vocational school districts, and other public educational institutions are eligible for funding. Distribution of AWE funds is determined by a formula based on the number of students and course hours taught.

### **Cooperative Extension Service (235511)**

The Cooperative Extension Service is operated by The Ohio State University Extension under The Ohio State University's land-grant mandate. Located in every one of Ohio's 88 counties, the OSU Extension conducts educational programs for eligible participants, including farmers, homemakers, food and fiber industries, community leaders, and young people.

The programs under the Cooperative Extension Service are designed to help people improve their lives, businesses, and communities through research-based education using scientific knowledge focused on identified issues and needs. Current program areas include agriculture and natural resources, the environment, family and consumer sciences (including home economics and family living), 4-H youth development, business and community assistance, and workforce development for youth and adults.

### **Co-op Internship Program (235649)**

This appropriation item provides support for the Ohio Cooperative Education and Internship Program, which combines work and learning experiences through the collaboration of institutions of higher education and Ohio businesses. This item provides awards to state institutions of higher education that create programs or initiatives using cooperative education or internships and funds scholarships to recruit Ohio students into such programs. Institutions compete for awards and the Chancellor determines award recipients based on the proposed programs' ability to attract and retain Ohio students and workers and alignment with local business needs. All award recipients must have a 100% match for undergraduate programs or a 50% match for graduate programs, unless granted an exception by the Chancellor. Institutions can also cooperate with other institutions, including private colleges and universities.

The budget also provides funding for public policy schools and internship programs at several public universities through earmarks. The table below shows the earmarks under 235649, Co-op Internship Program.

| <b>GSF, 235649, Co-op Internship Program</b>                       |                     |                     |
|--|---------------------|---------------------|
| <b>Earmarks</b>  | <b>FY 2012</b>      | <b>FY 2013</b>      |
| Ohio University Voinovich School                                   | \$75,000            | \$75,000            |
| The Ohio State University John Glenn School of Public Affairs      | \$75,000            | \$75,000            |
| University of Akron Bliss Institute of Applied Politics            | \$75,000            | \$75,000            |
| Miami University Center for Public Management and Regional Affairs | \$75,000            | \$75,000            |
| Washington Center Internship Program                               | \$75,000            | \$75,000            |
| Cleveland State University Maxine Goodman Levin College of Urban   | \$75,000            | \$75,000            |
| University of Cincinnati Internship Program                        | \$75,000            | \$75,000            |
| Remainder  | \$11,475,000        | \$11,475,000        |
| <b>Total:</b>  | <b>\$12,000,000</b> | <b>\$12,000,000</b> |

### **Tech Prep (235609)**

This federal funding supports a professional staff member who works collaboratively with the Department of Education to administer the statewide Tech Prep program. Tech Prep programs allow students to enroll in a seamless career-technical pathway that begins in high school and continues through an associate's degree in college and beyond.

### **Carl D. Perkins Grant and Plan Administration (235612)**

The federal Carl D. Perkins Career and Technical Education Improvement Act aims to increase the quality of academic, career, and technical education within the United States. The appropriation item provides funding for the administration and development of the academic, career, and technical skills of secondary and postsecondary students who enroll in career and technical education programs to prepare themselves both for postsecondary education and for careers in high-skill, high-wage, or high-demand occupations in the knowledge and skills-based economy. The appropriations support technical assistance, program monitoring, data collection and reporting, campus grant funding calculations, and general direction of the program. The continuing focus of the Perkins Act is to integrate academic knowledge and technical skill development and to raise the academic performances of all career-technical students.

Perkins funds are provided to states that, in turn, allocate funds by formula to secondary and postsecondary schools. BOR receives a transfer of 6% to 11% of the federal funds obtained under the Perkins Act by the Ohio Department of Education. BOR uses the funds provided in this line item to administer the transferred grant funds for community and technical colleges and some universities, as well as to provide technical assistance to Perkins campus coordinators.

## Category 7: Higher Education Collaboration

This category of appropriations serves the educational needs of Ohio's citizens through enhanced collaborations among institutions of higher education. The following table shows the Higher Education Collaboration appropriation items and funding levels.

| Appropriations for Higher Education Collaboration    |        |                                  |                      |                      |
|--|--------|----------------------------------|----------------------|----------------------|
| Fund   | ALI    | Title                            | FY 2012              | FY 2013              |
| <b>General Revenue Fund (GRF)</b>                    |        |                                  |                      |                      |
| GRF  | 235406 | Articulation and Transfer        | \$ 2,000,000         | \$ 2,000,000         |
| GRF  | 235408 | Midwest Higher Education Compact | \$ 95,000            | \$ 95,000            |
| GRF  | 235417 | Ohio Learning Network            | \$ 2,532,688         | \$ 2,532,688         |
| GRF  | 235507 | OhioLINK                         | \$ 6,100,000         | \$ 6,100,000         |
| GRF  | 235555 | Library Depositories             | \$ 1,440,342         | \$ 1,440,342         |
| GRF  | 235556 | Ohio Academic Resources Network  | \$ 3,172,519         | \$ 3,172,519         |
| <b>General Revenue Fund Subtotal</b>                 |        |                                  | <b>\$ 15,340,549</b> | <b>\$ 15,340,549</b> |
| <b>Total Funding: Higher Education Collaboration</b> |        |                                  | <b>\$ 15,340,549</b> | <b>\$ 15,340,549</b> |

### Articulation and Transfer (235406)

This appropriation item supports BOR's long-time efforts to achieve an effective statewide articulation and transfer system that addresses issues arising from the increasing student mobility throughout Ohio's higher education system, in particular those issues arising from the transfers of students and their course credits among state-assisted colleges and universities. The system is to facilitate such transfers by establishing and implementing uniform course equivalencies and transfer policies; by creating a seamless transfer module so that course credits earned by students at one institution may be applicable or transferable to other institutions in Ohio; and by ensuring the equitable treatment of all students. BOR has been developing and implementing the articulation and transfer policy in three main modules: the Ohio Transfer Module and Transfer Assurance Guides, the Career Technical Credit Transfer Initiative, and the Articulation and Transfer Clearinghouse. The system's goals are to improve access to higher education and to promote students' college success.

All state articulation issues are overseen by an Articulation and Transfer Advisory Council, whose membership consists of 42 officials from Ohio's public colleges and universities and five officials from state and private organizations in both K-12 and postsecondary education. The Council conducts an annual survey to assess the degree of institutional compliance with statewide articulation and transfer policy.



### Midwest Higher Education Compact (MHEC) (235408)

This line item supports Ohio's membership dues to the Midwest Higher Education Compact's (MHEC) commission for the next two fiscal years. The Midwest Compact is a nonprofit regional organization established in 1991 by an agreement among member states to advance higher education services and opportunities in the Midwest region. The Compact is charged with promoting interstate cooperation and resource sharing in higher education through cost-savings programs, student access (including reduced tuition), and policy research.

The twelve member states of MHEC as of 2010 are Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. The Compact's members meet twice each year to establish goals and priorities, review programs, and approve the operating budget.

### Ohio Learning Network (235417)

This appropriation item was established in 1999 to support the continued implementation and enhancement of the Ohio Learning Network (OLN), a state-of-the-art statewide collaborative electronic education system. OLN supports over 600,000 students at 89 colleges and universities in the use of advanced telecommunications and distance education initiatives to promote higher education access and degree completion for students, workforce training for Ohio's employees, and professional development. It uses shared course hosting, student support services, and faculty development programs to connect learners to courses and programs offered statewide. OLN works with eTech and Ohio's colleges and universities to improve teaching and learning at all levels of education, and the budget expands its mission to include increasing access to dual enrollment opportunities for high school students. It also tests and provides advice on emerging learning-directed technologies, and builds cost-saving technology investments and partnerships among higher education campuses, schools, businesses, and communities. OLN's OhioLearns catalog offers over 3,000 online college courses and 436 online certificates and degrees.

As illustrated in the table below, the budget earmarks \$250,000 of this item in each fiscal year for support and operations of the Ohio Digital Learning Task Force. The **Summary of Major Initiatives** section of this Greenbook provides more information about the new Ohio Digital Learning Task Force.

| GRF, 235417, Ohio Learning Network |                     |                     |
|------------------------------------|---------------------|---------------------|
| Earmarks                           | FY 2012             | FY 2013             |
| Ohio Digital Learning Task Force   | \$ 250,000          | \$ 250,000          |
| Remainder                          | \$ 2,282,688        | \$ 2,282,688        |
| <b>Total:</b>                      | <b>\$ 2,532,688</b> | <b>\$ 2,532,688</b> |

**OhioLINK (235507)**

This appropriation item supports the operations of OhioLINK, a statewide cooperative electronic library and information retrieval system. Created by the higher education community in 1989 to address a lack of adequate information resources available for research and teaching, OhioLINK enables access to the shared library collections of Ohio's public and private colleges and universities and the State Library of Ohio, with a total of 48.3 million library items statewide. OhioLINK's goal is to provide easy access to information and rapid delivery of library materials throughout the state. OhioLINK offers six main electronic services: a library catalog, research databases, a multi-publisher electronic journal center, a digital media center, a growing collection of e-books, and an electronic theses and dissertations center.

Over 60% of operating funding is used to support core statewide electronic content licenses, including electronic journals and research databases. Through the cooperative purchase and use of these electronic information resources, OhioLINK achieves significant economies of scale. With every \$1 million in annual license costs through group licensing of databases, the annual savings over comparable individual licensing by all 90 member libraries is estimated to be \$3-\$4 million.

**Library Depositories (235555)**

This appropriation item supports a collaborative effort among Ohio's public universities to provide high-density storage for rarely used and duplicative library materials, thereby providing an economical alternative to additional traditional library space that would be needed to store such materials. The item provides funding for the storage operations at five regional depositories. The goal is to provide a cost-effective alternative to building new libraries on campuses and to provide regional locations where library books may be stored and shared among all participating campuses.

The five regional depositories are located at the campuses of Miami University, the Northeast Ohio Medical University, Ohio University, and The Ohio State University, and at the Northwestern Ohio Book Depository, which serves Bowling Green State University and the University of Toledo and its medical campus. The depositories are built and expanded in modular form, with each module typically holding approximately one million items. The budget permits OhioLINK to administer the program at the direction of the Chancellor.

**Ohio Academic Resources Network (235556)**

This program supports the operations of the Ohio Academic Resources Network (OARnet), a networking division of the Ohio Supercomputer Center (OSC). OARnet provides Internet access to millions of Ohioans, including students, researchers, and the general public. The program, established in 1987, provides high-quality fiber-optic backbone Internet services to help link Ohio's academics to global information

resources, distance learning, and state library networks such as OhioLINK. As of FY 2010, OARnet also provides all of BOR's information technology (IT) needs including telecommunications, software development, and IT support.

Program funds are provided to Ohio's state-assisted campuses for improving research, distance learning, education and economic development programs, and maintaining and enhancing network connections, including base operations and expansions for enhanced connectivity, functionality, and services. In FY 2005 OARnet implemented the Ohio Supercomputer Network (OSCnet), giving Ohio one of the most advanced fiber optic networks in the country with over 1,850 miles of fiber cable. OSCnet directly connects 89 higher education institutions, providing high-speed network services to almost one-half million users. In addition, 38 state and local government sites, 30 information technology centers serving all of the state's K-12 districts, six hospitals, and nine public broadcasting stations are also directly connected to the OSCnet in partnership with eTech and the Department of Education. OARnet's network operations center staff is available 24 hours a day, seven days a week, to assist clients and monitor the network. The budget also indicates that, to the extent that network capacity is available, OARnet must supply bandwidth to eligible economic development programs.

## Category 8: Public Service and Safety

This category of appropriations provides funds for two programs that support public safety on or around Ohio's higher education campuses and in the state as a whole. The following table shows the Public Service and Safety appropriation items and funding levels.

| Appropriations for Public Service and Safety    |        |                                    |                      |                      |
|---|--------|------------------------------------|----------------------|----------------------|
| Fund  | ALI    | Title                              | FY 2012              | FY 2013              |
| <b>General Revenue Fund (GRF)</b>               |        |                                    |                      |                      |
| GRF   | 235524 | Police and Fire Protection         | \$ 107,814           | \$ 107,814           |
| GRF   | 235599 | National Guard Scholarship Program | \$ 16,912,271        | \$ 18,143,293        |
| <b>General Revenue Fund Subtotal</b>            |        |                                    | <b>\$ 17,020,085</b> | <b>\$ 18,251,107</b> |
| <b>Total Funding: Public Service and Safety</b> |        |                                    | <b>\$ 17,020,085</b> | <b>\$ 18,251,107</b> |

### Police and Fire Protection (235524)

This appropriation item supports the police and fire departments in small Ohio communities that are heavily affected by the influx of college students attending nearby state-assisted colleges and universities during the academic year. The funds assist local governments in providing police and fire services in the municipalities of Athens, Bowling Green, Fairborn, Kent, Nelsonville, Oxford, Portsmouth, Rootstown, and Xenia Township. The purpose of the program is to offset and absorb a portion of the additional costs that local municipalities incur when providing safety and emergency services for temporary student residents attending certain public campuses in Ohio.

### National Guard Scholarship Program (235599)

This program provides higher education scholarships to all authorized personnel of the Ohio National Guard. The program serves as both a recruitment and a retention tool for the Guard and has proved to be an effective incentive for enlisting. The appropriation item provides funds for both scholarship grants and marketing efforts. The program's purpose is to recognize the service of the Ohio National Guard by providing access to higher education for its members. The scholarship covers full-tuition for students of state-assisted institutions and an amount equivalent to the average state-assisted award for students of private institutions. Approximately 6,000 National Guard Scholarships are awarded in each academic year. The scholarship is available for up to twelve full-time quarters or eight full-time semesters, equivalent to four years of study. Students must apply for the scholarship before each quarter or semester.

The program also maintains a National Guard Scholarship Reserve Fund (Fund 5BM0) to pay scholarship obligations in excess of the GRF appropriations made for that

purpose. The Revised Code authorizes the transfer of any unused balance of GRF appropriation item 235599, National Guard Scholarship Program, to the Reserve Fund at the end of each fiscal year. On August 1, 2011, the cash balance in the National Guard Reserve Fund is approximately \$1.4 million.

The budget creates a new method of awarding scholarships under the Ohio National Guard Scholarship Program. Under the new program, the Chancellor, the Adjutant General, and the Director of Budget and Management determine if appropriations and funds for the program are sufficient to provide scholarships for all eligible applicants. If funds are not sufficient, the Chancellor reduces the amount of scholarships to accommodate all eligible students. Any state institution that accepts a National Guard Scholarship award as payment for a student's tuition must then make up the difference in the amount that the Chancellor reduced each award.

## Category 9: Medical Support

This appropriation category provides support to Ohio's medical, dental, and veterinary education programs and bolsters Ohio's health industry. The following table shows the Medical Support appropriation items and funding levels.

| Appropriations for Medical Support            |        |   |                      |                      |
|---|--------|---|----------------------|----------------------|
| Fund  | ALI    | Title   | FY 2012              | FY 2013              |
| <b>General Revenue Fund (GRF)</b>             |        |   |                      |                      |
| GRF   | 235474 | Area Health Education Centers Program Support                           | \$ 900,000           | \$ 900,000           |
| GRF   | 235515 | Case Western Reserve University School of Medicine                      | \$ 2,146,253         | \$ 2,146,253         |
| GRF   | 235519 | Family Practice   | \$ 3,166,185         | \$ 3,166,185         |
| GRF   | 235525 | Geriatric Medicine  | \$ 522,151           | \$ 522,151           |
| GRF   | 235526 | Primary Care Residencies  | \$ 1,500,000         | \$ 1,500,000         |
| GRF   | 235536 | The Ohio State University Clinical Teaching                             | \$ 9,668,941         | \$ 9,668,941         |
| GRF   | 235537 | University of Cincinnati Clinical Teaching                              | \$ 7,952,573         | \$ 7,952,573         |
| GRF   | 235538 | University of Toledo Clinical Teaching                                  | \$ 6,198,600         | \$ 6,198,600         |
| GRF   | 235539 | Wright State University Clinical Teaching                               | \$ 3,011,400         | \$ 3,011,400         |
| GRF   | 235540 | Ohio University Clinical Teaching                                       | \$ 2,911,212         | \$ 2,911,212         |
| GRF   | 235541 | Northeastern Ohio Universities College of Medicine<br>Clinical Teaching | \$ 2,994,178         | \$ 2,994,178         |
| GRF   | 235558 | Long-term Care Research   | \$ 195,300           | \$ 195,300           |
| GRF   | 235572 | The Ohio State University Clinic Support                                | \$ 766,533           | \$ 766,533           |
| <b>General Revenue Fund Subtotal</b>          |        |   | <b>\$ 41,933,326</b> | <b>\$ 41,933,326</b> |
| <b>Federal Special Revenue Fund (FED)</b>     |        |   |                      |                      |
| 3H20  | 235608 | Human Services Project  | \$ 3,500,000         | \$ 3,500,000         |
| <b>Federal Special Revenue Fund Subtotal</b>  |        |   | <b>\$ 3,500,000</b>  | <b>\$ 3,500,000</b>  |
| <b>State Special Revenue (SSR) Fund Group</b> |        |   |                      |                      |
| 6820  | 235606 | Nursing Loan Program  | \$ 891,320           | \$ 891,320           |
| <b>State Special Revenue Fund Subtotal</b>    |        |   | <b>\$ 891,320</b>    | <b>\$ 891,320</b>    |
| <b>Total Funding: Medical Support</b>         |        |   | <b>\$ 46,324,646</b> | <b>\$ 46,324,646</b> |

### Area Health Education Centers (235474)

The Area Health Education Centers (AHEC) program coordinates the placement of students of medicine and the other health professions into community-based clinical training sites, especially those in regions of physician shortages such as rural and inner-city areas.

The program also supports other health care workforce development efforts, including pipeline programs facilitating STEM education and the support of practitioners already located in areas with shortages of health care professionals. The program's goal is to improve the geographic distribution and quality of health care personnel and health care delivery in the state. Measurement criteria include the number of training sites served, the number of students receiving education through

the program, and student experiences in areas with current shortages of health care professionals. On average, approximately 2,600 students receive clinical training at 393 community training sites annually.

### **Case Western Reserve University School of Medicine (235515)**

This appropriation item provides supplemental state funding for the Case Western Reserve University (CWRU) School of Medicine. In return, the medical school agrees to use the funds to improve the clinical experiences of its medical students and to increase medical outreach to the residents of Cleveland and Cuyahoga County.

These funds are used by CWRU to recruit students across the country and create a curriculum that focuses on health issues in Ohio. Students learn to address critical public health issues that exist in Ohio's communities and provide medical services to underserved populations throughout Cuyahoga County, in part through early clinical experiences. CWRU submits an annual report to BOR providing descriptions and costs of the services provided during the preceding year.

### **Family Practice (235519)**

This appropriation item funds family practice initiatives. The appropriation item supports family practice residencies and instruction in the departments of family medicine within each medical college in Ohio, both public and private. State-assisted medical schools are required to establish and maintain departments of family medicine. The Family Practice appropriation supports an incentive-based subsidy that rewards medical schools for the number of medical school graduates who: (a) go on to family practice residencies (51 statewide in FY 2009), (b) establish family medicine practices in Ohio (79), and (c) serve underserved populations and/or geographic areas of Ohio (12). The subsidy's purpose is to raise the quality and number of family practice physicians practicing in the state.

### **Geriatric Medicine (235525)**

This appropriation item supports the offices of geriatric medicine within the public medical colleges in Ohio. The maintenance of these offices is mandated by the state in section 3333.111 of the Ohio Revised Code. The Geriatric Medicine program helps ensure that all Ohio medical students receive specific education and training within their medical school curricula concerning the care of older adults. To that end, the offices are responsible for including geriatric medicine-related subject matter in existing courses, arranging the courses in sequence, and establishing courses in geriatric medicine wherever appropriate. The program's goal is to improve health care and create a better quality of life for Ohio's senior population.

**Primary Care Residencies (235526)**

The Primary Care Residencies appropriation item is an incentive-based subsidy that rewards medical schools based on the number of medical school graduates who: (a) go on to primary care residencies in pediatrics (43 statewide in FY 2009), internal medicine (84), pediatric internal medicine (3), and osteopathic medicine (4), and (b) establish primary care practices in Ohio (71). The appropriation item supports instruction in primary care specialties, such as internal medicine and pediatrics, in order to raise the quality and number of primary care physicians in medical practice. Each institution must submit and gain approval of a plan for its primary care residency program in order to obtain a full allocation of funds.

**Clinical Teaching (235536, 235537, 235538, 235539, 235540, and 235541)**

These six appropriation items provide subsidies in support of laboratory and clinical teaching components of the medical and other health-related curricula at each of Ohio's six public medical colleges located at the University of Cincinnati, the Northeast Ohio Medical University, Ohio University, The Ohio State University, The University of Toledo, and Wright State University. These items help defray the costs of clinical training for Ohio's student health professionals. Clinical training is regarded as a fundamental component in the education of physicians and other health care professionals. Areas of subsidized training include medicine, nursing, pharmacy, physical and occupational therapy, and medical technologies. A significant majority of the students receive some clinical experience each year. In FY 2011 there are approximately 3,500 medical students in state-assisted medical schools.

**Long-Term Care Research (235558)**

This appropriation item supports basic and applied research and graduate studies at Miami University's Scripps Gerontology Center. The center provides expertise, education, and research concerning issues of state and federal policy about long-term care. The program's goal is to identify cost-effective alternatives for long-term health care at reasonable levels of quality.

**The Ohio State University Clinic Support (235572)**

This program supports the clinical components of the instructional programs at the dental and veterinary medicine schools at The Ohio State University. The clinics provide practical education to dentistry and veterinary medicine students, as well as to dental hygiene students.

**Nursing Loan Repayment (235606)**

This appropriation item supports the Nurse Education Assistance Loan Program (NEALP), which provides financial assistance to Ohio students enrolled in at least half-time study in approved Ohio nurse education programs, including post-licensure



nursing instructor programs. The purpose of NEALP is to encourage individuals to become students and instructors in the nursing profession – where Ohio suffers a shortage – and to provide affordable college access to nurses and nursing students. Half of the loan funds are used to support students intending to serve as registered nurses and half are used to support nurses intending to become nurse instructors. Awards for students studying nursing are made on the basis of need for up to four years of study. After they have obtained the appropriate licensure and are employed in the field of nursing, students will be eligible to have 100% of their outstanding loans cancelled. For students studying to be nursing instructors, awards are made on a first come, first served basis for up to two years of study. Approximately 200 students receive NEALP awards each year. The table below illustrates that 18.8% of the total appropriation in each fiscal year is earmarked for NEALP's operating expenses that are covered by BOR.

| <b>GRF, 235606, Nursing Loan Repayment</b> |           |                |                   |
|--|-----------|----------------|-------------------|
| <b>Earmarks</b>                            |           | <b>FY 2012</b> | <b>FY 2013</b>    |
| Operating Expenses                         | \$        | 167,580        | \$ 167,580        |
| Remainder                                  | \$        | 723,740        | \$ 723,740        |
| <b>Total:</b>                              | <b>\$</b> | <b>891,320</b> | <b>\$ 891,320</b> |

The funding for this item is provided by surcharges on the license renewal fees paid by registered nurses and licensed practical nurses.

### **Human Services Project (235608)**

This federally funded program supports the Medicaid Technical Assistance Policy Program (MEDTAPP) and Workforce Development Initiatives. MEDTAPP is operated by an interagency consortium of the Board of Regents, the Department of Job and Family Services (ODJFS), and the Health Services Research Task Force of the Ohio Medical School Council of Deans to promote Medicaid-related applied-health services research at Ohio's medical colleges and other universities. The program's goal is to obtain research findings to assist the administration's development of policies for improving the quality and cost effectiveness of health care delivered to the state's Medicaid population. Each year ODJFS estimates the number of research projects to be funded; the federal funds are then used to support those projects conducted by campus academics. MEDTAPP funding is made possible through federal pass-through dollars to BOR from ODJFS through an interagency agreement. The funds are distributed to the Ohio medical colleges and other universities through a competitive proposal process.

## Category 10: Planning and Coordination

This appropriation category provides the Board of Regents and state-assisted institutions of higher education with operational and administrative support to perform efficiently and effectively. These programs are the funding source for all of BOR's day-to-day operations and various program development projects. The following table shows the Planning and Coordination appropriation items and funding levels.

| Appropriations for Planning and Coordination    |        |   |                     |                     |
|---|--------|---|---------------------|---------------------|
| Fund  | ALI    | Title   | FY 2012             | FY 2013             |
| <b>General Revenue Fund (GRF)</b>               |        |   |                     |                     |
| GRF   | 235321 | Operating Expenses                                      | \$ 2,300,000        | \$ 2,300,000        |
| GRF   | 235409 | Information System                                      | \$ 800,000          | \$ 800,000          |
| <b>General Revenue Fund Subtotal</b>            |        |   | <b>\$ 3,100,000</b> | <b>\$ 3,100,000</b> |
| <b>General Services Fund (GSF)</b>              |        |   |                     |                     |
| 2200  | 235614 | Program Approval and Reauthorization                    | \$ 1,311,567        | \$ 1,457,959        |
| 4560  | 235603 | Sales and Service                                       | \$ 199,250          | \$ 199,250          |
| <b>General Services Fund Subtotal</b>           |        |   | <b>\$ 1,510,817</b> | <b>\$ 1,657,209</b> |
| <b>Federal Special Revenue Fund (FED)</b>       |        |   |                     |                     |
| 3120  | 235660 | Race to the Top Education Preparation Reform Initiative | \$ 448,000          | \$ 1,120,000        |
| <b>Federal Special Revenue Fund Subtotal</b>    |        |   | <b>\$ 448,000</b>   | <b>\$ 1,120,000</b> |
| <b>State Special Revenue Fund (SSR)</b>         |        |   |                     |                     |
| 5FR0  | 235640 | Joyce Foundation Grant                                  | \$ 919,719          | \$ 919,719          |
| 5FR0  | 235647 | Developmental Education Initiative                      | \$ 135,000          | \$ 135,000          |
| 5FR0  | 235657 | Win Win Grant   | \$ 37,000           | \$ 15,000           |
| <b>State Special Revenue Fund Subtotal</b>      |        |   | <b>\$ 1,091,719</b> | <b>\$ 1,069,719</b> |
| <b>Total Funding: Planning and Coordination</b> |        |   | <b>\$ 6,150,536</b> | <b>\$ 6,946,928</b> |

### Operating Expenses (235321)

This appropriation item equips BOR with essential resources, mainly personnel, to enable the agency to pursue its mandated mission to serve Ohio's colleges and universities and to provide higher education policy and budget advice to the Governor and to the General Assembly. This item supports the agency's personal services, maintenance, and equipment.

### Information System (235409)

This appropriation item supports the continual development, expansion, and operations of the Higher Education Information (HEI) system, a comprehensive relational database containing a wide array of information about Ohio's colleges and universities. As inputs to HEI, public campuses report data on student enrollments and demographics, faculties, course offerings, facilities, physical plant inventories, and

finances. All state-supported institutions are contributors to HEI's database and users of its data. Private institutions report financial aid data through the system.

The system's data and software enable various complex calculations and applications, including the allocation and disbursement of the state's main subsidy appropriation, the State Share of Instruction, to the campuses and the calculation and distribution of funds to students under Ohio's financial aid programs. HEI's information is used by BOR, institutions, and other state offices to inform policy and budget decisions, and is used for Basic Data Series reports, performance reporting, and other BOR higher education reporting. Some of the appropriation funds are provided to state-supported and independent institutions of higher education to assist them in complying with HEI's reporting procedures and deadlines.

### **Program Approval and Reauthorization (235614)**

This appropriation item enables BOR to directly contract with and reimburse consultants who review and evaluate higher education institutions' degree program proposals, conduct institutional authorization and reauthorization reviews, and perform institutional oversight reviews for private, proprietary, and out-of-state institutions, pursuant to Chapter 1713. of the Ohio Revised Code. BOR's purpose in having programs and proposed programs reviewed by objective outside experts is to provide appropriate institutional oversight in order to ensure that Ohio's degree programs are of the highest educational quality.

Appropriation funding is provided by remittances from those institutions requesting reviews, evaluations, authorizations, and reauthorizations; the institutions are responsible for all costs associated with the authorization process. The remittances are paid into Fund 2200 of the General Services Fund group, which funds the program's appropriations.

The costs incurred through approval and reauthorization are driven by the number of authorization requests that BOR receives from public, private, proprietary, and out-of-state institutions, the number of reauthorization requests received from currently authorized institutions, and the number of institutional oversight reviews performed by BOR. Each institutional request for authorization or reauthorization must be accommodated by BOR, which must also provide appropriate oversight reviews each year. The total number of reviews per year can vary depending on the institutions' circumstances. BOR is responsible for authorizing approximately 140 independent nonprofit institutions, for-profit career colleges and schools, and all degree-granting programs.

### **Sales and Services (235603)**

This item is funded from fees deposited into Fund 4560 of the General Services Fund group and covers the costs of the production of official publications and the

delivery of services associated with BOR's Higher Education Information (HEI) system, as well as miscellaneous meeting expenses. All revenue collected from the activities funded by this item is used to offset personnel costs.

#### **Joyce Foundation Grant (235640)**

This line item supports workforce development initiatives to foster economic growth and provide education and training for low-wage working adults. In FY 2009, Ohio was granted a Joyce Foundation award to spearhead the Shifting Gears Initiative, a multi-state program addressing workforce development issues in the Midwest. The Shifting Gears Initiative and BOR's Ohio Skills Bank program connect schools, job training programs, and support services to enable people to secure employment within industries in need of skilled workers. Furthermore, the program provides career pathways for students to advance to higher levels of education and employment in those industries.

#### **Developmental Education Grant (235647)**

This line item supports policy innovations to help community and technical colleges succeed in providing developmental education to assist underprepared students. The Development Education Grant program, in collaboration with the Shifting Gears Initiative and state Adult and Basic Literacy Education (ABLE) programs, focuses on students taking remedial courses by providing support and encouraging enrollment in advanced courses. BOR oversees a team composed of various statewide stakeholders. The team conducts research, collects data, and tracks the issues facing developmental education in the state. With the collected information, the team implements a plan for the improvement of state programs and policy. Funding for this program comes from the Bill and Melinda Gates Foundation and the Lumina Foundation.

#### **Win-Win Grant (235657)**

This item supports Project Win-Win, a Lumina Foundation Grant program intended to increase the number of associate's degrees awarded at participating institutions, increase the number of students returning to finish their associate's degree, and decrease the obstacles to tracking and supporting students. Project Win-Win uses findings from a pilot project that sought to identify students who had not earned any degree despite having enough credits and experience, or students who were short of qualifying for an associate degree by no more than nine credits. Once such students are identified, the program works to award degrees or enroll students in courses to complete the credits required for a degree.

**Race to the Top Educator Preparation (235660)**

This item is funded from the federal Race to the Top (RttT) grant and is designed to improve public education and educator quality. BOR will work in partnership with the Ohio Department of Education to ensure that the best educator preparation programs are available at Ohio's institutions of higher education. Funds for this item support meetings to establish standards of excellence, develop a means of studying teacher effectiveness, and create a data system to measure progress.

## Category 11: Ohio Tuition Trust Authority

This appropriation category provides support for the operations and activities of the Ohio Tuition Trust Authority and Ohio's 529 college savings program oversight. The following table shows the Ohio Tuition Trust Authority appropriation items and funding levels.

| Appropriations for Ohio Tuition Trust Authority    |        |                         |                     |                     |
|--|--------|-------------------------|---------------------|---------------------|
| Fund   | ALI    | Title                   | FY 2012             | FY 2013             |
| <b>State Special Revenue Fund (SSR) Group</b>      |        |                         |                     |                     |
| 5P30   | 235663 | Variable Savings Plan   | \$ 8,946,994        | \$ 9,072,136        |
| 6450   | 235664 | Guaranteed Savings Plan | \$ 900,293          | \$ 907,514          |
| <b>State Special Revenue Fund Group Subtotal</b>   |        |                         | <b>\$ 9,847,287</b> | <b>\$ 9,979,650</b> |
| <b>Total Funding: Ohio Tuition Trust Authority</b> |        |                         | <b>\$ 9,847,287</b> | <b>\$ 9,979,650</b> |

The Ohio Tuition Trust Authority (OTTA) was created in 1989 to provide a tax advantaged investment option for Ohio families to save for their children's college education. The Chancellor has governing power over OTTA's operations, and the Ohio Tuition Trust Advisory Board acts as an advisory board to the Chancellor. The Advisory Board is made up of 11 members, including one appointed by the Governor that must have experience in the field of banking, investment banking, insurance, or law. All of OTTA's operations are funded through fee revenue generated through its programs – no expenditures are made from the General Revenue Fund (GRF).

OTTA is responsible for Ohio's 529 college savings program, the College Advantage Savings Plan. A 529 college savings program is a state-operated investment plan named after the section of the federal Internal Revenue Code that specifies the various tax advantages of participating in the program. These tax advantages include tax-free growth while the value of the account accumulates, and withdrawals that are exempt from both federal and state income taxes if the distributions are used to pay for qualified higher education expenses. The qualified expenses include tuition, room and board, and any other fees or costs that are required for enrollment or attendance at the college or university. Funds invested in the plan can be used at any college in the country.

The budget permits OTTA to establish a default investment option or options. The default option is expected to encourage low and moderate-income investors to open a 529 savings account and provide an appropriate option for beginning investors.

**Variable Savings Plan (235663)**

This appropriation item supports the investment options that are currently open to new enrollments and contributions. The Variable Savings Plan includes six investment managers (BlackRock, Vanguard, Fifth Third Bank, PIMCO, Oppenheimer, and GE).

**BlackRock Options**

BlackRock Investment Management is OTTA's newest investment manager, but it is also the largest in terms of assets. BlackRock now offers more than 20 investment options, with 26,429 accounts and assets of \$3,598.9 million as of December 31, 2010. BlackRock has pledged to provide \$250,000 annually for a pilot scholarship program. OTTA will match BlackRock's scholarship contribution, for a total scholarship fund of \$500,000 per year. OTTA indicates that the scholarship will be competitively awarded and will incentivize Ohio's low-cost degree pathways. It is expected that 250-500 scholarships will be awarded to students that have the highest levels of financial need and are beneficiaries of one of OTTA's 529 options. OTTA hopes that the program will begin in FY 2012.

**Vanguard Options**

The Vanguard Group is OTTA's oldest remaining investment manager, with options initially offered in May 2004. This program currently offers 13 investment options, including cash, bond, stock, and age-based basket options. As of December 31, 2010, the program had 161,211 accounts with assets totaling \$1,741.4 million.

**Fifth Third Bank Options**

Fifth Third Bank was added as a provider of tax advantaged investment options under the Variable Savings Plan in September 2005. This program currently offers two no-fee investment options – savings accounts and certificates of deposit (CDs), both insured by the FDIC. As of December 31, 2010, this program had 8,609 accounts with assets totaling \$207.0 million.

**GE, Oppenheimer, and PIMCO Options**

Together, the final four OTTA investment options are offered by three managers: GE (1), Oppenheimer (1), and PIMCO (2). These options were introduced in 2008 to diversify investment products and offer greater value to customers. As of December 31, 2010, these programs combined had 405,957 accounts with assets totaling \$153.1 million.

**Guaranteed Savings Plan (235664)**

The oldest savings plan operated by OTTA, the Guaranteed Savings Plan, offers units which can be reimbursed for a portion of tuition, but no longer accepts new enrollments or contributions. Funding for this appropriation item pays for the administrative costs of operating the Guaranteed Savings Plan, which was established in October 1989. The Guaranteed Savings Plan has been suspended for new enrollees beginning on October 8, 2003, and suspended for new contributions to existing accounts beginning on January 1, 2004. This suspension will continue through December 31, 2011 and is likely to continue through the FY 2012-FY 2013 biennium. The Guaranteed Savings Plan suspension is due to an actuarial deficit, initially caused largely by the combination of the downturn in the economy and the stock market, and the large increases in tuitions at Ohio's public colleges and universities after the removal of the tuition caps in FY 2002 and FY 2003. As of December 31, 2010, the Guaranteed Savings Plan had about 73,000 accounts and \$585.6 million in assets. Funding for this program comes from the reserve fund within the program, which contains fees that were assessed on each sale (approximately \$5 per contract) when the program was open for new enrollments and contributions.

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# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

| Line Item Detail by Agency                           |        |  | Appropriations          |                  | FY 2011 to FY 2012 | Appropriations |                  | FY 2012 to FY 2013 |
|--|--------|--|-------------------------|------------------|--------------------|----------------|------------------|--------------------|
|  |        |  | FY 2010                 | FY 2011          | FY 2012            | % Change       | FY 2013          | % Change           |
| <b>Report For Main Operating Appropriations Bill</b> |        |  | <b>Version: Enacted</b> |                  |                    |                |                  |                    |
| <b>BOR Ohio Board of Regents</b>                     |        |  |                         |                  |                    |                |                  |                    |
| GRF  | 235321 | Operating Expenses                                 | \$ 2,473,872            | \$ 2,618,863     | \$ 2,300,000       | -12.18%        | \$ 2,300,000     | 0.00%              |
| GRF  | 235401 | Lease Rental Payments                              | \$ 124,436,113          | \$ 107,865,649   | \$ 83,151,600      | -22.91%        | \$ 57,634,400    | -30.69%            |
| GRF  | 235402 | Sea Grants   | \$ 300,000              | \$ 300,000       | \$ 285,000         | -5.00%         | \$ 285,000       | 0.00%              |
| GRF  | 235406 | Articulation and Transfer                          | \$ 2,395,658            | \$ 2,235,569     | \$ 2,000,000       | -10.54%        | \$ 2,000,000     | 0.00%              |
| GRF  | 235408 | Midwest Higher Education Compact                   | \$ 95,000               | \$ 95,000        | \$ 95,000          | 0.00%          | \$ 95,000        | 0.00%              |
| GRF  | 235409 | Information System                                 | \$ 934,154              | \$ 884,250       | \$ 800,000         | -9.53%         | \$ 800,000       | 0.00%              |
| GRF  | 235414 | State Grants and Scholarship Administration        | \$ 1,345,635            | \$ 1,375,825     | \$ 1,230,000       | -10.60%        | \$ 1,230,000     | 0.00%              |
| GRF  | 235417 | Ohio Learning Network                              | \$ 2,714,601            | \$ 2,702,957     | \$ 2,532,688       | -6.30%         | \$ 2,532,688     | 0.00%              |
| GRF  | 235428 | Appalachian New Economy Partnership                | \$ 819,295              | \$ 819,295       | \$ 737,366         | -10.00%        | \$ 737,366       | 0.00%              |
| GRF  | 235433 | Economic Growth Challenge                          | \$ 510,295              | \$ 469,545       | \$ 440,000         | -6.29%         | \$ 440,000       | 0.00%              |
| GRF  | 235434 | College Readiness and Access                       | \$ 224,000              | \$ 0             | \$ 0               | N/A            | \$ 0             | N/A                |
| GRF  | 235435 | Teacher Improvement Initiatives                    | \$ 51,000               | \$ 63,000        | \$ 0               | -100.00%       | \$ 0             | N/A                |
| GRF  | 235436 | Accelerate Ohio                                    | \$ 225,000              | \$ 0             | \$ 0               | N/A            | \$ 0             | N/A                |
| GRF  | 235438 | Choose Ohio First Scholarship                      | \$ 7,806,377            | \$ 13,765,055    | \$ 15,750,085      | 14.42%         | \$ 15,750,085    | 0.00%              |
| GRF  | 235443 | Adult Basic and Literacy Education - State         | \$ 7,302,416            | \$ 7,282,303     | \$ 7,302,416       | 0.28%          | \$ 7,302,416     | 0.00%              |
| GRF  | 235444 | Post-Secondary Adult Career-Technical Education    | \$ 13,006,684           | \$ 15,879,362    | \$ 15,317,547      | -3.54%         | \$ 15,317,547    | 0.00%              |
| GRF  | 235455 | EnterpriseOhio Network                             | \$ 958                  | \$ 0             | \$ 0               | N/A            | \$ 0             | N/A                |
| GRF  | 235474 | Area Health Education Centers Program Support      | \$ 1,059,078            | \$ 1,059,078     | \$ 900,000         | -15.02%        | \$ 900,000       | 0.00%              |
| GRF  | 235501 | State Share of Instruction                         | \$ 1,706,304,433        | \$ 1,710,299,265 | \$ 1,735,530,031   | 1.48%          | \$ 1,751,225,497 | 0.90%              |
| GRF  | 235502 | Student Support Services                           | \$ 0                    | \$ 0             | \$ 632,974         | N/A            | \$ 632,974       | 0.00%              |
| GRF  | 235504 | War Orphans Scholarships                           | \$ 3,972,284            | \$ 4,158,605     | \$ 4,787,833       | 15.13%         | \$ 4,787,833     | 0.00%              |
| GRF  | 235507 | OhioLINK   | \$ 6,433,313            | \$ 6,433,313     | \$ 6,100,000       | -5.18%         | \$ 6,100,000     | 0.00%              |
| GRF  | 235508 | Air Force Institute of Technology                  | \$ 1,785,439            | \$ 1,785,439     | \$ 1,740,803       | -2.50%         | \$ 1,740,803     | 0.00%              |
| GRF  | 235510 | Ohio Supercomputer Center                          | \$ 3,719,354            | \$ 3,719,354     | \$ 3,347,418       | -10.00%        | \$ 3,347,418     | 0.00%              |
| GRF  | 235511 | Cooperative Extension Service                      | \$ 23,518,608           | \$ 22,467,678    | \$ 22,220,910      | -1.10%         | \$ 22,220,910    | 0.00%              |
| GRF  | 235513 | Ohio University Voinovich School                   | \$ 326,000              | \$ 326,000       | \$ 0               | -100.00%       | \$ 0             | N/A                |
| GRF  | 235514 | Central State Supplement                           | \$ 12,109,106           | \$ 12,109,106    | \$ 11,503,651      | -5.00%         | \$ 10,928,468    | -5.00%             |
| GRF  | 235515 | Case Western Reserve University School of Medicine | \$ 2,525,003            | \$ 2,525,003     | \$ 2,146,253       | -15.00%        | \$ 2,146,253     | 0.00%              |

# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

| Line Item Detail by Agency        |        |   |                         |                         | Appropriations          | FY 2011 to FY 2012 | Appropriations          | FY 2012 to FY 2013 |
|-----------------------------------|--------|---|-------------------------|-------------------------|-------------------------|--------------------|-------------------------|--------------------|
|                                   |        |   | FY 2010                 | FY 2011                 | FY 2012                 | % Change           | FY 2013                 | % Change           |
| <b>BOR Ohio Board of Regents</b>  |        |   |                         |                         |                         |                    |                         |                    |
| GRF                               | 235519 | Family Practice   | \$ 3,724,923            | \$ 3,724,923            | \$ 3,166,185            | -15.00%            | \$ 3,166,185            | 0.00%              |
| GRF                               | 235520 | Shawnee State Supplement                                      | \$ 2,577,393            | \$ 2,577,393            | \$ 2,448,523            | -5.00%             | \$ 2,326,097            | -5.00%             |
| GRF                               | 235521 | The Ohio State University John Glenn School of Public Affairs | \$ 277,500              | \$ 277,500              | \$ 0                    | -100.00%           | \$ 0                    | N/A                |
| GRF                               | 235524 | Police and Fire Protection                                    | \$ 119,793              | \$ 119,793              | \$ 107,814              | -10.00%            | \$ 107,814              | 0.00%              |
| GRF                               | 235525 | Geriatric Medicine  | \$ 614,295              | \$ 614,295              | \$ 522,151              | -15.00%            | \$ 522,151              | 0.00%              |
| GRF                               | 235526 | Primary Care Residencies                                      | \$ 1,839,083            | \$ 1,839,083            | \$ 1,500,000            | -18.44%            | \$ 1,500,000            | 0.00%              |
| GRF                               | 235535 | Ohio Agricultural Research and Development Center             | \$ 33,998,918           | \$ 33,998,918           | \$ 33,100,000           | -2.64%             | \$ 33,100,000           | 0.00%              |
| GRF                               | 235536 | The Ohio State University Clinical Teaching                   | \$ 11,375,225           | \$ 11,375,225           | \$ 9,668,941            | -15.00%            | \$ 9,668,941            | 0.00%              |
| GRF                               | 235537 | University of Cincinnati Clinical Teaching                    | \$ 9,355,968            | \$ 9,355,968            | \$ 7,952,573            | -15.00%            | \$ 7,952,573            | 0.00%              |
| GRF                               | 235538 | University of Toledo Clinical Teaching                        | \$ 7,292,471            | \$ 7,292,471            | \$ 6,198,600            | -15.00%            | \$ 6,198,600            | 0.00%              |
| GRF                               | 235539 | Wright State University Clinical Teaching                     | \$ 3,542,823            | \$ 3,542,823            | \$ 3,011,400            | -15.00%            | \$ 3,011,400            | 0.00%              |
| GRF                               | 235540 | Ohio University Clinical Teaching                             | \$ 3,424,956            | \$ 3,424,956            | \$ 2,911,212            | -15.00%            | \$ 2,911,212            | 0.00%              |
| GRF                               | 235541 | Northeast Ohio Medical University Clinical Teaching           | \$ 3,522,563            | \$ 3,522,563            | \$ 2,994,178            | -15.00%            | \$ 2,994,178            | 0.00%              |
| GRF                               | 235552 | Capital Component   | \$ 20,639,358           | \$ 20,639,356           | \$ 20,638,274           | -0.01%             | \$ 20,638,274           | 0.00%              |
| GRF                               | 235555 | Library Depositories  | \$ 1,477,274            | \$ 1,477,274            | \$ 1,440,342            | -2.50%             | \$ 1,440,342            | 0.00%              |
| GRF                               | 235556 | Ohio Academic Resources Network                               | \$ 3,253,866            | \$ 3,253,866            | \$ 3,172,519            | -2.50%             | \$ 3,172,519            | 0.00%              |
| GRF                               | 235558 | Long-term Care Research                                       | \$ 217,000              | \$ 217,000              | \$ 195,300              | -10.00%            | \$ 195,300              | 0.00%              |
| GRF                               | 235563 | Ohio College Opportunity Grant                                | \$ 88,787,398           | \$ 78,203,331           | \$ 80,284,265           | 2.66%              | \$ 80,284,265           | 0.00%              |
| GRF                               | 235567 | Central State University Speed to Scale                       | \$ 1,775,254            | \$ 0                    | \$ 0                    | N/A                | \$ 0                    | N/A                |
| GRF                               | 235572 | The Ohio State University Clinic Support                      | \$ 901,703              | \$ 901,703              | \$ 766,533              | -14.99%            | \$ 766,533              | 0.00%              |
| GRF                               | 235575 | Adult Career-Tech Education                                   | \$ 2,189,599            | \$ 0                    | \$ 0                    | N/A                | \$ 0                    | N/A                |
| GRF                               | 235579 | Bliss Institute   | \$ 257,474              | \$ 257,474              | \$ 0                    | -100.00%           | \$ 0                    | N/A                |
| GRF                               | 235596 | Hazardous Materials Program                                   | \$ 373,858              | \$ 373,858              | \$ 0                    | -100.00%           | \$ 0                    | N/A                |
| GRF                               | 235599 | National Guard Scholarship Program                            | \$ 15,138,429           | \$ 14,957,200           | \$ 16,912,271           | 13.07%             | \$ 18,143,293           | 7.28%              |
| GRF                               | 235644 | State Share of Instruction - Federal Stimulus - Education     | \$ 281,022,236          | \$ 287,802,662          | \$ 0                    | -100.00%           | \$ 0                    | N/A                |
| GRF                               | 235909 | Higher Education General Obligation Debt Service              | \$ 71,418,300           | \$ 83,937,241           | \$ 108,262,500          | 28.98%             | \$ 201,555,000          | 86.17%             |
| GRF - State                       |        |   | \$ 2,214,489,099        | \$ 2,207,123,729        | \$ 2,226,105,156        | 0.86%              | \$ 2,310,109,335        | 3.77%              |
| GRF - Federal Stimulu             |        |   | \$ 281,022,236          | \$ 287,802,662          | \$ 0                    | -100.00%           | \$ 0                    | N/A                |
| <b>General Revenue Fund Total</b> |        |   | <b>\$ 2,495,511,335</b> | <b>\$ 2,494,926,391</b> | <b>\$ 2,226,105,156</b> | <b>-10.77%</b>     | <b>\$ 2,310,109,335</b> | <b>3.77%</b>       |

# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

| Line Item Detail by Agency                      |        |  |                      |                      | Appropriations       | FY 2011 to FY 2012 | Appropriations       | FY 2012 to FY 2013 |
|---|--------|--|----------------------|----------------------|----------------------|--------------------|----------------------|--------------------|
|   |        |  | FY 2010              | FY 2011              | FY 2012              | % Change           | FY 2013              | % Change           |
| <b>BOR Ohio Board of Regents</b>                |        |  |                      |                      |                      |                    |                      |                    |
| 2200  | 235614 | Program Approval and Reauthorization   | \$ 411,664           | \$ 553,010           | \$ 1,311,567         | 137.17%            | \$ 1,457,959         | 11.16%             |
| 4560  | 235603 | Sales and Services   | \$ 41,288            | \$ 161,981           | \$ 199,250           | 23.01%             | \$ 199,250           | 0.00%              |
| 5BM0  | 235623 | National Guard Scholarship Reserve   | \$ 0                 | \$ 2,600,334         | \$ 0                 | -100.00%           | \$ 0                 | N/A                |
| 5HZ0  | 235648 | Distance Learning Clearinghouse  | \$ 0                 | \$ 474,040           | \$ 0                 | -100.00%           | \$ 0                 | N/A                |
| 5JC0  | 235649 | Co-Op Internship Program   | \$ 0                 | \$ 0                 | \$ 12,000,000        | N/A                | \$ 12,000,000        | 0.00%              |
| 5JC0  | 235667 | Ohio College Opportunity Grant - Proprietary                                     | \$ 0                 | \$ 0                 | \$ 6,000,000         | N/A                | \$ 6,000,000         | 0.00%              |
| 5JC0  | 235668 | Air Force Institute of Technology - Defense/Aerospace Graduate Studies Institute | \$ 0                 | \$ 0                 | \$ 4,000,000         | N/A                | \$ 4,000,000         | 0.00%              |
| 5Y50  | 235618 | State Need-based Financial Aid Reconciliation                                    | \$ 1,007,035         | \$ 669,251           | \$ 0                 | -100.00%           | \$ 0                 | N/A                |
| <b>General Services Fund Group Total</b>        |        |  | <b>\$ 1,459,988</b>  | <b>\$ 4,458,615</b>  | <b>\$ 23,510,817</b> | <b>427.31%</b>     | <b>\$ 23,657,209</b> | <b>0.62%</b>       |
| 3120  | 235609 | Tech Prep  | \$ 184,533           | \$ 173,097           | \$ 183,850           | 6.21%              | \$ 183,850           | 0.00%              |
| 3120  | 235611 | Gear-up Grant  | \$ 3,362,083         | \$ 2,898,256         | \$ 3,900,000         | 34.56%             | \$ 3,900,000         | 0.00%              |
| 3120  | 235612 | Carl D. Perkins Grant/Plan Administration  | \$ 4,150,043         | \$ 1,055,927         | \$ 912,961           | -13.54%            | \$ 912,961           | 0.00%              |
| 3120  | 235617 | Improving Teacher Quality Grant  | \$ 2,826,303         | \$ 2,723,206         | \$ 3,200,000         | 17.51%             | \$ 3,200,000         | 0.00%              |
| 3120  | 235628 | Temporary Assistance for Needy Families (TANF)                                   | \$ 520,065           | \$ 0                 | \$ 0                 | N/A                | \$ 0                 | N/A                |
| 3120  | 235629 | High Growth Grant  | \$ 77,969            | \$ 0                 | \$ 0                 | N/A                | \$ 0                 | N/A                |
| 3120  | 235637 | SHSP Communications Interoperable Grant  | \$ 2,262             | \$ 103,788           | \$ 0                 | -100.00%           | \$ 0                 | N/A                |
| 3120  | 235641 | Adult Basic and Literacy Education - Federal                                     | \$ 14,608,742        | \$ 16,174,868        | \$ 14,835,671        | -8.28%             | \$ 14,835,671        | 0.00%              |
| 3120  | 235659 | Race to the Top Scholarship Program  | \$ 0                 | \$ 0                 | \$ 2,400,000         | N/A                | \$ 3,780,000         | 57.50%             |
| 3120  | 235660 | Race to the Top Educator Preparation Reform Initiative                           | \$ 0                 | \$ 0                 | \$ 448,000           | N/A                | \$ 1,120,000         | 150.00%            |
| 3120  | 235661 | AmeriCorps Grant   | \$ 0                 | \$ 0                 | \$ 260,000           | N/A                | \$ 260,000           | 0.00%              |
| 3BE0  | 235636 | Adult Education and Family Literacy Act Incentive Grant                          | \$ 1,035,860         | \$ 1,118,694         | \$ 0                 | -100.00%           | \$ 0                 | N/A                |
| 3BG0  | 235626 | Star Schools   | \$ 424,067           | \$ 0                 | \$ 0                 | N/A                | \$ 0                 | N/A                |
| 3H20  | 235608 | Human Services Project   | \$ 1,518,174         | \$ 2,858,175         | \$ 3,500,000         | 22.46%             | \$ 3,500,000         | 0.00%              |
| 3N60  | 235605 | State Student Incentive Grants   | \$ 1,239,567         | \$ 0                 | \$ 0                 | N/A                | \$ 0                 | N/A                |
| 3N60  | 235638 | College Access Challenge Grant   | \$ 2,250,248         | \$ 137,448           | \$ 4,381,431         | 3,087.71%          | \$ 4,381,431         | 0.00%              |
| 3N60  | 235658 | John R. Justice Student Loan Repayment Program                                   | \$ 0                 | \$ 306,991           | \$ 0                 | -100.00%           | \$ 0                 | N/A                |
| <b>Federal Special Revenue Fund Group Total</b> |        |  | <b>\$ 32,199,917</b> | <b>\$ 27,550,451</b> | <b>\$ 34,021,913</b> | <b>23.49%</b>      | <b>\$ 36,073,913</b> | <b>6.03%</b>       |
| 4E80  | 235602 | Higher Educational Facility Commission Administration                            | \$ 21,495            | \$ 16,577            | \$ 29,100            | 75.54%             | \$ 29,100            | 0.00%              |
| 5DT0  | 235627 | American Diploma Project   | \$ 108,043           | \$ 0                 | \$ 0                 | N/A                | \$ 0                 | N/A                |

Prepared by the Legislative Service Commission

# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

| Line Item Detail by Agency                           |        |   | FY 2010                 | FY 2011                 | Appropriations<br>FY 2012 | FY 2011 to FY 2012<br>% Change | Appropriations<br>FY 2013 | FY 2012 to FY 2013<br>% Change |
|--|--------|---|-------------------------|-------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| <b>BOR Ohio Board of Regents</b>                     |        |   |                         |                         |                           |                                |                           |                                |
| 5DT0   | 235666 | Ohio Skills Bank  | \$0                     | \$ 1,745,689            | \$0                       | N/A                            | \$0                       | N/A                            |
| 5FR0   | 235640 | Joyce Foundation Grant                                    | \$ 320,239              | \$ 419,999              | \$ 919,719                | 118.98%                        | \$ 919,719                | 0.00%                          |
| 5FR0   | 235643 | Making Opportunity Affordable                             | \$ 167,590              | \$ 279,544              | \$ 0                      | -100.00%                       | \$ 0                      | N/A                            |
| 5FR0   | 235647 | Developmental Education Initiatives                       | \$ 47,205               | \$ 81,761               | \$ 135,000                | 65.11%                         | \$ 135,000                | 0.00%                          |
| 5FR0   | 235657 | Win-Win Grant   | \$0                     | \$ 59,257               | \$ 37,000                 | -37.56%                        | \$ 15,000                 | -59.46%                        |
| 5P30   | 235663 | Variable Savings Plan                                     | \$0                     | \$0                     | \$ 8,946,994              | N/A                            | \$ 9,072,136              | 1.40%                          |
| 6450   | 235664 | Guaranteed Savings Plan                                   | \$0                     | \$0                     | \$ 900,293                | N/A                            | \$ 907,514                | 0.80%                          |
| 6490   | 235607 | The Ohio State University Highway/Transportation Research | \$ 461,723              | \$ 433,764              | \$ 0                      | -100.00%                       | \$ 0                      | N/A                            |
| 6820   | 235606 | Nursing Loan Program                                      | \$ 437,536              | \$ 426,822              | \$ 891,320                | 108.83%                        | \$ 891,320                | 0.00%                          |
| <b>State Special Revenue Fund Group Total</b>        |        |   | <b>\$ 1,563,831</b>     | <b>\$ 3,463,414</b>     | <b>\$ 11,859,426</b>      | <b>242.42%</b>                 | <b>\$ 11,969,789</b>      | <b>0.93%</b>                   |
| 7011   | 235634 | Research Incentive Third Frontier Fund                    | \$ 5,877,255            | \$ 7,766,727            | \$ 8,000,000              | 3.00%                          | \$ 8,000,000              | 0.00%                          |
| <b>Third Frontier Research and Development Total</b> |        |   | <b>\$ 5,877,255</b>     | <b>\$ 7,766,727</b>     | <b>\$ 8,000,000</b>       | <b>3.00%</b>                   | <b>\$ 8,000,000</b>       | <b>0.00%</b>                   |
| <b>Ohio Board of Regents Total</b>                   |        |   | <b>\$ 2,536,612,325</b> | <b>\$ 2,538,165,599</b> | <b>\$ 2,303,497,312</b>   | <b>-9.25%</b>                  | <b>\$ 2,389,810,246</b>   | <b>3.75%</b>                   |