



Testimony to the Ohio House Finance Subcommittee on Higher Education

Executive Vice President and Provost Bruce A. McPheron

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Chairman Carfagna, Ranking Member Sweeney and members of the committee, thank you for the opportunity to testify before you today.

On behalf of The Ohio State University, let me first express our appreciation for the support that this body and Gov. DeWine have shown for higher education.

We share your focus on access, affordability and excellence, and are pleased to see the strong commitments in this budget that will enhance our work on behalf of the citizens of Ohio, the nation and the world.

Ohio State is celebrating our sesquicentennial in the coming academic year, so we have been reflecting on our entire 150-year history as a land-grant institution.

The university has long been a partner with the state to educate our students, produce discoveries that fuel jobs and innovation, and support the health and wellbeing of our communities.

We are particularly pleased to see how the current budget supports those priorities in key areas, such as:

- **The State Share of Instruction.** The proposed increases would provide support for Ohio State and our public education partners during an era in which the university has set the pace nationally at controlling the cost of tuition. In fact, the *Chronicle of Higher Education* ranks Ohio State No. 1 among flagship institutions for the lowest increases to in-state tuition over the last decade.
- **The Ohio College Opportunity Grant.** Ohio State has spent more than \$100 million on additional need-based aid for students with financial need since 2015, and we have committed another \$45 million in the coming academic year, all achieved from administrative efficiencies. By increasing OCOG, our institutional aid dollars will go farther to support Ohio students.



- **Differential tuition.** The state needs to invest in excellence, and the flexibility provided in the current bill, which reflects the chancellor's recommendation, would provide high-demand programs with the resources they need to remain among the best in the nation. At Ohio State, our Buckeye Opportunity Program would ensure that all Ohio-resident undergraduates who qualify for Pell Grants receive aid that meets their tuition needs.

These state investments will enhance higher education in Ohio, and for our university, they will extend the reach of the many initiatives we have taken to support our students.

At Ohio State, we talk about access, affordability and excellence together because the interplay of these components ensure students graduate with the high quality, high value education they deserve.

As you complete work on the budget, we would ask that you remain focused on all three of these elements, including areas where additional resources are needed to sustain an existing record of excellence.

For example, Ohio State is home to programs such as Veterinary Medicine that are among the best in the nation but which lag their peers in state support. With additional investments, we can ensure that Ohio continues to attract the best and brightest to these programs — which in turn ensures that Ohioans across the state are served by the best-trained, most-talented leaders in these fields.

Again, I thank you for your time today and appreciate our continued partnership in advancing Ohio. I would be happy to answer any questions that you might have.

Access, affordability and excellence

UNIVERSITY INITIATIVES THROUGH 2018-19

Ohio State is proud to be a leader in creating greater access, affordability and excellence for students — a top focus area of President Michael V. Drake and the university's Time and Change strategic plan.

By controlling costs, increasing support for low- and moderate-income families and enhancing programs that support success in and out of the classroom, Ohio State is making an excellent college education more accessible and affordable for Buckeyes everywhere.

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At controlling the cost of in-state tuition among U.S. flagship universities

(Ohio State had the smallest increases in in-state tuition and fees from 2007-08 through 2017-18, according to the *Chronicle of Higher Education*.)

\$100M

In additional financial aid for low- and moderate-income Ohioans since 2015

(Ohio State well exceeded its goal of reaching \$100M by 2020. Thus far, more than 33,000 Buckeyes and their families have benefitted.)

\$0

Amount of cost increase over four years for Ohioans in the Tuition Guarantee

(The Ohio State Tuition Guarantee provides 4-year freeze on in-state tuition, mandatory fees, housing and dining for each incoming class of Ohio students.)

TUITION AND FEES

- The **Ohio State Tuition Guarantee** offers incoming students and their families certainty about the cost of a college education by setting rates for in-state tuition, mandatory fees, room and board that remain frozen for four years.
- A **tuition freeze** has been in place for Ohio students who began prior to the guarantee for six straight years. The graduating class in spring 2019 will be the fourth paying the same tuition as in 2012-13.
- A **25% summer tuition discount** saved students \$9.2 million in 2018 compared with fall/spring rates while also providing additional opportunities for students to reduce their time to degree.
- Ohio State is **eliminating 70% of all course fees** in addition to waiving additional tuition costs for eligible students who take heavy loads, offering in-state tuition to military families regardless of residence and piloting a strategy to deliver digital textbooks that cost up to 80% less than traditional materials. These initiatives will save students up to \$1.9 million a year.

TEXTBOOKS AND TECHNOLOGY

- Our **textbook affordability** program includes the Affordable Learning Exchange, which has saved students \$3 million so far by helping faculty utilize low-cost or open-educational course materials. Beyond this, an inclusive access pilot, called CarmenBooks, is projected to save students more than \$1 million through digital textbooks that reduce costs by up to 80 percent.
- Through the **Digital Flagship** — Ohio State's comprehensive digital-learning initiative — the university provided more than 11,000 incoming first-year students with an iPad Pro learning-technology suite. This program saved students more than \$11 million in technology costs while providing new educational tools and opportunities for career development.

More information: busfin.osu.edu/affordability

STUDENT FINANCIAL AID

- The **Buckeye Opportunity Program** covers any gap in the full cost of base tuition and fees for Pell-eligible, in-state students. The program, which launched in the 2018-19 academic year, is expected to benefit about 4,000 students in Columbus and on our regional campuses.
- The **President's Affordability Grant** program, established in 2015, provides financial support of up to \$2,250 to approximately 15,000 low- and moderate-income Ohio students annually.
- **Land Grant Opportunity Scholarships** were expanded last year to cover the total cost of attendance (the scholarships previously covered tuition only). We also doubled the number of scholarships, which support Ohio students who demonstrate academic merit and financial need, to 176.
- Our **completion grant** program helped 160 seniors work toward their degree in 2017-18, up from seven in 2011-12. These grants go to seniors who are very near to graduation and unable to register due to a financial hold on their records, helping those who might otherwise drop out of school reach their degrees.

ANSWERS TO FREQUENTLY ASKED QUESTIONS

- **How does the university afford these initiatives?** Since launching an administrative efficiencies program in 2015, Ohio State has produced \$112 million in savings that are being redirected to student financial aid and the Digital Flagship. The university is on track to exceed \$200 million in efficiency savings through 2020, surpassing a five-year goal.

The university also directs proceeds from innovative funding projects to academic priorities. For instance, Ohio State invested \$800 million from the Comprehensive Energy Management Project in endowments that provide more than \$30 million a year for student scholarships, teaching excellence, faculty positions and sustainability projects.
- **How does Ohio State's tuition compare to peer schools?** In-state tuition at Ohio State ranges from \$10,037 to \$10,726, depending on a student's start date. That ranks the university near or below the median of all Big Ten schools (7th to 10th most affordable of the 13 public institutions). Nonresident tuition (\$30,053 to \$30,742) is also at or below the Big Ten median.

In Ohio, the university's in-state tuition is the most or second-most affordable among selective public universities. (Kent State is \$10,613.)
- **What about student debt?** Ohio State's efforts are focused on helping reduce students' need to borrow. In 2016-17, the most recent year for which comparison data is available, 47 percent of Ohio State undergraduate students graduated with no debt. The average among public four-year universities nationally was 43 percent, with the average among these institutions in Ohio at 38 percent. For those who did borrow, debt at Ohio State averaged \$28,158 compared to \$27,293 nationally and \$29,465 among all Ohio public four-year universities.

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