



Todd A. Diacon

President

Chairwoman Manning, Ranking Member Jarrells, and members of the House Finance Subcommittee on Higher Education, thank you for the opportunity to provide proponent testimony on House Bill 33, the state's biennial budget bill.

I'll begin my testimony today with an observation about Ohioans, coming from someone...from me...who is not native to this state, as I was born and raised in Kansas.

Ohioans do great things. They make virtually all the items that we consume in our lives. Duck Tape? Check. Neon spray paint? Check. Paints and coatings of all kinds? Check. Manufactured goods of every size and level of complexity? Check. World class healthcare? Check. In addition, Ohio farmers feed us.

But here's one thing Ohioans are distinctly bad at: calling appropriate attention to their successes. Kansans are like that, too. Ohioans do so many great things, and produce so many innovations, but mostly they don't brag about these successes. Ohioans just go about doing their jobs. Better to be a doer than a talker, for certain.

But sometimes not recognizing success can paint a false picture of problems being present, or even a false belief that we are failing, when in reality we are succeeding. This brings me to higher education and the governor's budget proposal for higher education.

In 2013, Ohio legislators voted in a new approach to public funding of higher education, one that I refer to as 100% performance funding. In Ohio, universities only receive their share of the state subsidy of instruction when students pass courses and when they graduate. In many states even until today public universities' state funding is based not on performance, but solely on the number of students they enroll. In those states, and a decade ago in Ohio you didn't actually have to teach and graduate students to earn state funding, you just had to enroll them.

So let me say this clearly, and let me brag on Ohio, and on your predecessors who made performance funding the law of the land here: Ohio is best in the nation in demanding that public universities perform to earn their share of the state subsidy of higher education. We have to perform in Ohio, and 100% performance funding means absolute accountability when it comes to receiving support from the taxpayers of the state. Kent State doesn't earn a nickel of state support until and unless it teaches its students well enough to pass courses and earn degrees. That strikes me as the very definition of accountability.

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With full accountability fully established, I am here today to give my strongest support to Governor DeWine's proposed budget for higher education. I could focus on all aspects of the proposal, ranging from the proposed increase in the State Share of Instruction to the first of its kind merit scholarship proposal for Ohio. Instead, I want to call your attention to the proposal for expanding both the eligibility for, and award amounts of, the Ohio College Opportunity Grants (OCOG) which go directly to Ohio students. By passing this initiative, and by passing the entirety of the Governor's proposal for higher education, you can rest assured that with performance funding your additional investment in higher education will pay real dividends for Ohio students and families.

Within this environment Kent State University continues to focus on access, accountability, and degree completion. Ours is a proud history of being an access institution, one that serves the education and workforce needs of Ohio through our 8-campus system whose footprint is roughly the size of Connecticut. Kent State was recently recognized as an R1 (or very high research) institution which is the highest research ranking a university can receive which makes us one of the top 146 research universities in the U.S. This designation will accelerate research partnerships with Ohio based companies with the potential for scientific breakthroughs in health and the advance materials fields, just to a few areas.

We have always looked first to broaden the pool of students enrolled and earning degrees. As I like to say, at Kent State we are a university not just for the fortunate few, but also for the meritorious many. On our Kent campus, more than one-third of our students are the first in their family to attend college, and that percentage climbs to well over 50% for our regional campuses. On the Kent campus, a third of our students have the highest levels of financial need, rising to double that percentage for students on our regional campuses. We graduate more than 10,000 students a year. Let me say that again: we graduate more than 10,000 students a year. That's more annual graduates than the total enrollment of other schools in the state, and many of our graduates work in your offices, and in the offices of state officials. All told, 63% of Kent State alumni live and work in Ohio.

Here are just a few examples of how Kent State and our alumni are meeting Ohio's workforce needs: In the field of aviation, Kent State's College of Aeronautics and Engineering has the largest aircraft fleet in the state, logs the most flight hours of any of Ohio's aviation programs, and is the only program with pathways to every major airline that has a gateway program. At the Kent State College of Podiatric Medicine, one of only 10 podiatric colleges in the country, 80% of podiatrists in the State of Ohio track their degree back to our college. And we are meeting the call for new nurses with the largest Bachelor of Science in Nursing program in Ohio where 90% of our nursing graduates stay in Ohio upon graduation.

Because of those alumni and university operations, a recently commissioned economic impact study finds that Kent State creates \$4.9 billion dollars of economic impact annually. That means that for every dollar we are awarded by the state, we return \$9 dollars and 47 cents into the economy. We have made these contributions while seeking additional philanthropic resources to support our students and right-sizing the organization in operations and employment,

including the reduction of employment by 661 FTEs post-pandemic (vs pre-pandemic) across the university.

The expansion of OCOG eligibility and award amounts promises to do for the states' citizens what we have been doing for Kent State students. At our Kent campus two years ago, we implemented the Flashes Go Further Program, redistributing \$20 million a year in base funding from a total \$650 million budget to ensure that roughly 22-24% of our students with the highest levels of financial need will not have to borrow money to pay for tuition and central fees. I'll say that again: nearly a quarter of each entering freshman class on our Kent campus qualifies for the Flashes Go Further program, and as a result roughly 1,000 new students each year will not have to borrow money to cover tuition and central fees. And, next year we will expand eligibility even further to reach into the middle class, so that Ohioans with family incomes as high as \$100,000 a year will receive at least partial Flashes Go Further benefits.

This is exactly what the Governor's proposal will do for the entire state if passed by the Ohio Legislature. Particularly by expanding the OCOG program, and with a modest and well below inflation increase in the state share of instruction, we will expand access to a college education for those not only with the highest levels of need, but also by beginning to reach into the middle class to support these hardworking Ohioans in their quest to earn a transformative college degree.

In closing, I wish to thank Governor DeWine for his support of higher education, and also Chancellor Gardner for his leadership. Ohioans, like all of you today, understand that earning a college degree should not be just for the fortunate few, but also for the meritorious many. Thank you for the opportunity to provide you with my testimony today. And thank you for your continued and expanded support for this generation and future generations of Ohio college students.