State money for Ohio colleges may be tied to whether graduates get employed

By Jessie Balmert Cincinnati Enquirer

Ohio could soon tie millions for state universities and colleges to whether their graduates land jobs.

Ohio doles out more than \$2 billion annually to public universities and colleges based on the number of students completing courses, certificates and degrees. Under Ohio Gov. Mike DeWine's new plan, a portion of that funding – initially about \$100 million of the annual pot – would be tied to whether graduates are employed.

"We want to ensure that our colleges and universities are laser-focused on making sure their students are graduating ready to launch their careers and contribute to our workforce," DeWine said Monday while rolling out his proposed two-year budget.

It wasn't initially clear which metric Ohio would use to determine if graduates were employed.

Nationwide, 57.2% of the class of 2023 was employed full-time within six months of graduation. That number was slightly higher in Ohio with 61.9% of graduates with bachelor's degrees employed six months later, according to the National Association of Colleges and Employers.

Rep. Tom Young, R-Washington Twp., said he likes tying money to outcomes, such as employed graduates or minimizing student debt.

Young, who leads the House Workforce and Higher Education Committee, called the current model of funding higher education "antiquated" while emphasizing the importance of adequately funding universities because they are an "economic engine" for the state.

Ohio's 14 public universities had a total economic impact of \$68.9 billion between fiscal years 2021 and 2022, which is about 8.8% of Ohio's total gross state economic product, according to a review by the Inter-University Council of Ohio, which represents public higher education institutions.

Sen. Jerry Cirino, R-Kirtland, who is spearheading an <u>overhaul of higher</u> <u>education called Senate Bill 1</u>, said he likes the concept of tying funding to

employed students. "Our institutions of higher education need to be positioned to be responding more quickly to the changing demands of the workforce," he said.

Sara Kilpatrick, executive director of the Ohio Conference of the American Association of University Professors, said there must be a balance between the student's responsibility to find a job and the universities' responsibility to prepare students for the workforce.

But in general, "all faculty want their students to be gainfully employed after graduation," she said.

Skipping college applications

Tired of filling out college applications? Ohio might soon allow high school students to skip that step for in-state colleges and universities if they meet a certain GPA or score on tests like the ACT or SAT.

"We will make it easier for all Ohio high school students to know where they will be admitted to college in-state through our new direct admission initiative," DeWine said.

Ohio institutions of higher education could voluntarily submit their minimum requirements to a state website, which would tell students which universities or colleges they qualify to attend, DeWine spokesman Dan Tierney said. Students would then enroll in the school of their choice without filling out a traditional application.

"Anything that makes things easier for students to enroll at Ohio institutions and stay in Ohio is a good thing," Kilpatrick said.

Top-performing students get scholarships to Ohio universities, colleges

Ohio offers up to \$5,000 per year to students who graduate in the top 5% of their high-school class to attend an in-state college or university, which can be public or private. About 76% of the 6,250 eligible students in the class of 2024 took advantage of the option, called the Governor's Merit Scholarship.

DeWine estimated that about 1,000 students stayed in Ohio for college who might have otherwise gone out of state for school. So, he wants to keep the scholarship going and sweeten the pot: students who enroll at a public university or college would be guaranteed admission to the institution's main campus.

"This scholarship will continue to encourage Ohio's best and brightest to stay in the state of Ohio and go to college," he said.

Watching troubled universities

DeWine's proposal would also keep a closer eye on financially struggling public colleges and universities.

Ohio's current system places troubled colleges and universities under "fiscal watch." For example, Eastern Gateway Community College in Steubenville closed last year amid <u>an investigation into potential fraud</u> and financial troubles.

DeWine proposed creating another tier, called "fiscal caution," to give the Ohio Department of Higher Education an earlier heads up on potential problems.

"This earlier awareness will help ensure that proper steps are taken with the goal of stabilizing institutions and protecting students," Ohio Department of Higher Education spokesman Jeff Robinson said.

Another change would allocate more than \$82 million for public colleges and universities to demolish buildings that would otherwise cost them money to keep empty. Colleges with declining enrollment would have priority for these loans.

For any of these changes to take effect, they would need to be approved by Ohio lawmakers and signed into law by DeWine. The state's two-year, balanced budget is due June 30.