



**Ohio Conference of the American Association of University Professors**

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Testimony of John T. McNay, Ph.D.

Ohio Conference of the American Association of University Professors

Before the Senate Higher Education Committee

Senator Stephanie Kunze, Chair

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Chair Kunze, Vice Chair Gavarone, Ranking Member Williams, and Members of the Higher Education Committee:

My name is John McNay, and I am president of the Ohio Conference of the American Association of University Professors (AAUP), which represents 6,000 faculty at public and private institutions of higher education across the state. I am also a professor of history at the University of Cincinnati. I am here today to express my association's views on House Bill 166, the state operating budget.

**SSI and OCOG Funding**

In order to make Ohio's colleges and universities more accessible and academically competitive, with high-quality faculty, the legislature must give greater support to the main funding stream to our public institutions – State Share of Instruction (SSI). We appreciate the modest increases to the SSI line item. But they are modest. Over the biennium, these increases amount to about \$80 per student, while the budget also allows institutions to increase tuition by hundreds of dollars. It is not the case anymore that students can work minimum wage jobs to pay for college. We ask this committee to seek additional resources to enhance SSI and be open to pursuing new revenue in order to achieve that.

As you know, the General Assembly and Governor recently agreed to a gas tax increase to fund Ohio's crumbling infrastructure. As a result of this tax increase, we will see potholes filled, bridges repaired, and other improvements to make Ohio's transportation system safer.

Higher education investment is not something as tangible as filling a pothole. The investment, however, is just as important for the well-being of our state. We know that the more accessible that we make higher education, the more people that will seek degrees. The more people that earn degrees here are more likely to stay here, pay higher taxes here, start their own businesses here, and so on. The return on investment is exponential.

This is particularly why helping lower-income Ohioans pay for college is a critical component to helping our state reach its lofty certificate and degree-holder goals. The \$47 million addition to the Ohio College Opportunity Grant (OCOG) over the biennium is a much-needed infusion to this grant; but again, we can and should do better. OCOG particularly helps students from urban and rural districts, who often come from disadvantaged socioeconomic backgrounds and need the most assistance.

**The SSI Funding Formula**

Under Gov. Kasich, the SSI funding formula was significantly altered from one based primarily

on enrollment to one based primarily on course completions and graduations. The new formula also eliminated the separate funding stream to regional campuses. This has hurt open access campuses, which admit all students, and has further benefitted selective institutions, which admit only students most likely to complete courses and graduate.

State government needs to support institutions that have a mission to educate everyone, particularly regional campuses, which often are students' gateways to a earning a degree. Because of the changes, as it stands now, main campuses can drain away revenue that was intended for the regional campus' open access mission. We believe that is undermining the original intent of the creation of the regional campuses and should be reversed.

While we are not opposed to some funding based on course completions and graduations, the model is weighted so heavily in that direction that the state is no longer providing opportunity to Ohio students in the same way that enrollment-based funding provided. The only way we are going to generate more degree holders in this state is to lift the financial burden for those who cannot afford it.

A Columbia University study looked at the impact of the new formula in Ohio in 2015 and found that the state's universities were moving resources from financially-needy students to high-achieving students who were more likely to pass classes and graduate (and thus generate financial return).

Further, we caution the committee about adding employment metrics to the SSI formula. We understand that the language in HB 166 merely establishes a committee to determine such criteria for the next biennial budget; however, we believe this will overcomplicate a formula that already needs work.

We have to remember that our public institutions of higher education exist first and foremost to educate and produce well-rounded citizens. Yes, we want to see all of our graduates become gainfully employed, but if we start tying funding to employment, what it ultimately will do is incentivize institutions to reduce and eliminate certain programs. This would be a mistake. We need liberal arts education to help our students develop critical thinking skills, which make them adaptable in an ever-changing economy.

Right now students have a lot of free choice to find a path in their lives. We support enabling our students to create the kind of life they want. We could not support a plan that would block that and engage in some kind of social engineering. A recent study shows that Humanities graduates, contrary to popular belief, do find employment and are happy in their careers. I will send the study, done by the American Academy of Arts and Sciences, to members of the committee for their review.

#### More Focus on Quality, Less on "Time to Degree"

"Time to degree" has become the latest mantra in Ohio higher education. Rather than increasing investment to make earning a degree more affordable, the state has pursued ways to speed students through their education. This is shortchanging students of a complete education.

We support gifted students being able to earn college credit through the College Credit Plus (CCP) program. However, CCP has proliferated too quickly without sufficient time to study its impact. CCP strictly should be taught by college professors and be a way to expose students to

the rigor of college courses. High schools should prepare students for college, not try to replace it.

Another increasingly popular fast-track to a degree is competency-based education (CBE). If we are to award competency-based education (CBE) credits in Ohio, and have those credits recognized by Ohio institutions, they should be developed by faculty at our existing institutions. Only then can we be assured that the CBE credits meet strict criteria and that CBE credit is awarded only in areas where it is appropriate, such as in certain technical fields where competency is cut and dry and easily ascertained.

We fully support the House's amendment to end the state's relationship with Western Governors University, which has a dubious record for student success in offering CBE. WGU's undergraduate graduation rate is only 28 percent. Admittedly, most of WGU's students are in graduate programs, but they report an overall graduation rate of 50 percent, which for graduate programs, is quite low.

Moreover, the federal Department of Education conducted an audit on WGU and found that, because of the lack of faculty contact, WGU was not a university but a correspondence school and ineligible for federal aid. Ohio should make the same determination for state aid. Since that time, the department has, under political pressure, backed away from that finding, but we think they were right the first time.

Discount versions of education, like discount versions of surgery or car repairs, are no bargain. Ohio needs more degree and certificate holders, but we need those degrees and certificates to hold value.

#### Transparency and Management

As stewards of taxpayer money and student tuition dollars, it is important for our public colleges and universities to be as transparent as possible. We believe institutions should be more forthcoming with their budgets. Using universities own self-reported data, they are spending less than 25 percent of their budgets employing faculty. Greater transparency, we believe, could hold institutions more accountable for focusing resources on the academic mission.

Unfortunately, institutions also have grown increasingly secretive with presidential searches, asking those selected for search committees to sign non-disclosure agreements, and selecting the new leader without an opportunity for the wider campus community to meet and vet the finalists. The rationale for secrecy is that they will not get quality candidates with an open search, but there is little evidence to support this idea. After several Ohio institutions have undergone challenges with leadership, it is more important than ever to have open searches.

Also in that vein, we believe the Ohio Department of Higher Education must provide greater oversight of presidents and trustees. Some of our institutions have been mismanaged badly without any accountability.

I appreciate your time and the opportunity to testify today. I would be happy to answer questions the committee may have.