

**Ohio Senate
Higher Education Committee
HB 96 Operating Budget**

***Testimony of Kent A. Trofholz, Executive Director
Ohio-Michigan Association of Career Colleges and Schools***

May 13, 2025

Good evening Chair Roegner, Vice-Chair Timken, Ranking Member Ingram, and members of the Higher Education Committee, my name is Kent Trofholz, and I'm the Executive Director of the Ohio-Michigan Association of Career Colleges and Schools, or OMACCS. OMACCS is a membership organization dedicated to advancing the interests of Ohio's career colleges and schools and the students they serve.

Thank you for the opportunity to discuss how career education contributes to Ohio's workforce, and specifically address the critical need for the Ohio College Opportunity Grant (OCOG). We are grateful for the Governor and the General Assembly's recognition of OCOG's importance in paving the way to high-quality jobs.

Meeting the needs of students and Ohio's workforce

Lt. Governor Tressel emphasized his support & commitment to Ohio's workforce development and higher education, and since our sector's expertise is in career education. THIS IS WHO WE ARE!

Our career colleges' focus on workforce development and workforce preparation, is our sector's expertise with a proven track record of success. Our career colleges remain a viable and nimble player in the workforce development arena while continuing to re-fuel our local economies with experienced graduates in high demand occupations.

These aspirations for state-supported initiatives mirror what career colleges already excel at and make our mission: putting students' needs at the heart of instruction, from enrollment to graduation to placement into better jobs, as fast as possible.

Career colleges play a key role in the state of Ohio's education vision and workforce development strategy. Career colleges help fill the skills gap, while supplying the workforce with well-trained employees to grow Ohio's economy.

Our sector enrolls more than 56,581 students a year, of which, more than 8,387 are in degree-granting programs. Of Ohio's 200 career colleges and schools, 52 Ohio institutions are degree-granting. A few of our degree-granting member career colleges in Ohio are Fortis College, East Ohio College, Ross College, DeVry University, Hondros College, Stautzenberger College, Ohio Business College, Valley College & Davis University, to name a few.

All career colleges and schools in Ohio are overseen by the State Board of Career Colleges and Schools, and colleges offering associate degrees or above are also overseen by the Ohio Department of Higher Education.

Career college graduates ready for in-demand occupations

Our qualified graduates are filling Ohio's most in-demand occupations. **90 percent of career college students earned degrees in the fastest-growing occupations of trades, health care & technology**, as reported to the Integrated Postsecondary Education Data System (or IPEDS). Historically, a degree in "business" has been the third fastest growing occupation, and as of this year, the "trades" industry has become the third fastest growing occupation, which includes the fields of Truck Driving, Welding, HVAC, Auto & Diesel Mechanics, and Construction.

Here's the best proof of the preparedness of career college graduates: **77 percent of our graduates secured employment in their field within 90 days of graduation**, as reported by IPEDS.

Because many of our students are older Ohioans with families and roots in their communities, they are more likely to remain in the state and apply their new skills in their local economy.

A few of our top employers hiring our graduates are **OhioHealth, Mt. Carmel, University Hospital, Children's Hospital, Cleveland Clinic, Mercy Health, Kettering Health, Cleveland Medical Center, MedVet, Metropolitan Veterinary Hospital**, and the **Defense Finance Accounting Services**.

Career colleges serve the economically disadvantaged

Data from IPEDS show Ohio career colleges continue to educate the most under-served populations in the state relative to the other educational institutions. Women, minorities and older students already in the workplace are enrolled in career colleges more proportionately than other institutions of higher learning.

Women currently represent about 70 percent of the enrollment at career colleges. That average is about 10 - 14 percent more than other colleges and universities.

Serving Ohio's minorities

Turning to minority student enrollment, more than 40 percent of the total student population at our degree-granting career schools are minorities, higher than our higher-education counterparts. About **39 percent** are African American and about 4 percent are Hispanic/Latino.

Educating older adults

Career colleges serve an older student population, with **60 percent of our students are 25 years of age or older**. Many of the older career college students are workers who are looking for a fresh start in the job market or need retraining. Most of them do not receive

financial support from their parents and are funding their own education while paying bills and raising a family of their own. Many have tried public universities but found a career college model better suited to their educational goals and need for schedules that accommodate their jobs and families.

Accelerating graduation

Graduation rates are a significant measure of how well institutions of higher education are performing, and career colleges outperform our public-sector peers. Although we're always striving for higher numbers, our **54 percent** graduation rate is remarkable considering the challenges our non-traditional students face. Only non-profit, private universities post better results.

Competitive tuition

Let's turn to tuition. Often, career colleges are stereotyped as prohibitively expensive places for students to learn; the average annual cost of tuition at Ohio career colleges, \$19,723, is higher than all of Ohio's tax-supported community colleges, state universities and their branches, while lower than the non-profits at \$22,647.

It is also true tuition is higher at career colleges than at public universities, in large part because our schools receive no state subsidies and, our schools are tax paying businesses.

As it relates to student tuition, the career education model of higher education is devoid of many of the intrinsic costs four-year public and private universities must sustain, such as sports stadiums, student housing, workout studios, student unions, and other facilities. Our colleges don't have these facility maintenance costs to pass on to students in the form of higher tuition and student fees.

Perhaps more to the point is rather than depend on Ohio taxpayers to subsidize our operations, we respond to the marketplace; this makes us nimble in meeting employer needs, quickly adding faculty and programs to train students in fast-growing occupations.

Educational value and return on investment

Appraising the value of higher education credentials involves more than the price of tuition, however. What students desire from their education is based on their unique circumstances. In this respect, a certificate or degree isn't much different from anything of value a consumer buys. Compare a compact car priced at \$30,000 with a full-sized pick-up truck priced at \$60,000. Objectively, the compact is more affordable and more economical, if price and savings are the only considerations, however, the owner of a construction company who needs a pick-up truck to operate his or her business will opt for the costlier pick-up.

In a similar manner, our students research their options through filters, evaluating the length of time it will take earn a certificate or degree, and how the credential will increase their earning and career potential after graduation. For them, career education is the answer to getting further faster. **The proof is 77 percent of students are on the job within 90 days of graduation as reported by IPEDS.**

Students tell us they value the flexible schedules, small campuses and classrooms, low ratio of students to faculty, and personal attention. These benefits enable them to stay in college, complete their degrees, and move into jobs for which they have prepared.

As long as Ohio's career colleges and schools continue to provide a high-quality education leading to meaningful employment and career advancement, thousands of women, minorities, veterans, and low-income Ohioans will prioritize career education.

The return on investment not only benefits college graduates, but all Ohio residents who enjoy a better economy and quality of life when people are fully employed in the jobs building our state's economic future. Many of our students are overcoming family legacies

of dependence on social safety net programs. When we improve their opportunities in life, we also increase their independence and create new taxpayers, not tax users.

Our sector's commitment to scholarship aid

Most of our students are financially independent of their parents, and pay their own way through school, while simultaneously paying rent or a mortgage, a car loan, medical bills, childcare, and in many instances, saving for or paying for their own children's college education.

They cannot fund the cost of education entirely out of their own pockets and need the help of scholarship aid. There are three financial sources to fill a potential student's tuition bucket: federal aid, such as the Pell Grant, personal borrowing, and scholarships.

I'd like to tell you about two sources of intuitional-based aid unique to our sector. First, the *LEADS! Scholarship*, an acronym for *Leadership, Excellence, and Dedication Scholarship*. The scholarships are awarded to high school seniors who meet qualifying criteria. Participating colleges and schools provide in-kind donations to supplement the student's tuition or cover it 100 percent. The target audience is high school seniors who may not be interested in attending a traditional institution or want to attend a career college that offers programs that may not be available in traditional post-secondary institutions.

The second source of tuition aid is our Workforce Tuition Scholarship, funded by a non-profit foundation overseen by OMACCS with its own Board of Directors. Funding is generated through a portion of the Association's online courses and deposited directly into the foundation's bank account. Our target audience is financially needy students currently attending one of our member career colleges and schools or registered to attend.

Since OMACCS offers the LEADS! Scholarship program and Workforce Tuition Scholarship Foundation to all schools, 100 percent of our member schools have access

to scholarships to offer their students. During this academic year, we have a total of 97 available scholarship available to college-bound high school seniors, totaling approximately \$220,000 in scholarship aid.

In addition, approximately one-third of our member schools offer one or more scholarships from external sources, ranging in amounts up to \$15,000.

The importance of OCOG

One of the most vital and widely used forms of tuition assistance is the Ohio College Opportunity Grant (OCOG).

A big part of the mission at a career college is working closely with students to help them develop a financial plan, flexible class schedule, and a pathway to minimize obstacles that otherwise might prevent them from graduating and attaining their educational and career goals. On average, about 95% of our total students receive some form of financial aid.

For the 2024 - 2025 academic year, career college students are allocated \$2,000 per student in OCOG funding. Relative to the cost of college tuition, that is not a lot of money. But if not for OCOG, thousands of Ohioans would never seek career advancement and better-paying jobs because they simply could not afford the opportunity.

As established adults, our students are supporting families and paying rent or a mortgage, a car loan, and childcare. As an indicator of financial need at career colleges, an average student's income is \$26,209. OCOG fills the gap between tuition and what students bring to the table in personal income, Pell grants and loans. OCOG also means students can take on less debt.

Let me get specific about the proposed OCOG budget in House Bill 96. The previous biennial budget was the first time since the recession of 2008, that the annual OCOG

grant amounts were codified in state statute. We appreciate Chancellor Duffey's decision to continue this practice. Below are the proposed grant amounts in HB96 for all three (3) sectors of Higher Education (Public Institutions, Private Non-Profit & Private For-Profit).

OCOG Awards for Full Time Students

| Sector | FY 2008-2009 | Current 2023-2024 | Current 2024-2025 | HB96 2025-2026 |
|---------------------------|------------------------------|------------------------------|------------------------------|---------------------------|
| Public | Avg. \$1,399 Max. \$2,496 | \$3,200 | \$4,000 | \$4,000 |
| Non-profit | Avg. \$2,799 Max \$4,992 | \$4,700 | \$5,000 | \$5,000 |
| Career College | Avg. \$2,213 Max \$3,996 | \$1,850 | \$2,000 | \$2,000 |

I'm sure you'll notice, students attending public institutions and non-profit colleges & universities continue to receive double & beyond the grant amount awarded to students attending for-profit career schools. Let me remind you, these grant amounts benefit the students directly. OCOG is a vital component of a student's financial resources, along with the Pell Grant, scholarships and personal borrowing.

While all of Ohioans have experienced the impact of inflation, so too have students who have chosen to seek and improve their economic status via one of Ohio's Career Colleges & Schools.

Our members respectfully request the General Assembly increase the career college students' OCOG grant to more closely mirror the amounts of the other sectors as referred above. OCOG is intended to financially assist a student "in-need" to seek a higher education degree, regardless of where they attain that degree.

Our members feel the grant amount should NOT discriminate against a student simply because they choose a career college to pursue their nursing degree (as an example) over one of Ohio's public or non-profit nursing schools. Each student regardless of where they may have received their nursing degree is improving their long-term career path and becoming more contributing individual members of our society.

We have communicated our request to the Department of Higher Education to reconsider the OCOG amount for Career College students. We appreciate Chancellor Duffey's willingness to engage on this issue and hear our concerns.

We look forward to working with the members of this committee and Chancellor Duffey to assist in rectifying these disparities referenced above, for students attending our Ohio Career Colleges & Schools.

Ohio's career colleges continue to be an economic driver for our state workforce. We are grateful HB 96 recognizes the need for OCOG for our students. The Ohio-Michigan Association of Career Colleges and Schools urges your support of OCOG, and HB 96. OCOG is an investment in individual human potential and in Ohio's economic future.

Thank you. I'm happy to answer any questions you have.