



Proponent Testimony on the FY 2023-24 Capital Budget
Community College Capital Projects
Tuesday, May 31st, 2022

Chairman Dolan, Vice Chair Gavarone , Ranking Member Sykes and members of the Senate Finance Committee, thank you for the opportunity to provide testimony in support of the FY 2023-24 Capital Budget appropriations. I am Jack Hershey, President and CEO of the Ohio Association of Community Colleges (OACC), which represents the presidents and trustees of the public two-year institutions from throughout Ohio.

Let me begin by expressing our gratitude to Governor DeWine and the House and Senate leadership for agreeing to provide capital funds for Ohio's public institutions of higher education. In addition to providing support for many of ODHE's statewide projects, the capital budget includes \$400 million in capital funding for Ohio's colleges and universities: \$300 million is slated for university projects and \$100 million is allocated for community colleges.

The process for our two-year institutions began by examining a list of principles to ensure that college projects aligned with the state's overall priorities, which include:

- Focus on maintaining the investment the state has already made in existing campus facilities.
- Reflect the needs of today's student by strengthening their learning environments.
- Increase Ohio's competitive advantage by capitalizing on our existing strengths.
- Strengthen our ability to respond to new or increased workforce development opportunities in the state.
- Encourage joint efforts to reduce costs and generate ongoing efficiencies.

All twenty-three community colleges evaluated their long-term capital plans and developed their requests with these guiding principles in mind. With limited revenue streams and aging facilities – where many buildings are 50 or 60 years old – college leaders know the importance of protecting the state's prior investments in our campuses. In fact, every dollar in this capital budget allocated to community colleges is dedicated to maintenance or basic renovations of existing space, not for new buildings.

While each community college has a long list of needs that would improve how we meet the workforce training needs of our local employers, we have prioritized the need to maintain and repair our current facilities. OACC's requests predominantly include addressing a growing list of maintenance repairs for heating systems, electrical and plumbing systems, roof and window replacements, upgrades to existing classrooms or labs, as well as the need to increase spending on campus safety and security projects.

In April, Auditor of State Keith Faber released a performance audit on the facilities inventory of Ohio's public colleges and universities. The performance audit outlined ways to determine future capital investments, whether it be through maintaining existing buildings, constructing new ones, or right-sizing space that responds to the enrollment trends and needs of students.

One of Auditor Faber's recommendations included updating ODHE's statewide strategic plan to guide capital spending plans and facility decisions. As the audit stated, "Many of Ohio's higher educational facilities were built in the late 1960s or 1970s. These facilities, which are 50 to 60 years old, are reaching the end of their useful life cycle, and institutions are currently facing the decision to renovate or replace existing structures." OACC looks forward to working with ODHE on addressing recommendations in this performance audit and in developing an updated strategic capital plan that we hope will consider resource capacity, facility age and space utilization.

As many members of this committee will recall, OACC has long believed that the state's allocation primarily rewards institutions for having a large amount of campus square footage and that there are better measures that should be considered when making this allocation. We operate on less than half the tuition price of the state's average public university which often constrains our resources, which is why community colleges rely far more on state capital funding to for our ongoing maintenance needs.

During the current capital process, Governor DeWine's senior policy staff met with several community college presidents to discuss the pressing capital needs of our two-year campuses. We appreciate that the DeWine Administration listened to our concerns, and we look forward to working with state leaders to ensure our institutions will have the resources and facilities necessary to meet the growing demands of Ohio's emerging industries.

In conclusion, I want to end with a simple thank you. Thank you for fully recognize the economic benefits of this funding to both our colleges and their communities. Our colleges have always prioritized projects that put people into careers by preparing them for local in-demand jobs. Ohio's community colleges are grateful for the ongoing support from our state's leaders to help us deliver affordable and accessible educational and job training opportunities to meet the workforce needs of the employers and communities we serve.