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A NEW FOCUS ON RESULTS

Ohio's College and University Presidents Come Together On a New and Innovative Approach to State Funding

Ohio's success depends on a skilled workforce, and that starts with a quality education. While Ohio has some of the best institutions of higher education in the world, only about one-fourth of adults in Ohio have a bachelor's degree, significantly below the national average¹. That shortage of qualified workers places Ohio at a competitive disadvantage compared to the rest of the nation.

Additionally, each Ohioan who fails to obtain a degree faces their own individual challenge -- fewer employment opportunities that make it more difficult to pay down personal debt. To maintain the kind of workforce necessary in an increasingly competitive and transformative economy, it's imperative that Ohio graduates more students.

Bringing Higher Education Leaders Together to Solve Problems

The Capital Budget—Collaboration not Competition: Early in 2012, Gov. John Kasich called on the state's 37 public college presidents to put aside their previous formula-driven process for dividing up the state's capital construction budget and instead work together to develop a single list of recommendations to identify the true needs of the entire system, not individual institutions. The process resulted in unprecedented cooperation and was widely regarded as a success.

A New Charge—Encouraging Degree Completion: Building on that success, Gov. Kasich charged The Ohio State University President E. Gordon Gee with recreating the collaborative process from the capital budget and again bring college and university presidents together to develop a single, unified recommendation for funding the operations of Ohio's public two- and four-year institutions. Their goal: incentivize institutions to do more than simply enroll more students, but also help those students actually graduate.

A New Era of Cooperation in Higher Education on Behalf of Students: Working together in the fall of 2012, Ohio's two- and four-year institution presidents developed a set of funding recommendations that encourages colleges and universities to embrace more innovative practices and help students succeed and graduate.

¹ Complete College Ohio Task Force Report & Recommendations; <https://www.ohiohighered.org/completion>

Recommendations for Four-Year Universities include:

- Incentivizing Degree Completion: Increasing the amount of an institution’s funding based on student success and completion to 50 percent—ensuring that half of the state’s funding will be directly tied to a school’s ability to graduate students.
- Bringing Regional and Main Campuses Together: Eliminating the separate funding formula for regional campuses in the second year of the budget, so that all students are treated equally in the funding formula.
- Recruiting Great Students to Ohio: Awarding universities that attract the best and brightest students into Ohio and keep them in the state for employment or continuing education.
- Tearing Down Barriers to Regional Campus Success: Repealing state laws that place artificial constraints on regional campuses, such as separate approval processes for degree offerings.

Recommendations for Community and Technical Colleges include:

- Focusing First on Completion: New completion based formula - realigned the state's funding formula from primarily incentivizing enrollments in week two of classes to incentivizing actual course and degree completions.
- Education is for Everyone: Ensures that access remains a core part of the mission of Ohio's community and technical college system by developing a new system to reward schools that successfully train non-traditional and at-risk student populations.
- Rewarding Success: Develop a new formula incentive for the second year of the budget to reward a college student’s successful completion of an associate degree, certificate or transfer to a university.

BOTTOM LINE: For too long, Ohio has failed to implement a results-based system for higher education funding that rewards success. Instead of trying only to enroll as many students as possible, Ohio’s institutions of higher-learning will now be incentivized to focus on improving outcomes for each and every student who walks through their doors by helping them graduate. This new system would not be possible without the leadership and engaged participation of Ohio’s higher education presidents. The result of their teamwork means an improved higher education system, a stronger workforce, more jobs and a better Ohio.

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