



Comparing Colleges

A report to the Ohio Association of Career Colleges and Schools



April, 2011





April 9, 2011

Mr. R. David Rankin, Executive Director
Ohio Association of Career Colleges & Schools
1328 Dublin Road, Suite 200
Columbus, OH 43215

Dear Director Rankin:

Enclosed please find our final report to you and members of the Ohio Association of Career Colleges & Schools that provides a comparative analysis of career colleges and Ohio's tax-supported state colleges and universities and the state's non-profit colleges and universities.

To our knowledge, this is the first comprehensive study of its kind. We are providing this final report to you subsequent to our testimony on behalf of the Association before the Ohio House Sub-Committee on Higher Education on April 5. An executive summary of this report was distributed at that time.

Your members should know that this report reflects new and updated statistics since we provided members of your board with a preliminary report in late March. Following that meeting we were apprised of new data and information that prompted us to update and refine our earlier report.

While we think the short narrative will provide you and your members with important new information about career colleges and their peers in the public and non-profit colleges and universities, the tables and other data that appear as attachments to this report provides rich detail, even on a regional basis.

As you are aware, in addition to this research, we have finally developed for you a database that includes nearly 1,800 pages of data on 200 public, private, non-profit and career colleges and universities in Ohio. This new database will enable you and your members to conduct spot research of your own as the need arises.

As always, thank you for turning to Underwood & Associates for your research requirements. We are proud to include you in our list of prestige clients.

Very truly yours,

Jim Underwood

JIM UNDERWOOD
President
Underwood & Associates



Comparing Colleges

A report to the Ohio Association of Career Colleges and Schools

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OACCS
Ohio Association of Career
Colleges and Schools

This report is being drafted as state officials attempt to resolve an estimated \$8 billion funding gap between government receipts and expenditures. Only within the past few weeks has newly elected Ohio Gov. John Kasich unveiled a state budget of historic proportion that calls for cuts, consolidations and elimination of some state government programs.

Comparing Colleges: A Report to the Ohio Association of Career Colleges and Schools

New and revised report

For those who saw earlier drafts of our research, this is a new and revised report. This version of our research incorporates some late-breaking data and includes corroborating statistics from the Ohio Board of Regents and the *Complete College America* group. Additionally, some who saw earlier drafts of our research recommended showing the distribution of all \$2 billion in state subsidies to state colleges and universities instead of listing the instructional subsidy and capital subsidy separately.

While the focus of this report is more of an operational comparison of career colleges with public and non-profit colleges, the point is well taken that in the private sector, career colleges bear the burden of funding their own capital improvements while community colleges and public universities can rely on tax money to address some of their capital needs. Subsequently, the tables in our report now show the full distribution of the state subsidies, by institution and by region.

We offer this information only because we shared an earlier version of our research with OACCS executives and board members in late March before we testified before the Ohio House Sub-Committee on Higher Education on April 5, 2011. That testimony includes much of what appears in this report. That meeting of the sub-committee, by the way, is the first time Ohio career colleges have been invited to testify with the other colleges and universities in the state.

Setting the Stage

This report is being drafted as state officials attempt to resolve an estimated \$8 billion funding gap between government receipts and expenditures. Only within the past few weeks has newly elected Ohio Gov. John Kasich unveiled a state budget of historic proportion that calls for cuts, consolidations and elimination of some state government programs.

The effort to reduce the projected deficit includes measures that will greatly affect not only state government, but local governments, school districts, colleges and universities throughout the state. Gov. Kasich's budget, for example, proposes a 25 percent reduction in the local government fund this year that will be followed by another 25 percent next year. Layoffs have already begun in some sectors of state government, more are anticipated and the Governor is asking for bargaining concessions and pension adjustments from government workers and teachers at all levels.

The Kasich budget proposes a 3.5 percent tuition cap on state colleges and universities as the state and national economy struggle to find footing in what some have suggested might well be a

The Ohio database we constructed includes thousands of statistics about student demographics, tuition and fees, student loans, default rates, student-faculty ratios and graduation rates.

“jobless recovery.” Although the unemployment rate nationally and in Ohio has improved in recent weeks, unemployment in Ohio continues to hover around the 9 percent mark. It is against this backdrop that the Ohio Association of Career Colleges and Schools ask us to freshen research we conducted for them now more than a year ago and report back to them about the current state of higher education in Ohio and how career colleges and schools and their students are faring compared with their peers in both the state-funded and non-profit colleges and universities.

To achieve that objective, Underwood & Associates constructed a database of 200 Ohio colleges and universities, including data from 80 career college campuses in Ohio. The research is confined only to fully accredited degree-granting institutions. The research reflects only those colleges and universities that offer an associate’s degree or higher. In addition to the career colleges, the research includes data from nearly two dozen tax-supported community colleges, more than three dozen state universities and their branches, and 61 non-profit colleges in the State of Ohio.

How this research was conducted

The data was extracted from the Integrated Postsecondary Education Data System (IPEDS), which is maintained by the National Center for Education Statistics, U.S. Department of Education Institute of Education Sciences. IPEDS is one of the most respected national repositories for education information and data. The Ohio database we constructed includes thousands of statistics about student demographics, tuition and fees, student loans, default rates, student-faculty ratios and graduation rates.

We also included data from the Ohio Board of Regents that shows the more than \$1.67 billion in instructional subsidies paid to tax-supported community colleges and state universities in Ohio.¹ There was another \$357.6 million paid to these colleges and universities as capital expenditures.²

We selected the categories referenced above because those characteristics provide us with the best view of who is attending our state colleges and universities, how much they are paying for their education, what kind of debt they are incurring, what kind of obstacles they are facing in repaying that debt, and how many of them are graduating.

In developing this research, we are, for the first time, looking at our colleges and universities on a micro-level, in eight defined regions of the state. Each of these regions closely approximates the Ohio Metropolitan Statistical Areas used by the U.S. Census Bureau and other government agencies to identify a geographical area with high population density at its center and close social and economic ties throughout the designated MSA region. Readers of this research will find maps and tables attached to this report that identify the eight regions that include:

- Akron-Canton
- Cincinnati
- Cleveland
- Columbus

¹ FY 2011 STATE SHARE OF INSTRUCTIONAL DISTRIBUTION SCHEDULE (7/1/2010– 6/30/2011), Ohio Board of Regents.

² IIBID.

Career colleges in general enjoy an 80 percent placement rate, according to the most recent data from the SBCCS. In 2010, these career colleges and schools posted revenue of \$763.7 million and expenditures of \$547.9 million. The schools paid more than \$222.4 million in wages and salaries last year.

- Dayton
- Southeast Ohio
- Toledo
- Youngstown

In each of those regions, we provide data and information about the mix of colleges and universities that are resident in the area, by classification. In other words, if a reader wants to know about the gender and racial makeup of students in their region, they can explore data that is categorized by community colleges, career colleges, non-profit colleges and universities and public universities.

Readers will find all of this information in a composite attached to this report as Table 1. The composite provides readers with data on both a statewide and regional basis, as well as data by the type of institution. We developed the data in this format to provide readers with a quick comparative reference so they can, for example, determine which sector has the best graduation rate, the highest tuition or the lowest student loan default rate.

A Look at the Career College Industry in Ohio

The State Board of Career Colleges and Schools regulates 311 career colleges, universities and schools.³ This report is focused on about 80 schools that offer degree-granting programs that lead to at least an associate's degree. In total, the SBCCS regulates schools that have an enrollment of nearly 97,000 students.⁴ This research tracks data and information on about 46,000 of those students who are enrolled in various degree-granting programs throughout the state.

These private-sector colleges are among the most regulated higher-education institutions in the nation. In addition to the accreditation requirement, the colleges are regulated by the U.S. Department of Education, the Ohio Board of Regents and the State Board of Career Colleges and Schools.

Career colleges in general enjoy an 80 percent placement rate, according to the most recent data from the SBCCS.⁵ The agency also reported that in 2010, these career colleges and schools posted revenue of \$763.7 million and expenditures of \$547.9 million.⁶ The schools paid more than \$222.4 million in wages and salaries last year.⁷

The schools that are the focus of this report represent about 6.3 percent of the more than 723,000 students enrolled in 200 state community colleges, non-profit colleges and universities, and tax-supported four-year institutions and their branches located around the state.

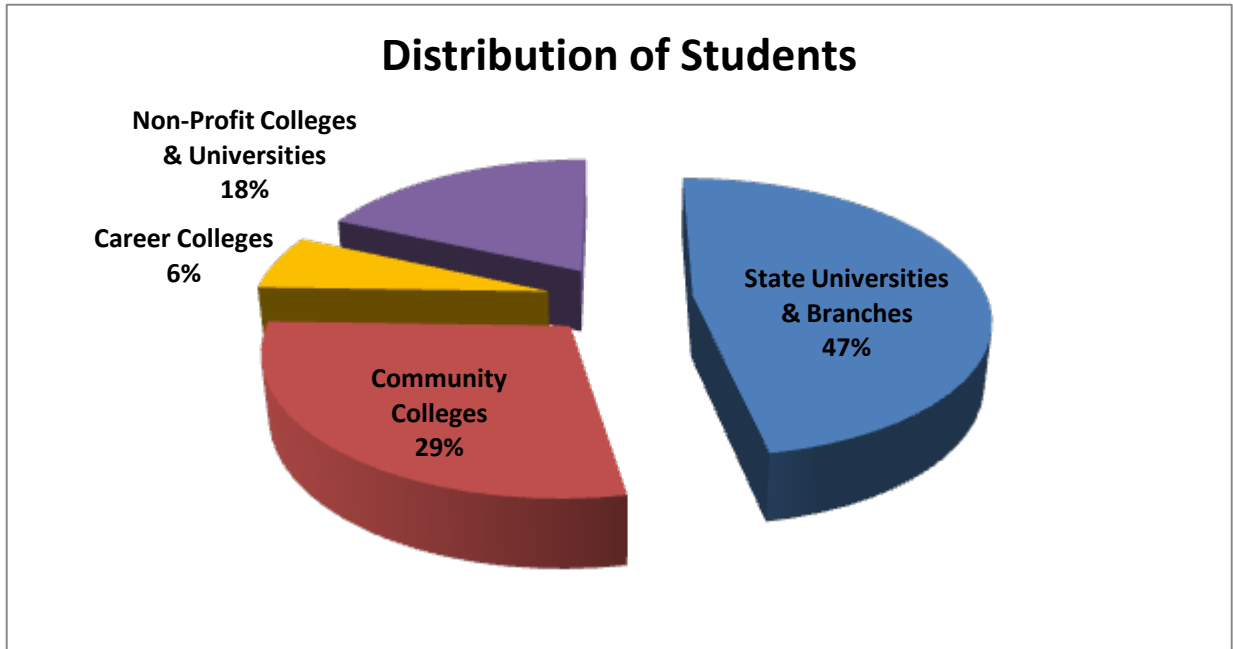
³ State Board of Career Colleges and Schools Annual Report.

⁴ IBID.

⁵ IBID.

⁶ IBID.

⁷ IBID.



A word about the database

Since our first engagement with your group, we have counseled development of an Ohio-specific database that will enable you and your members to access and extract relevant data quickly and efficiently. The data we have captured from IPEDS includes more than 1,700 pages of reports on each college and university in the State of Ohio. We are providing this data to you in Adobe Acrobat format to enable you to easily share the data when questions arise and also to conduct searches for specific data you want.

Adobe Acrobat has a search feature that makes it possible for you to search key phrases that will make it easy to pull data from the whole of the database. For example, in preparation for this research report, we conducted a quality control check by searching for graduation rates. Our keyword search, "GRADUATION RATES BY TIME TO COMPLETION," took us from college to college as we checked the official record to ensure the quality of our data entry.

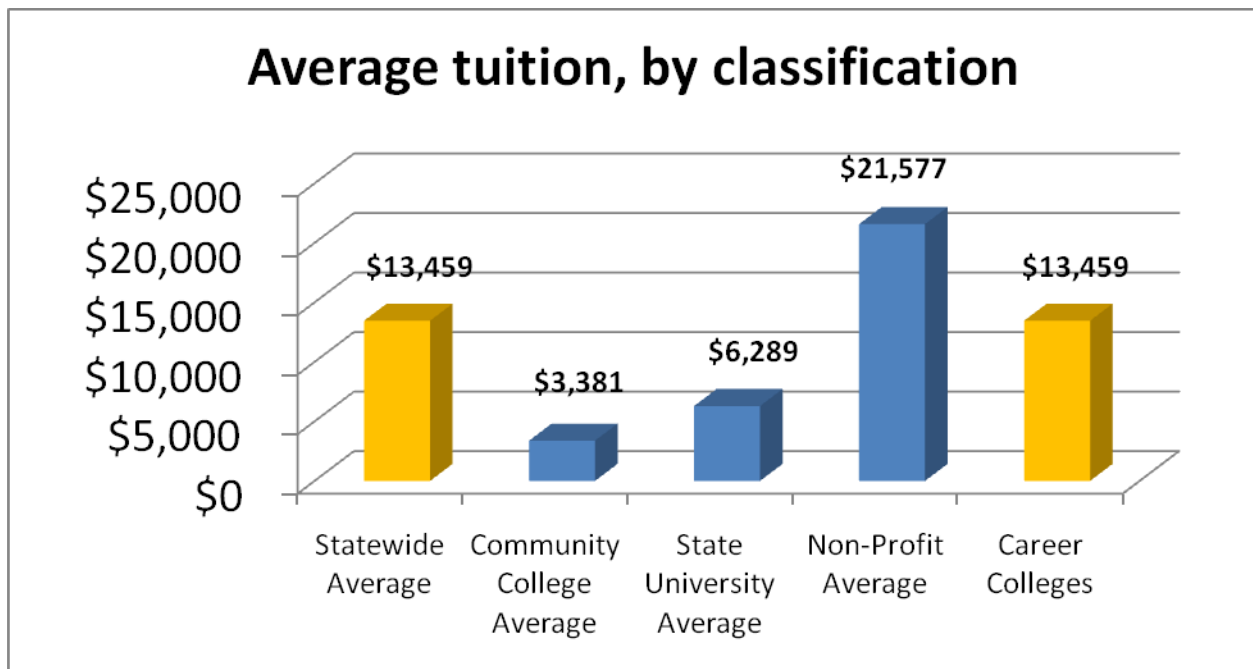
We, of course, will help you learn more about the database and how it works. Suffice we believe this is a valuable new tool that will enhance the operation of the OACCS as well as its member organizations.

The research: Findings and analysis

We found some surprises in this round of research for the OACCS, while some of the data confirmed much we already knew about career colleges in the state. Perhaps the best news for OACCS is that this research, once and for all, dispels the myth that career colleges are gouging students with prohibitively high tuition and fees.

When compared to all 200 colleges in the database, the statewide average for all 200 colleges that are the focus of our research, the tuition is \$13,459 – precisely the average annual tuition for career colleges in Ohio.

When we explored the tuition question in the past for OACCS, the focus was always on how tuition at career colleges compared with tuition at state-subsidized public colleges and universities. But when all of Ohio’s postsecondary educational institutions are included in the calculation, including non-profit colleges and universities, it shows career colleges are clearly competitive.



The other good news that emanates from our study for Ohio career colleges is that the private-sector colleges continue to post better-than-average graduation rates. Based on the data mined from IPEDS, the most current statistics indicate that the graduation rate for career colleges in Ohio outpace community colleges by 38 percent. Tax-supported community colleges in Ohio have a 14 percent graduation rate, compared to a 52 percent graduation rate for Ohio’s career colleges.

We compared our data analysis with an analysis from *Complete College America*,⁸ an organization funded by the Bill and Melinda Gates Foundation. We also looked at data from the Ohio Board of Regents (OBOR) that analyzed the three-year graduation rates at Ohio’s two-year private institutions.⁹ They, too, report the 52 percent graduation rate for Ohio career colleges for those undergraduates who started college in the fall of 2004.

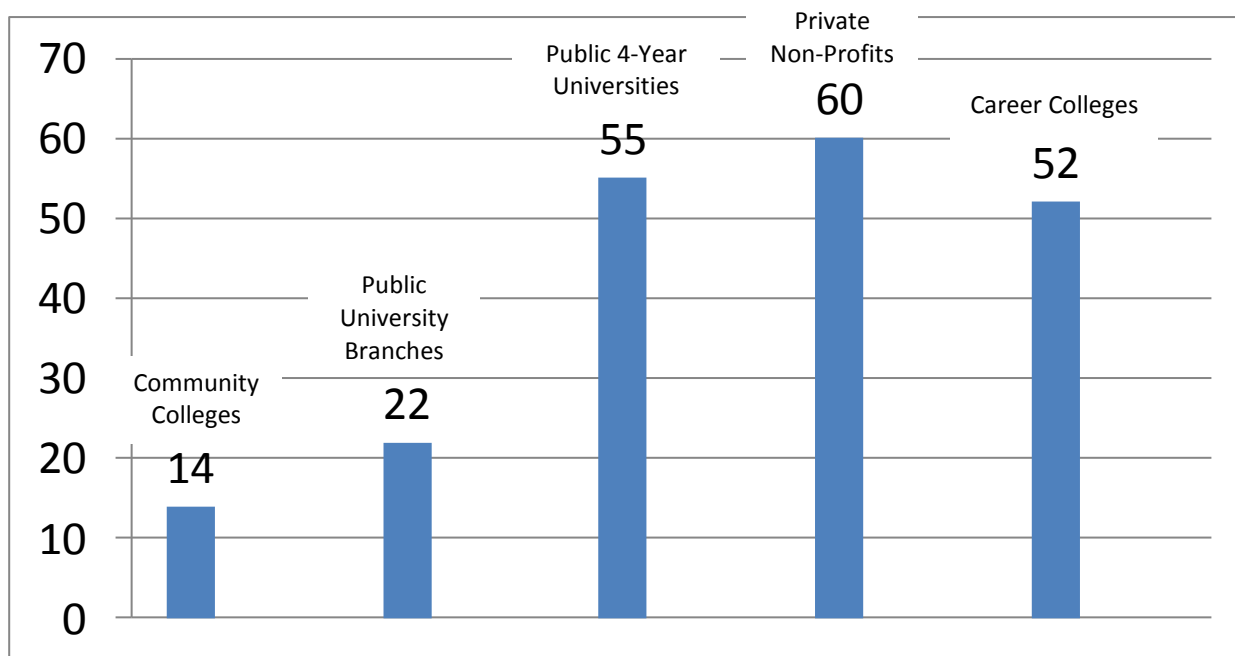
⁸ *Complete College America*, Ohio Alliance of States, Big goals and improved pathways to success, on the web at <http://www.completecollege.org/>

⁹ *Three-Year Graduation Rates at Ohio’s Two-Year Private Institutions*, Ohio Board of Regents, undated.

Older students find that career college hours better fit their work schedules. They were also inclined to attend career colleges because they were more likely to find people there “who looked more like me.”

It is also noteworthy that Ohio career colleges also outpace public university branches by 30 percent. Based on the IPEDS 2007-08 Graduation Rate File, the two-year tax-supported public university branches post a 22 percent graduation rate compared to the 52 percent rate for the state’s career colleges.

The 52 percent graduation rate for career colleges is actually competitive with private non-profits and public four-year universities. All of the foregoing data is reflected in the chart below:



Career colleges also fare better than public colleges and universities in other important ways that might underscore why their graduation performance is better than community colleges and university branches. The student-to-faculty ratio for Ohio career colleges is 18:1 compared to 21:1 for community colleges and state universities. By comparison, the student-to-faculty ratio for non-profit colleges is 12:1. But that smaller classroom at the non-profits comes at a premium. The average tuition for Ohio’s non-profit colleges and universities is \$21,577, according to the data we analyzed.

While a three-point spread might not seem much, it means students are learning in smaller-populated classrooms, which means better one-on-one access and communication with the instructor. That smaller classroom population might also be a reason that older students prefer career colleges over their public counterparts.

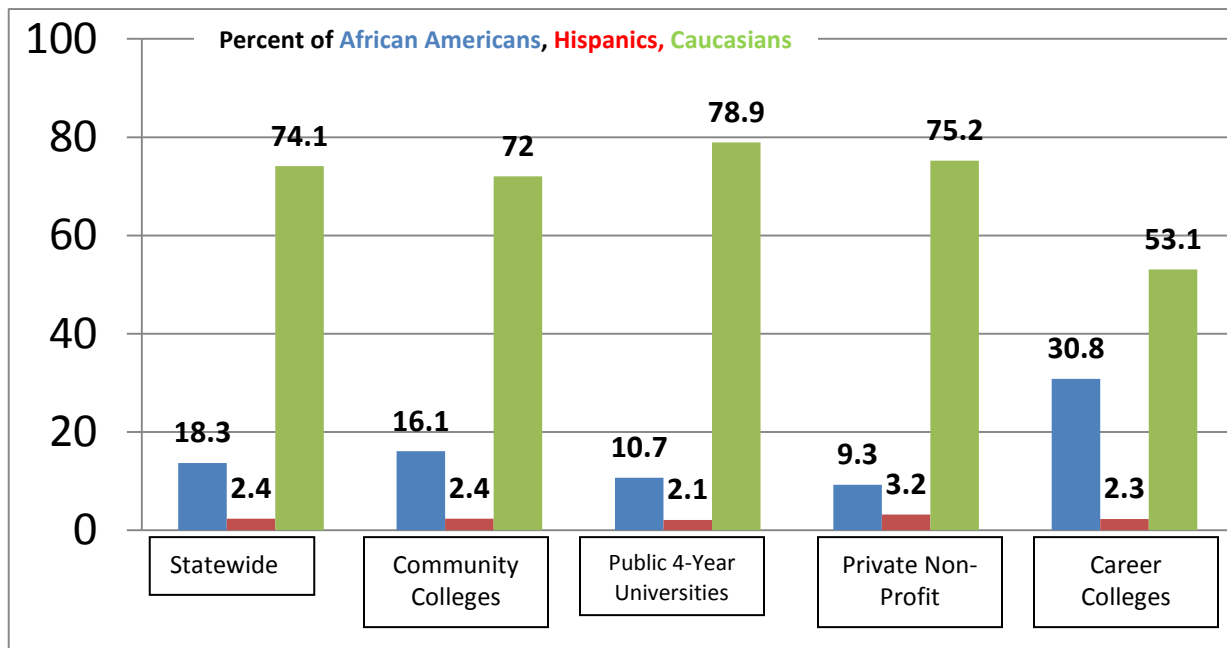
But career colleges also post better numbers for women and minorities, two traditionally underserved groups in higher education. That underserved population also extends to older students, many of whom have a job and are looking to career colleges to enhance their skill set, make them more attractive for a promotion or go back to the classroom for retraining after losing a job.

Collectively, according to our data, public colleges in Ohio and their non-profit counterparts fail even to meet the 12.2 percent population threshold for African-Americans as a percent of the state's population.

In past research, we noted that older students tend to migrate toward career colleges for a variety of reasons. One reason is because older students find that career-college hours better fit their work schedules. Another reason was older workers expressed a preference for career colleges because they were more likely to find people there “who looked more like me.” That might also account for the career-college preference of African Americans who are more likely to attend classes with other African Americans in a career college classroom than a public college or non-profit classroom.

Significantly, the drive by career colleges to educate and train working Ohioans is aligned with many of the state goals established by both Gov. Kasich and OBOR. Kasich has indicated his preference for an accelerated three-year college program and retraining Ohioans and retrofitting job skills to meet future demands are clearly aligned with workforce objectives of the Ohio Board of Regents.

At career colleges, 68 percent of the enrollment is women and about 63 percent of those attending career colleges are age 24 and older. In terms of serving minority populations, the following chart indicates how vital career colleges are to these underserved Ohioans.



Statewide, new census data indicates that African Americans now comprise 12.2 percent of the state's population and Hispanics make up 3.1 percent of Ohio's population. Contrast that with community colleges, public universities and non-profit higher education institutions. Collectively, according to our data, public colleges in Ohio and their non-profit counterparts fail even to meet the 12.2 percent population threshold for African-Americans as a percent of the state's population.

Here in Ohio, career-college students borrow more and tend to default on loans more often than their contemporaries in the public and non-profit schools. Nearly 78 percent of all career college students have a student loan that averages \$8,222 per student.

Currently, only 10.6 percent of the undergraduate enrollment at Ohio's public institutions and non-profit colleges and universities are African Americans. When that statistic is confined to just the tax-funded community colleges, four-year universities and their branches, the percentage of African Americans is 11.4 percent, still shy of the statewide average for that ethnic group.

At the very least, some might argue, our public universities ought to reflect the population as a whole, especially for a minority population where the unemployment rates and joblessness is ever greater than the majority population.

The loan and default issue

If there is bad news for career colleges in the Ohio data, it is the student loan and default statistics. This is one of the issues that have been widely reported in the national and state press and it was the subject of heated debate in Congress late last year. The Ohio data mirrors that debate. Here in Ohio, career-college students borrow more and tend to default on loans more often than their contemporaries in the public and non-profit schools. These are the sobering realities facing career colleges:

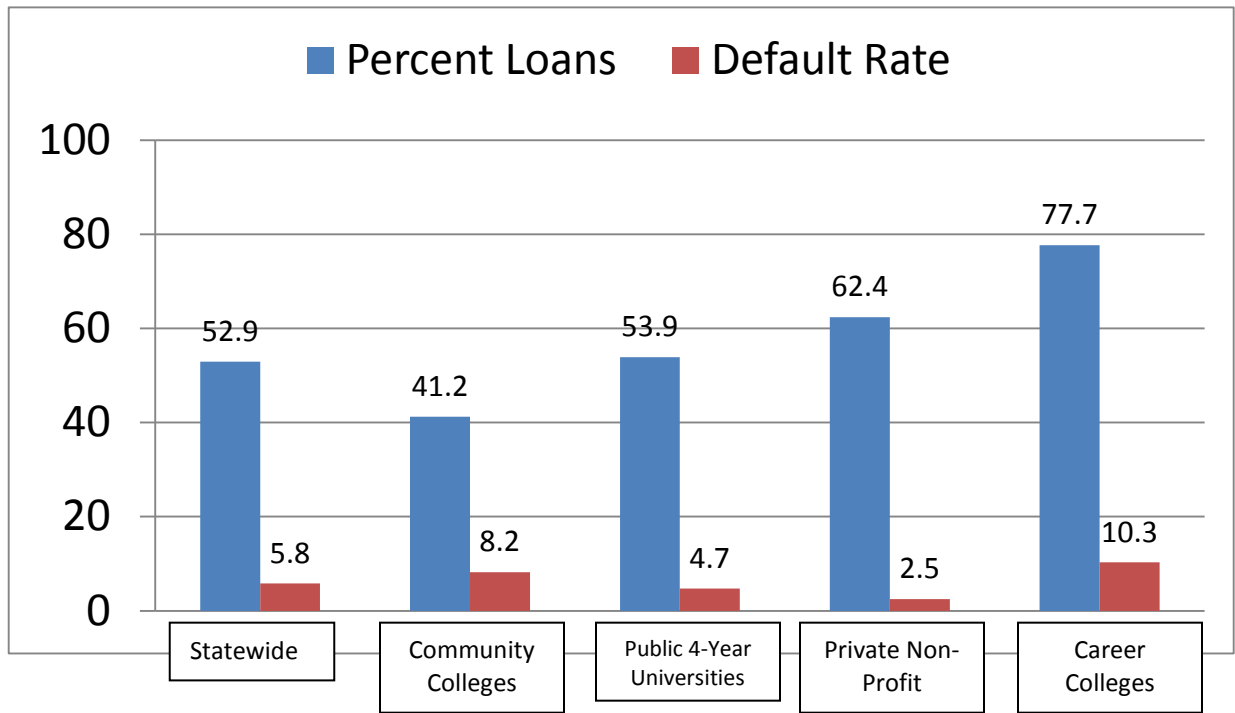
- 77.7 percent of all career college students in Ohio have a student loan. To put that in perspective, about 41 percent of community college students borrow money to attend college. For non-profits and public universities, the percent of borrowers is 62 percent and 54 percent respectively.
- The average amount of debt carried by career college students is \$8,222. That amount is \$1,394 more than the debt reported by non-profit students, the next highest among the four classifications. Loans for community college students average about \$6,937 and for those attending the four-year public universities and their branches the average debt is \$6,980.
- The default rate for Ohio career college students is 10.3 percent. The default rate for community college students in Ohio is 8.2 percent, higher than we would have anticipated given the lower tuition paid by community college students.

Clearly, this is an issue that has captured the attention of executives of career colleges at every level and work is under way to reduce the default rate. But we should also note that financing has changed dramatically for Ohio career colleges students in the past two years. Any discussion about student loans and default rates must contain a footnote about the correlation between higher borrowing rates and the loss of Ohio College Opportunity Grants (OCOG) in the last budget cycle for career-college students.

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In 2008, the state made \$46.5 million available to career-college students in Ohio through the OCOG program. Then, in the biennial budget two years ago career college students were suddenly excluded from that program.

But while our exploration of the data underscores that issue for career colleges, loans and default rates are also affecting community colleges more than we anticipated. Based on our analysis, there are about 3,700 career college students in default. For community colleges, the default rate translates to nearly 7,000 students.



In the following table, we take a closer look at the default rate at community colleges compared to career colleges:

**Comparative Default Data:
Career Colleges vs. State Community Colleges**

| Institution | Avg. Tuition | Avg. Student Loans | % Loans | Default Rate |
|--------------------|--------------|--------------------|---------|--------------|
| Career Colleges | \$13,459 | \$8,222 | 77.7% | 10.3% |
| Community Colleges | \$ 3,381 | \$4,688 | 41.2% | 8.2% |

The table poses two questions about Ohio community colleges:

1. At community colleges where the tuition is so low, why are student loans so high and the default rate so great in relation to the average tuition?
2. And why are community college students borrowing more than the average annual tuition?

Stated another way, if a 10.3 percent default rate is unacceptable for a class of schools that cost, on average, more than \$13,450 a year, is an 8.2 percent default rate unacceptable for a class of colleges that cost slightly more than \$3,381 a year?

Other key findings

We have attached to this report numerous tables and other information that invite you to explore some of the comparative statistics. We think this expanded collection of data in its present format will provide OACCS with a richer and fuller view of Ohio's higher education system and the role career colleges play in the delivery of those educational services. Here are some other key findings from our research:

- The \$2 billion in state subsidies represent about \$3,642 per student attending Ohio's public colleges and universities.
- The Cleveland region has the highest proportion of African-Americans (19.6%) and Hispanics/Latinos (3.7%) enrolled in college.
- The Cleveland region also posts the highest average tuition for all schools (\$15,687), but only \$61 more than Columbus (\$15,626). The lowest average tuition is the Youngstown region (\$8,067.)
- The region with the highest default rate for all schools is Dayton at 7.1 percent. The lowest is the Columbus region with a 4.2 percent default rate.
- The highest graduation rate for all schools is found in the Columbus region at 56.5 percent. The region with the lowest graduation rate was the Youngstown region with 31.1 percent.
- Oberlin College reported the highest tuition in the state (\$41,577) and Sinclair Community College in Dayton the lowest (\$1,735).

Jim Underwood Bio



Jim Underwood is president of Underwood & Associates, a Columbus-based strategic research company he founded in 1993. And since 1994, he has been on the faculty at Ohio Wesleyan University as a professor of journalism.

Underwood & Associates specializes in corporate and public affairs research. Over the years, Jim has conducted research for a diverse list of corporate clients including AT&T, Lloyds of London, the American Bankers Association, Conrail/CSX, Ohio Health and The Limited, just to name a few.

Jim also has provided research-consulting services to government agencies such as the Ohio Department of Development, Ohio Auditor, Ohio Lottery Commission, Ohio Secretary of State, the City of Cincinnati and the Southwest Ohio Regional Transit Authority. He has also provided research and consulting services to organizations such as the Ohio State Bar Association, the Ohio Municipal League, the Ohio Library Council, the Ohio Hospital Association and the Ohio Manufacturers Association.

A 1975 graduate of Bowling Green State University, Jim was named in 1987 to the BGSU Journalism Hall of Fame. During a distinguished journalism career, Jim was a reporter, editor and Statehouse Bureau Chief for a number of Ohio daily newspapers, including *The (Cleveland) Plain Dealer*.

As a reporter, editor and columnist, Jim was honored by numerous groups and organizations, including the Ohio Society of Professional Journalists, the Ohio House and Senate, and the NAACP.

In 1992, former-Ohio Gov. and U.S. Sen. George V. Voinovich said of him, *"Few people will ever be as knowledgeable about the workings of state government, politics and journalism as Jim Underwood."*

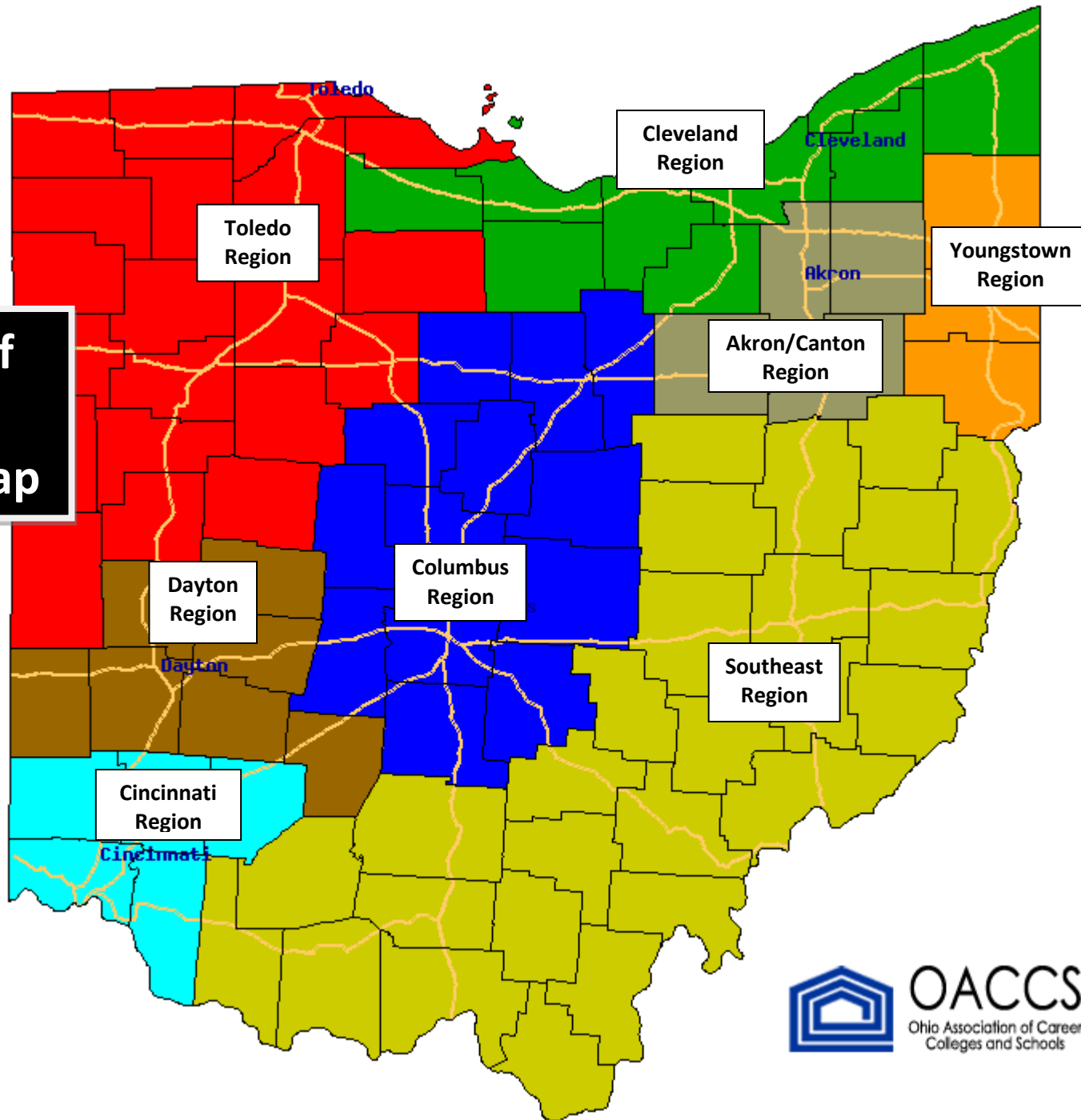
Jim's community and public-service activities include serving as a trustee of Veterans Memorial in Columbus and as a commissioner on the Ohio Courts Futures Commission.

A Vietnam veteran, Jim served in the U.S. Marine Corps from 1967 to 1971. While serving in the Republic of Vietnam, he was awarded the Navy Achievement Medal with the Combat "V." In 1978, former President Jimmy Carter honored Jim for his community service by naming him one of the nation's Outstanding Vietnam Veterans.

Jim and his wife, Michelle, live in Hilliard. Michelle, a CPA and currently Finance Director for the City of Hilliard, is a partner in Underwood & Associates.

You can learn more about Underwood & Associates at www.underwoodassoc.com.

Ohio Association of Career Colleges & Schools Regional Map



Comparative Analysis: Career Colleges vs. Non-Profit Colleges and State Supported Community Colleges and Universities¹⁰

| | Average Enrollment | % Men | % Women | % Black | % Hispanic | % White | % Under Age 24 | % Over Age 24 | Average Tuition (\$) | State Subsidy | Subsidy Per Student | Avg. Student Loans (\$) | % Loans | Loan Default Rate | Student / Faculty Ratio | Graduation Rate |
|--------------------------|--------------------|-------|---------|---------|------------|---------|----------------|---------------|----------------------|-----------------|---------------------|-------------------------|---------|-------------------|-------------------------|-----------------|
| Statewide | 3,723 | 43.2% | 56.7% | 13.7% | 2.4% | 74.1% | 66.0% | 33.8% | 13,459 | \$2,000,824,137 | \$3,642 | 7,095 | 52.9% | 5.8% | 17 | 39.9% |
| By Region | | | | | | | | | | | | | | | | |
| Akron/Canton | 5,905 | 41.4% | 58.0% | 12.3% | 1.6% | 77.9% | 59.7% | 39.7% | 13,026 | \$260,270,237 | \$3,026 | 6,960 | 60.4% | 6.2% | 17 | 39.5% |
| Cincinnati | 3,085 | 43.3% | 56.5% | 15.2% | 1.8% | 73.0% | 71.2% | 28.5% | 13,290 | \$304,095,529 | \$3,863 | 7,476 | 52.5% | 6.0% | 15 | 43.4% |
| Cleveland | 3,219 | 39.7% | 60.3% | 19.6% | 3.7% | 65.1% | 57.6% | 42.0% | 15,687 | \$177,496,344 | \$2,338 | 7,092 | 37.6% | 5.8% | 20 | 23.8% |
| Columbus | 4,400 | 45.3% | 54.7% | 13.1% | 2.3% | 75.5% | 68.6% | 31.3% | 15,626 | \$556,775,489 | \$5,292 | 7,402 | 48.0% | 4.2% | 15 | 56.5% |
| Dayton | 3,060 | 43.3% | 56.7% | 15.8% | 3.1% | 69.5% | 65.0% | 34.3% | 14,510 | \$181,954,829 | \$3,199 | 7,188 | 45.6% | 7.1% | 16 | 32.0% |
| Southeast | 3,189 | 41.2% | 58.8% | 4.3% | 1.2% | 88.7% | 69.3% | 30.4% | 8,698 | \$208,843,668 | \$3,307 | 6,329 | 78.0% | 6.4% | 19 | 42.9% |
| Toledo | 5,715 | 46.3% | 53.7% | 12.4% | 2.9% | 73.9% | 71.5% | 28.6% | 13,167 | \$267,449,968 | \$3,917 | 7,224 | 57.3% | 5.7% | 19 | 38.4% |
| Youngstown | 2,279 | 46.2% | 53.8% | 14.9% | 1.7% | 73.3% | 63.6% | 36.4% | 8,067 | \$ 43,938,073 | \$2,892 | 6,272 | 62.8% | 6.4% | 18 | 31.1% |
| By Classification | | | | | | | | | | | | | | | | |
| Community Colleges | 9,322 | 41.7% | 58.3% | 16.1% | 2.4% | 72.0% | 52.4% | 47.3% | 3,381 | \$416,166,117 | \$2,029 | 4,688 | 41.2% | 8.2% | 21 | 23.3% |
| Career Colleges | 623 | 30.9% | 68.3% | 30.8% | 2.3% | 53.1% | 34.4% | 63.8% | 13,459 | | | 8,222 | 77.7% | 10.3% | 18 | 39.8% |
| Non-Profit Colleges | 2,159 | 44.2% | 55.7% | 9.3% | 3.2% | 75.2% | 78.4% | 21.2% | 21,577 | | | 6,828 | 62.4% | 2.5% | 13 | 60.7% |
| State Universities | 9,171 | 46.1% | 53.9% | 10.7% | 2.1% | 78.9% | 76.8% | 23.2% | 6,289 | \$1,584,658,020 | \$4,603 | 6,626 | 53.9% | 4.7% | 21 | 45.6% |

About Tuition – Tuition published in this table reflects published 2010-11 tuition and fees. IPEDS defines this category as the amount of tuition and required fees covering a full academic year most frequently charged to students. These values represent what a typical student would be charged and may not be the same for all students at an institution. If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition. Required fees include all fixed sum charges that are required of such a large proportion of all students that the student who does not pay the charges is an exception.

About the data – Information in this table reflects data for 22 tax-supported community colleges, 37 Ohio universities and their branches, 61 non-profit colleges and 45 degree-granting career colleges and schools with facilities in Ohio. State subsidy shows the total subsidy (instructional and capital.) Per student calculation is subsidy divided by current enrollment.

¹⁰ Based on data for 200 Ohio degree-granting colleges and universities. **Source:** The Integrated Postsecondary Education Data System, National Center for Education Statistics, U.S. Department of Education Institute of Education Sciences.

2011 State Subsidies for Ohio Community Colleges and Per Student Calculation¹¹
(Instructional and Capital)

| Institution | Enrollment | State Subsidy | Subsidy Per Student |
|--|-------------------|----------------------|----------------------------|
| Belmont Technical College | 2,289 | \$6,062,713 | \$2,648.63 |
| Central Ohio Technical College | 4,512 | \$10,596,033 | \$2,348.41 |
| Cincinnati State Technical and Community College | 10,995 | \$29,773,264 | \$2,707.89 |
| Clark State Community College | 4,993 | \$10,000,304 | \$2,002.86 |
| Columbus State Community College | 30,297 | \$60,230,700 | \$1,988.01 |
| Cuyahoga Community College District | 31,683 | \$57,681,185 | \$1,820.57 |
| Eastern Gateway Community College | 2,126 | \$4,864,431 | \$2,288.07 |
| Edison State Community College | 3,713 | \$7,105,605 | \$1,913.71 |
| Hocking College | 6,599 | \$14,934,134 | \$2,263.09 |
| James A Rhodes State College | 4,281 | \$10,101,141 | \$2,359.53 |
| Lakeland Community College | 9,866 | \$18,760,649 | \$1,901.55 |
| Lorain County Community College | 13,520 | \$25,508,245 | \$1,886.70 |
| Marion Technical College | 2,766 | \$5,975,135 | \$2,160.21 |
| North Central State College | 3,558 | \$7,554,213 | \$2,123.16 |
| Northwest State Community College | 3,761 | \$8,541,770 | \$2,271.14 |
| Owens Community College | 16,938 | \$39,260,565 | \$2,317.90 |
| Sinclair Community College | 25,942 | \$49,675,922 | \$1,914.88 |
| Southern State Community College | 3,730 | \$7,638,859 | \$2,047.95 |
| Stark State College of Technology | 14,834 | \$23,669,183 | \$1,595.60 |
| Terra State Community College | 3,516 | \$6,115,529 | \$1,739.34 |
| Washington State Community College | 2,366 | \$5,853,836 | \$2,474.15 |
| Zane State College | 2,796 | \$6,262,701 | \$2,239.88 |
| Totals/Averages | 205,081 | \$416,166,117 | \$2,029.28 |

¹¹ Does not include Rio Grande Community College. IPEDS classifies the University of Rio Grande, including Rio Grande Community College, as a non-profit university. Rio Grande data is therefore reflected in the data we collected for non-profits. Rio Grande Community College did receive \$5,199,541 in state subsidies that is not reflected in this table.

2011 State Subsidies for Ohio Four-Year Colleges and Universities and Per Student Calculation¹²
(Instructional and capital, includes their branches)

| Institution | Enrollment | State Subsidy | Subsidy Per Student |
|--------------------------------------|-------------------|------------------------|----------------------------|
| Bowling Green State University | 20,222 | \$84,766,605 | \$4,191.80 |
| Central State University | 2,436 | \$18,266,205 | \$7,498.44 |
| Cleveland State University | 17,323 | \$69,430,736 | \$4,008.01 |
| Kent State University Kent Campus | 42,161 | \$131,917,403 | \$3,128.90 |
| Miami University | 22,369 | \$76,804,775 | \$3,433.54 |
| Ohio State University-Main Campus | 64,077 | \$472,419,408 | \$7,372.68 |
| Ohio University-Main Campus | 38,680 | \$146,513,628 | \$3,787.84 |
| Shawnee State University | 4,561 | \$16,713,366 | \$3,664.41 |
| University of Akron Main Campus | 29,020 | \$104,683,651 | \$3,607.29 |
| University of Cincinnati-Main Campus | 45,347 | \$197,517,490 | \$4,355.69 |
| University of Toledo | 23,085 | \$124,779,887 | \$5,405.24 |
| Wright State University-Main Campus | 19,793 | \$96,906,793 | \$4,896.01 |
| Youngstown State University | 15,194 | \$43,938,073 | \$2,891.80 |
| Total/Averages | 344,268 | \$1,584,658,020 | \$4,602.98 |

¹² Does not include subsidies to NEOU College of Medicine or the Case Western Reserve medical program. NEOU received a state subsidy of \$18,622,318 and Case received \$2,942,806 from the state. We did not regard medical schools appropriate for this analysis.

2011 State Subsidies, All Colleges, by Region

| Akron/Canton Region | | | |
|-----------------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Stark State College of Technology | 14,834 | \$23,669,183 | \$1,595.60 |
| Kent State University Kent Campus | 42,161 | \$131,917,403 | \$3,128.90 |
| University of Akron Main Campus | 29,020 | \$104,683,651 | \$3,607.29 |
| Total/Average | 86,015 | \$260,270,237 | \$3,025.87 |

| Cincinnati Region | | | |
|--|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Cincinnati State Technical and Community College | 10,995 | \$29,773,264 | \$2,707.89 |
| Miami University | 22,369 | \$76,804,775 | \$3,433.54 |
| University of Cincinnati-Main Campus | 45,347 | \$197,517,490 | \$4,355.69 |
| Total/Average | 78,711 | \$304,095,529 | \$3,863.44 |

| Cleveland Region | | | |
|-------------------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Cuyahoga Community College District | 31,683 | \$57,681,185 | \$1,820.57 |
| Lakeland Community College | 9,866 | \$18,760,649 | \$1,901.55 |
| Lorain County Community College | 13,520 | \$25,508,245 | \$1,886.70 |
| Terra State Community College | 3,516 | \$6,115,529 | \$1,739.34 |
| Cleveland State University | 17,323 | \$69,430,736 | \$4,008.01 |
| Total/Average | 75,908 | \$177,496,344 | \$2,338.31 |

| Columbus Region | | | |
|-----------------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Central Ohio Technical College | 4,512 | \$10,596,033 | \$2,348.41 |
| Columbus State Community College | 30,297 | \$60,230,700 | \$1,988.01 |
| Marion Technical College | 2,766 | \$5,975,135 | \$2,160.21 |
| North Central State College | 3,558 | \$7,554,213 | \$2,123.16 |
| Ohio State University-Main Campus | 64,077 | \$472,419,408 | \$7,372.68 |
| Total/Average | 105,210 | \$556,775,489 | \$5,292.04 |

| Dayton Region | | | |
|-------------------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Clark State Community College | 4,993 | \$10,000,304 | \$2,002.86 |
| Edison State Community College | 3,713 | \$7,105,605 | \$1,913.71 |
| Sinclair Community College | 25,942 | \$49,675,922 | \$1,914.88 |
| Central State University | 2,436 | \$18,266,205 | \$7,498.44 |
| Wright State University-Main Campus | 19,793 | \$96,906,793 | \$4,896.01 |
| Total/Average | 56,877 | \$181,954,829 | \$3,199.09 |

| Southeast Ohio Region | | | |
|------------------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Belmont Technical College | 2,289 | \$6,062,713 | \$2,648.63 |
| Eastern Gateway Community College | 2,126 | \$4,864,431 | \$2,288.07 |
| Hocking College | 6,599 | \$14,934,134 | \$2,263.09 |
| Southern State Community College | 3,730 | \$7,638,859 | \$2,047.95 |
| Washington State Community College | 2,366 | \$5,853,836 | \$2,474.15 |
| Zane State College | 2,796 | \$6,262,701 | \$2,239.88 |
| Ohio University-Main Campus | 38,680 | \$146,513,628 | \$3,787.84 |
| Shawnee State University | 4,561 | \$16,713,366 | \$3,664.41 |
| Total/Average | 63,147 | \$208,843,668 | \$3,307.26 |

| Toledo Region | | | |
|-----------------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| James A Rhodes State College | 4,281 | \$10,101,141 | \$2,359.53 |
| Northwest State Community College | 3,761 | \$8,541,770 | \$2,271.14 |
| Owens Community College | 16,938 | \$39,260,565 | \$2,317.90 |
| Bowling Green State University | 20,222 | \$84,766,605 | \$4,191.80 |
| University of Toledo | 23,085 | \$124,779,887 | \$5,405.24 |
| Total/Average | 68,287 | \$267,449,968 | \$3,916.56 |

| Youngstown Region | | | |
|-----------------------------|-------------------|----------------------|----------------------------|
| Institution | Enrollment | State Subsidy | Subsidy Per Student |
| Youngstown State University | 15,194 | \$43,938,073 | \$2,891.80 |

Ohio

Alliance of States

Big goals and improved pathways to success

Since 2007, Ohio lawmakers have taken significant steps to improve higher education across the state. **Setting the tone in his first State of the State address, Gov. Ted Strickland called for 230,000 more students to enroll by 2017 and for Ohio higher education to boost the number of graduates by 20 percent.** Legislation designating the Chancellor

of the Board of Regents as a cabinet level position appointed by the Governor, the creation of the "University System of Ohio" by Governor Strickland, and the release of the 10-year *Strategic Plan for Higher Education* by Chancellor Eric Fingerhut have put higher education in Ohio on a united path toward improvement.

The introduction to the *Strategic Plan* lays out the problem and Ohio's solution: "Knowledge is the currency of the global economy, and our currency is getting weaker. The per capita income of Ohioans has been slipping relative to the rest of the nation for some time, and is now significantly below the national average. The only way to reverse this negative trend is to raise the overall educational attainment level of the state."

The newly created University System of Ohio - consisting of the state's 13 public university campuses, one medical college, 24 branch campuses, and 23 community colleges, as well as adult literacy and adult workforce centers - seeks to reduce competition for resources, talent, and students.

In order to raise the educational attainment of Ohio and to close the gap between Ohio and its competitors, the *Strategic Plan* outlines Ohio's desire to: 1) Graduate more students, 2) Keep more of graduates in Ohio, and 3) Attract more degree holders from out of state.

The strategies outlined in the *Strategic Plan* seek to make obtaining a higher education a less complicated, easier, and more affordable process for students to enter and successfully complete. For example, they look to capture students in high school, through a "Seniors to Sophomores" program which will allow high school students to spend their senior year on campus then enter the campus the following year as a sophomore. By leveraging the existing infrastructure of colleges and regional campuses, a high-quality degree program will be made available within 30 miles of every Ohio resident.

For those meeting appropriate admissions requirements, students can be "dually admitted" to community college and the universities. That should create a seamless transition, after meeting the appropriate qualification. For those already in the workforce, adult workforce centers will help to prepare older students for the academic rigors of higher education.

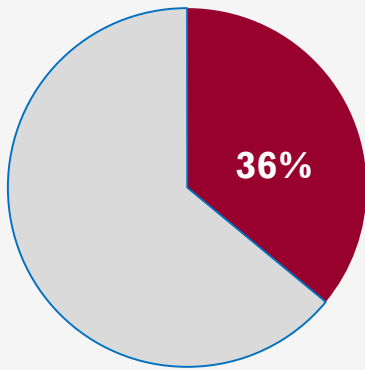
A new performance-based funding formula for universities, branch campuses, and community colleges fundamentally changes the model of publicly funded higher education, rewarding schools for success and completion rather than just enrollment goals.

For more information on Ohio's leadership in improving college completion, see:

<http://uso.edu/> or
<http://twitter.com/OhioHigherEd>

Ohio

By the end of this decade, more than 60% of jobs will require college education.¹



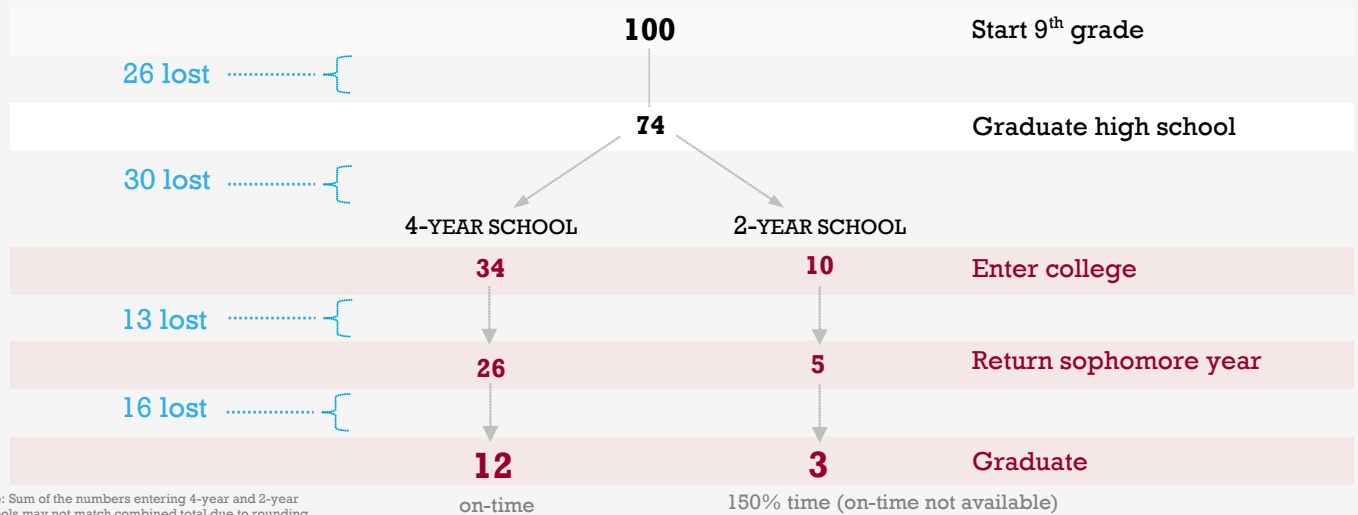
Today, 36% of Ohio's adults aged 25-34 have a college degree.²

Job growth across the U.S., 2010-2020:

| High-growth jobs | Required education |
|------------------------------|--------------------|
| Dental hygienist | Associate degree |
| Computer software engineer | Bachelor's degree |
| HVAC/refrigeration mechanic | Certificate |
| Physical therapist assistant | Associate degree |
| Network systems analyst | Bachelor's degree |
| Licensed practical nurse | Certificate |

Too many students get lost along the way, hindering Ohio's economic growth.³

(This chart models how success rates at each stage impact overall educational attainment. It is not based on longitudinal data, but is an attempt—using a collection of available data—to illustrate the challenges states face.)



Note: Sum of the numbers entering 4-year and 2-year schools may not match combined total due to rounding.

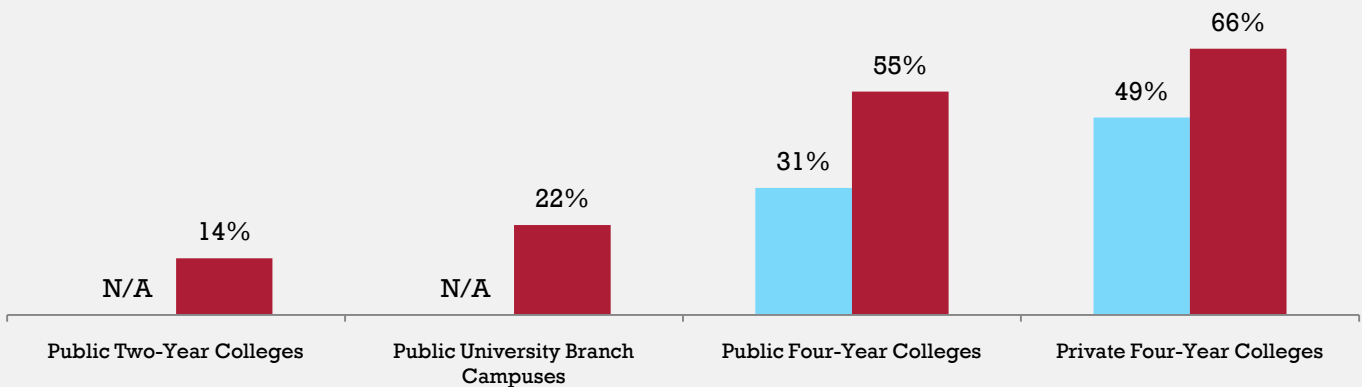
Ohio

Graduation Rates

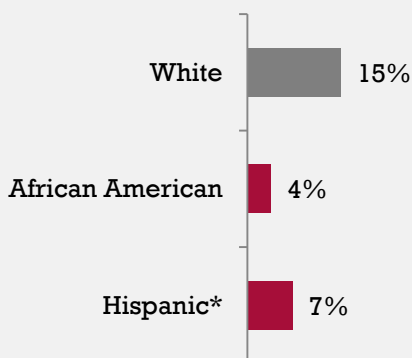
Ohio must raise completion rates overall and place extra focus on closing the college attainment gap for underrepresented students. ⁴

Graduation Rates by Institution Type

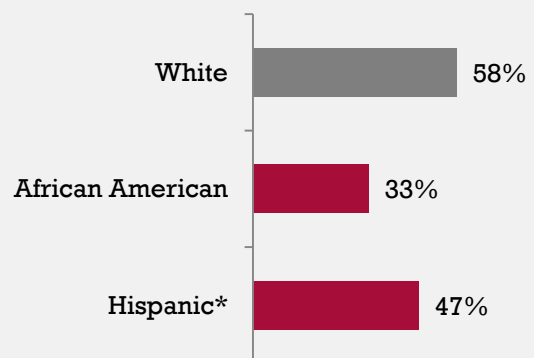
■ On-Time ■ Within 150% of time



Graduation Rates by Race/Ethnicity: Public 2-Year Colleges (150% time)



Graduation Rates by Race/Ethnicity: Public & Private 4-Year Colleges (150% time)

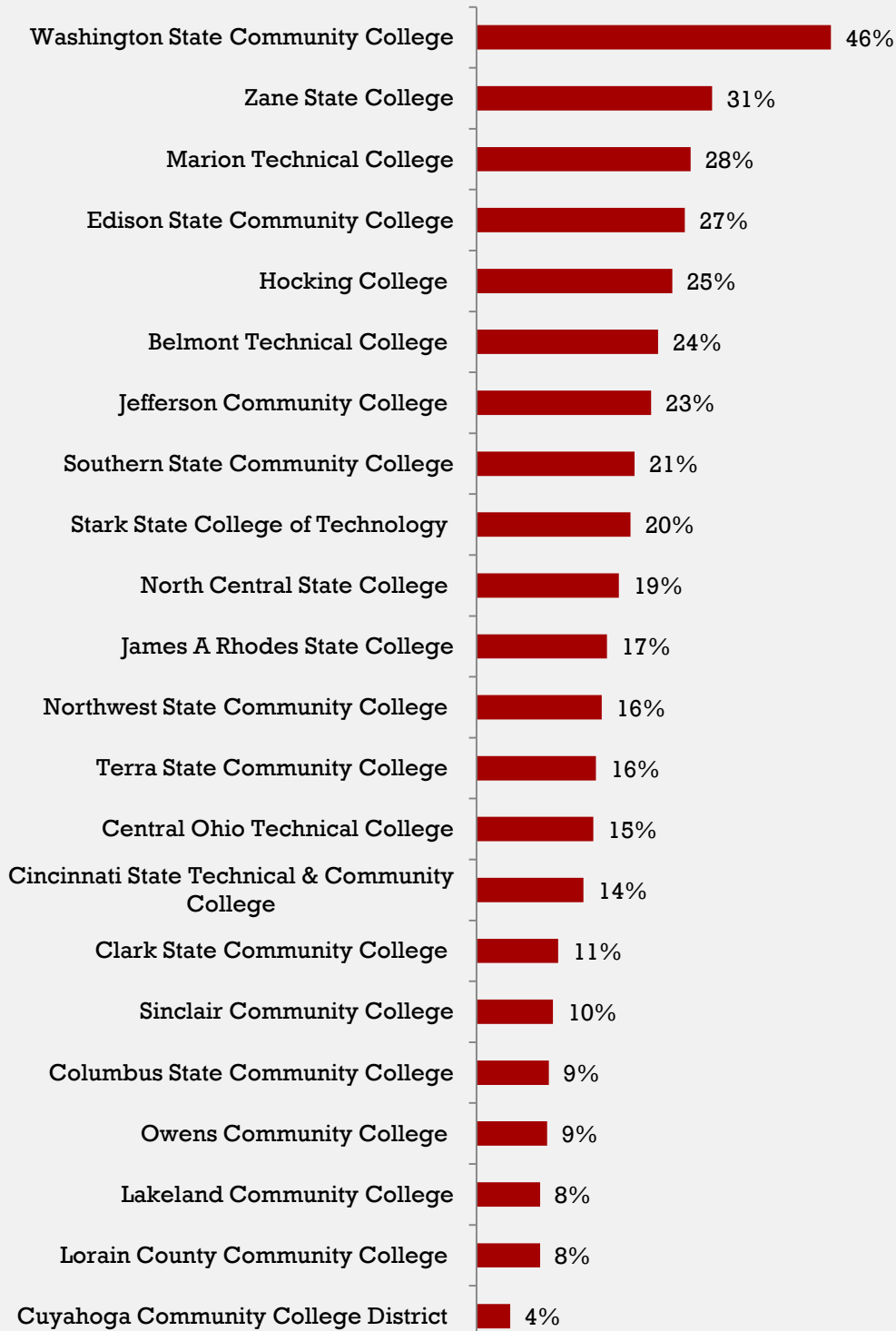


* less than 3% of entering cohort

Ohio

Graduation Rates by Campus

Public Two-Year Colleges (150% time)

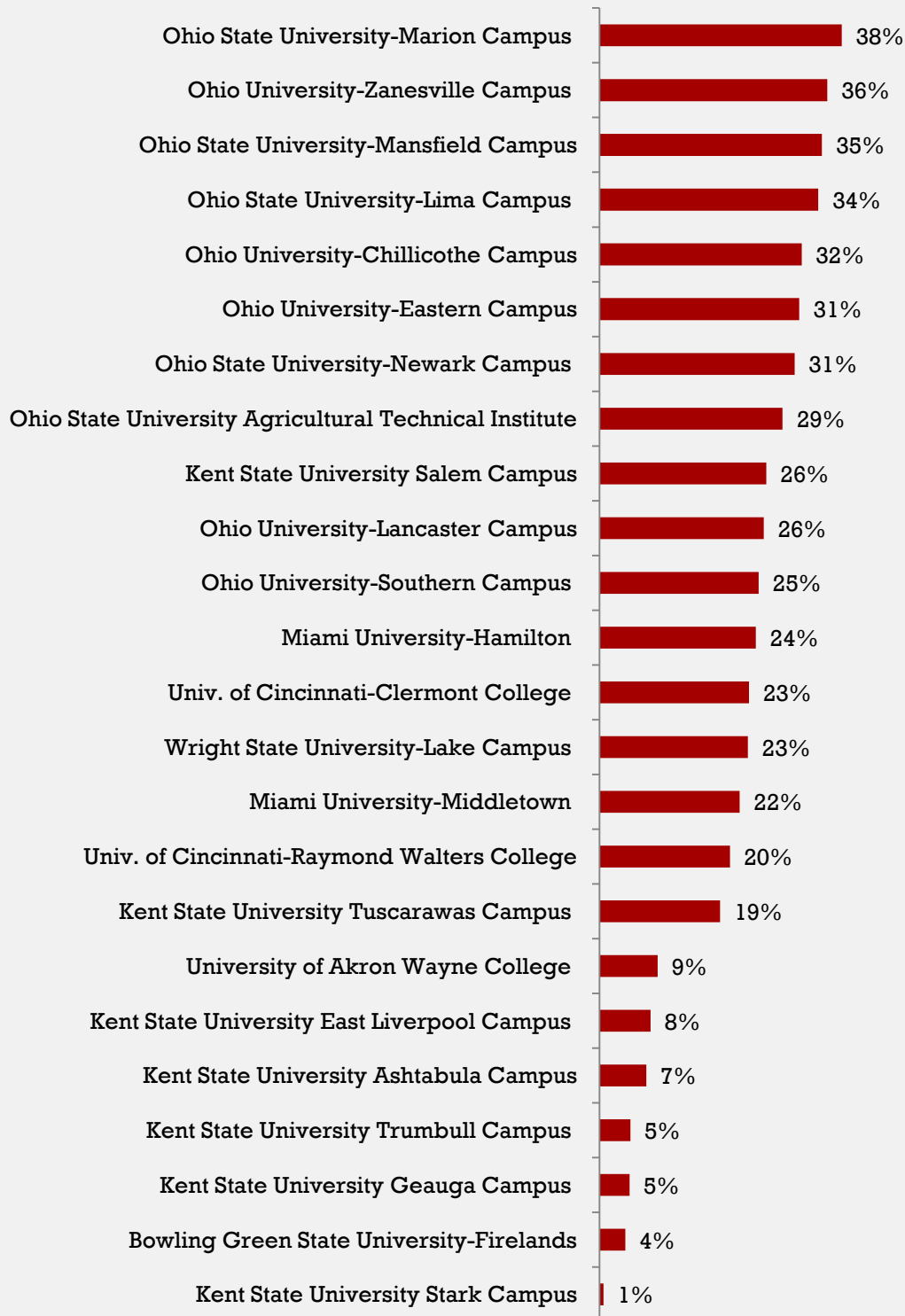


Reported by institutions to NCES Integrated Postsecondary Education Data System (IPEDS). Graduation rates for two-year colleges are for first-time, full-time students completing certificate or degree within 150% of normal program time. Source: U.S. Department of Education, IPEDS 2007-08 Graduation Rate File; gr2008 Early Release Data File Downloaded 11-05-09; aggregated by NCHEMS.

Ohio

Graduation Rates by Campus

Public University Branch Campuses (150% time)

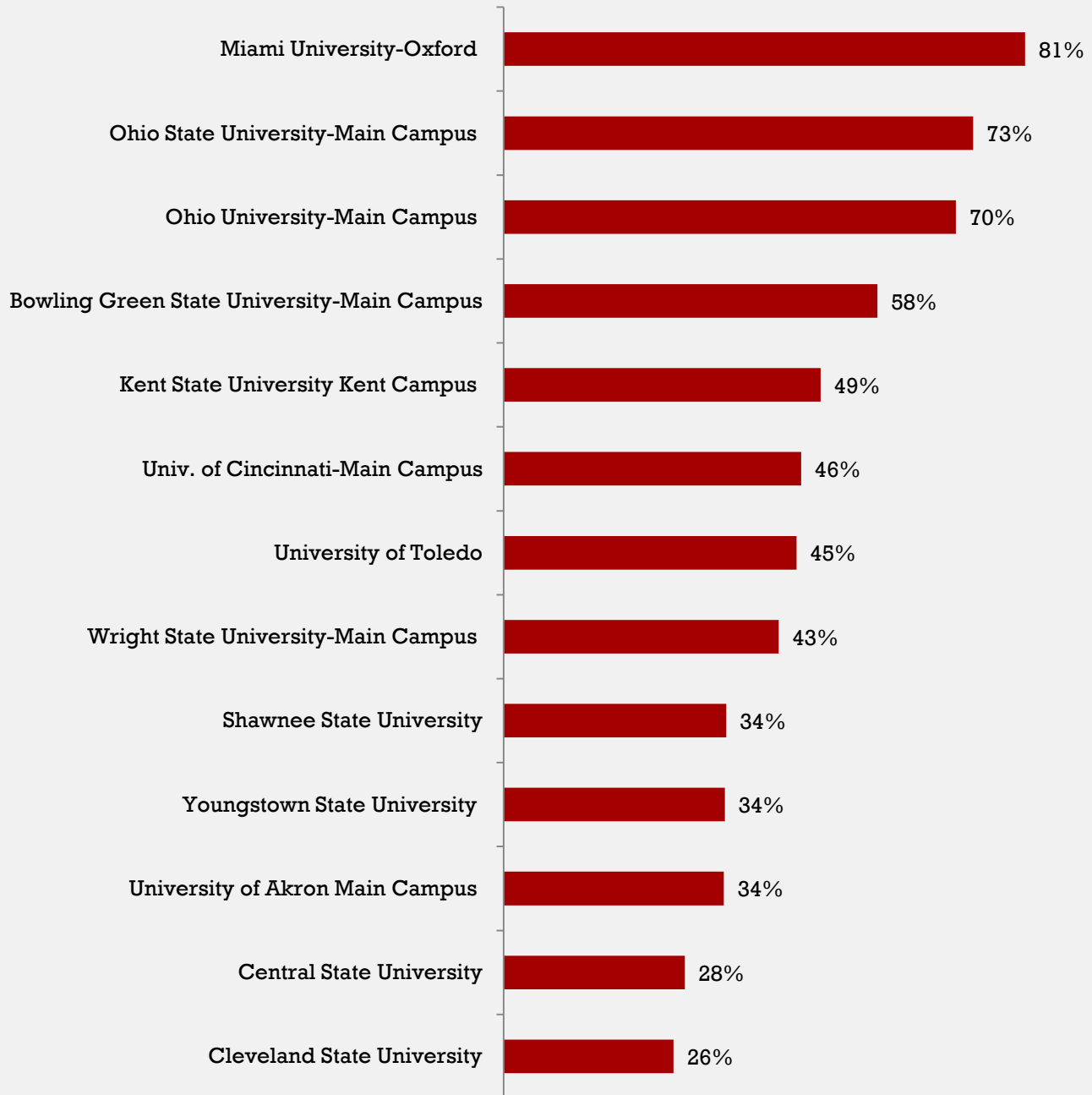


Reported by institutions to NCES Integrated Postsecondary Education Data System (IPEDS). Graduation rates are for first-time, full-time students completing a degree or credential within 150% of time. Source: U.S. Department of Education, IPEDS 2007-08 Graduation Rate File; gr2008 Early Release Data File Downloaded 11-05-09; aggregated by NCHEMS.

Ohio

Graduation Rates by Campus

Public Four-Year Colleges (150% time)

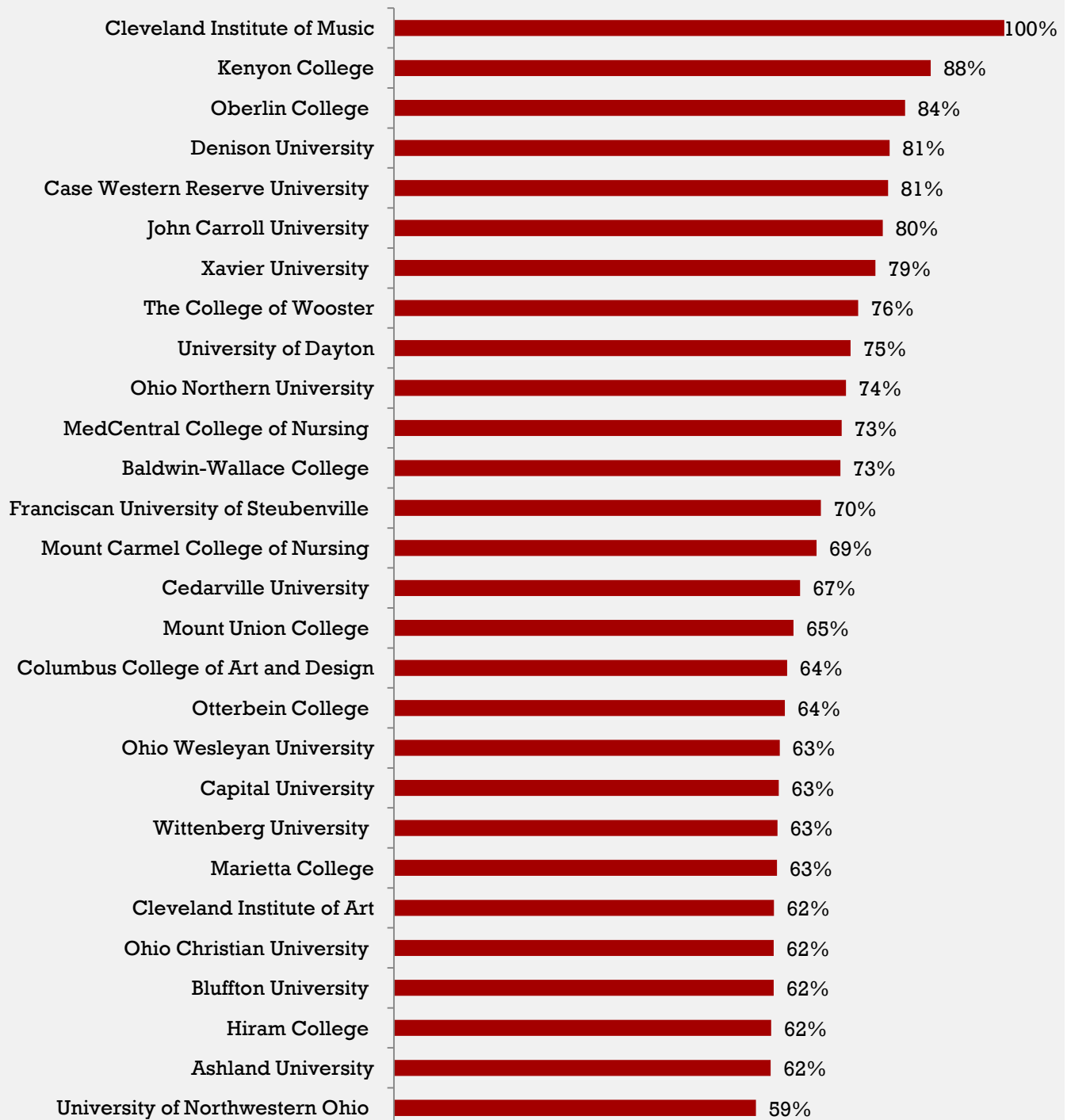


Reported by institutions to NCES Integrated Postsecondary Education Data System (IPEDS). Graduation rates are for first-time, full-time students completing a bachelor's or equivalent degree within six years. Source: U.S. Department of Education, IPEDS 2007-08 Graduation Rate File; gr2008 Early Release Data File Downloaded 11-05-09; aggregated by NCHEMS.

Ohio

Graduation Rates by Campus

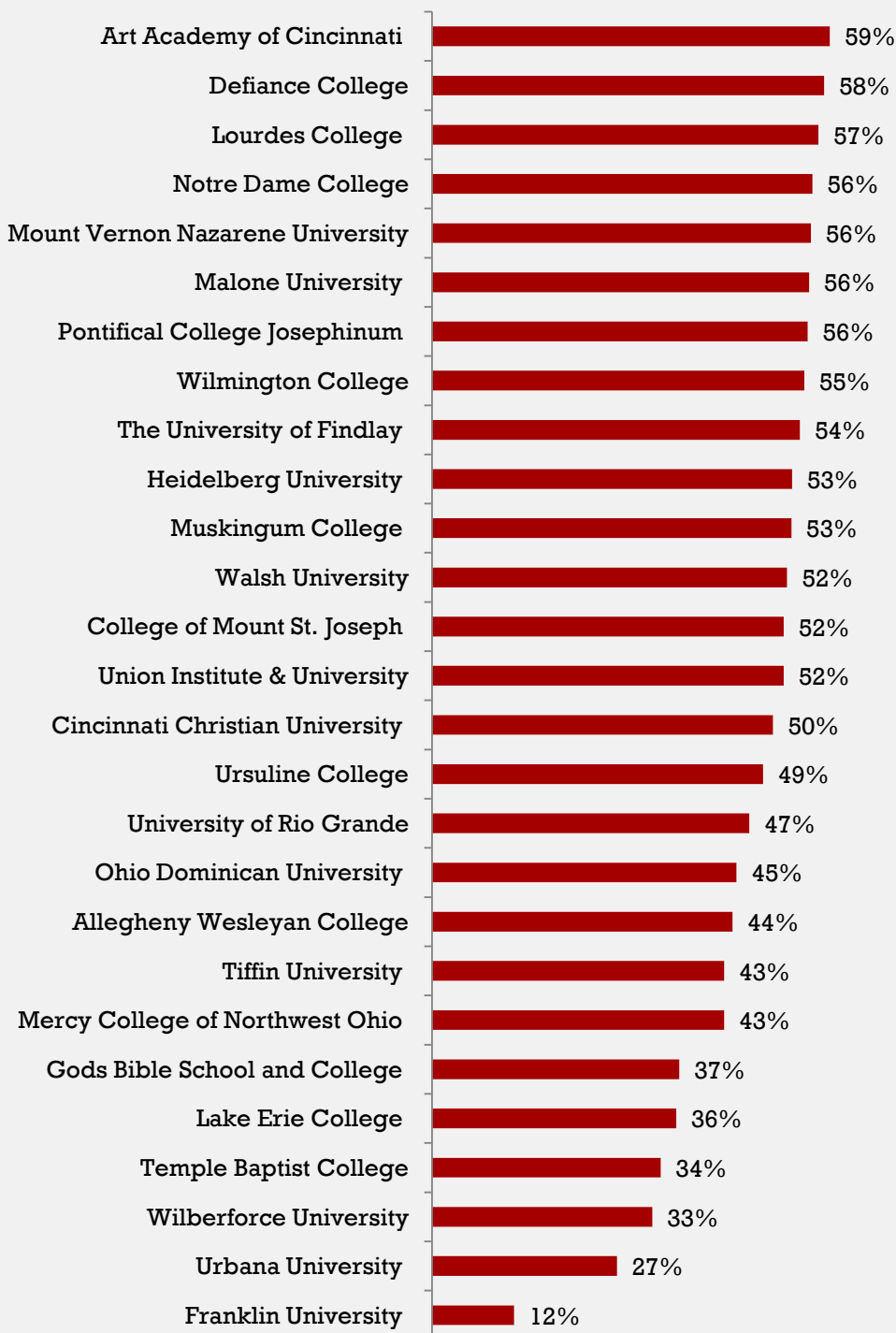
Private Four-Year Colleges (150% time)



Ohio

Graduation Rates by Campus

Private Four-Year Colleges, Cont.



Reported by institutions to NCES Integrated Postsecondary Education Data System (IPEDS). Graduation rates are for first-time, full-time students completing a bachelor's or equivalent degree within six years. Source: U.S. Department of Education, IPEDS 2007-08 Graduation Rate File; gr2008 Early Release Data File Downloaded 11-05-09; aggregated by NCHEMS.

A Note about Graduation Rates

The graduation rates presented here are based on data reported by institutions to the U.S. Department of Education's Integrated Postsecondary Education Data System (IPEDS). These rates reflect the percentage of first-time, full-time students who complete within 150% of normal program time. (Graduation rates for part-time students are typically much lower.) These data do not capture the graduation rates of transfer students—including those who begin at colleges with some credits already accumulated—or part-time students. Many states have or are developing longitudinal data systems that would be able to measure the graduation rates of all students, including part-time and transfer students.

The IPEDS data are presented here because they are the only nationally available and comparable graduation rates. Complete College America believes that states should make the improvement of data systems to more accurately measure completion rates—and the annual public reporting of those rates—a top priority.

ENDNOTES

¹ Carnevale, T., Georgetown University Center on Education and the Workforce, 2009. High-growth fields based on national projections of total new and replacement jobs. <http://cew.georgetown.edu/research/jobs/79012.html>

² "College degree" means an associate degree, bachelor's degree, or higher. National Center for Higher Education Management Systems (NCHEMS), 2008 (from U.S. Census Bureau, 2008 American Community Survey Public Use Microdata Sample File.) <http://www.higheredinfo.org/>

³ **The pipeline is a model for illustrative purposes and is not based on longitudinal data.** Pipeline data aggregated by NCHEMS: reflects high school graduation rates, college-going rates, college retention rates, and college graduation rates (using the most recent data available for each metric). For the high school graduation rate, NCHEMS uses NCES Common Core Data and divides high school graduates into 9th graders four years earlier. Future revisions will incorporate the cohort-based HS graduation rates that conform to the definitions of the NGA Graduation Compact (for states where those data are available), which are more accurate than the current ratio. The pipeline represents the number of students who graduate from high school within four years, enter college the immediate following fall, return for their sophomore year the following year, and graduate from college. Two-year college graduation rates reflect credentials earned within 150% of expected program time, and include certificates awarded for programs of less than two years; two years but less than four years; and associate degrees. Four-year graduation rates reflect **on-time completers** of bachelor's or equivalent degrees (**within four years**). The data do not account for transfers across institutions. <http://www.higheredinfo.org/dbrowser/index.php?measure=72>

⁴ Aggregated by NCHEMS from IPEDS 2007-08 Graduation Rate File; gr2008 Early Release Data File, downloaded 11-05-09. Graduation rates are reported by institutions to NCES based on adjusted cohort of first-time, full-time students. Two-year graduation rates include certificates completed within 150% of normal program time in addition to associate degrees completed within three years. IPEDS does not report two-year (or "on-time") completion rates for two-year colleges. Graduation rates by race aggregated by NCHEMS from IPEDS 2006-07 Graduation Rate File. Graduation rates for Asian/Pacific Islander and American Indian/Alaska Native students are included only if those populations represent greater than 5% of the adjusted cohort. Disaggregated graduation rates are excluded for populations with an adjusted revised cohort size of less than 30, even if that cohort represents greater than 5% of the total entering cohort. Note that 2008 overall graduation rates may be higher than rates reflected in the disaggregated data from 2007 based on differences in graduation rates between years. In each instance, "Private" refers to private not-for-profit institutions only. Graduation rates by campus are presented for Title IV, degree-granting institutions with an adjusted revised cohort greater than 30.

Three-Year Graduation Rates at Ohio's Two-Year Private Institutions

First-Time, Full-Time, Degree/Certificate-Seeking Undergraduates who Began College in Fall 2004

| Institution Name | Number in Cohort | Percent Completing a Program of Two Years or Less in Three Years or Less |
|---|------------------|--|
| Two-year, Private, not-for-profit | | |
| Aultman College of Nursing and Health Sciences | 66 | 79% |
| Carnegie Institute of Integrative Medicine and Massotherapy | 105 | 16% |
| Chatfield College | 32 | 16% |
| Good Samaritan College of Nursing & Health Science | 9 | 78% |
| Ohio College of Massotherapy Inc | 90 | 26% |
| Rosedale Bible College | 48 | 31% |
| The Christ College of Nursing and Health Sciences | 21 | 71% |
| Two-year, Private, not-for-profit Total | 371 | 36% |
| Two-year, Private, for-profit | | |
| ATS Institute of Technology | 138 | 91% |
| Academy of Court Reporting-Akron | 42 | 21% |
| Academy of Court Reporting-Cincinnati | 64 | 13% |
| Academy of Court Reporting-Cleveland | 42 | 60% |
| Academy of Court Reporting-Columbus | 45 | 44% |
| Akron Institute-A Division of Herzing Ohio Inc | 171 | 78% |
| Antonelli College | 77 | 35% |
| Bohecker College | 23 | 74% |
| Bradford School | 204 | 81% |
| Brown Mackie College-Akron | 136 | 38% |
| Brown Mackie College-Cincinnati | 227 | 39% |
| Brown Mackie College-Findlay | 164 | 29% |
| Brown Mackie College-North Canton | 250 | 34% |
| Davis College | 52 | 21% |
| ETI Technical College | 151 | 32% |
| Gallipolis Career College | 50 | 46% |
| ITT Technical Institute-Dayton | 205 | 26% |
| ITT Technical Institute-Hilliard | 159 | 13% |
| ITT Technical Institute-Norwood | 274 | 19% |
| ITT Technical Institute-Strongsville | 193 | 28% |
| ITT Technical Institute-Youngstown | 163 | 33% |
| International College of Broadcasting | 41 | 76% |
| Miami-Jacobs Career College | 88 | 33% |
| National Institute of Massotherapy | 36 | 72% |
| National Institute of Technology | 495 | 45% |
| Ohio Business College - Sandusky | 66 | 47% |
| Ohio Business College-Lorain | 45 | 36% |
| Ohio Institute of Health Careers | 222 | 92% |
| Ohio Institute of Health Careers-Sheffield Village | 45 | 78% |
| Ohio Institute of Photography and Technology | 97 | 56% |
| Ohio Technical College | 617 | 66% |

| Institution Name | Number in Cohort | Percent Completing a Program of Two Years or Less in Three Years or Less |
|--|------------------|--|
| Ohio Valley College of Technology | 56 | 61% |
| Professional Skills Institute | 82 | 62% |
| RETS Tech Center | 484 | 97% |
| Remington College-Cleveland Campus | 832 | 47% |
| Remington College-Cleveland West Campus | 636 | 60% |
| Samuel Stephen College | 19 | 42% |
| School of Advertising Art Inc | 65 | 68% |
| Southeastern Business College - Jackson | 24 | 50% |
| Southeastern Business College - Lancaster | 23 | 52% |
| Southeastern Business College - New Boston | 8 | 13% |
| Southwestern College - Cincinnati | 181 | 44% |
| Southwestern College - Dayton | 372 | 28% |
| Southwestern College - Franklin | 55 | 25% |
| Stautzenberger College | 102 | 32% |
| Technology Education College | 167 | 57% |
| The Art Institute of Cincinnati | 42 | 83% |
| The Art Institute of Ohio-Cincinnati | 51 | 47% |
| Tri-State College | 6 | 83% |
| Trumbull Business College | 126 | 19% |
| Vatterott College-Cleveland | 343 | 98% |
| Virginia Marti College of Art and Design | 103 | 45% |
| Two-year, Private, for-profit Total | 8,359 | 52% |

Data Source: Integrated Postsecondary Education Data System (IPEDS)

Testimony of Jim Underwood, President of Underwood & Associates, before the House Higher Education Sub-Committee on Tuesday, April 5, 2011

Mr. Chairman, members of the sub-committee, I'm Jim Underwood, president of Underwood & Associates, a research firm that specializes in corporate and public-affairs research.

I'm here to share with you this evening the latest research my company has conducted on behalf of the Ohio Association of Career Colleges and Schools. The data I will share with you are statistics from 200 Ohio colleges and universities representing more than 723,000 students.

The source for much of the data you will see this evening was drawn from the U.S. Department of Education IPED system. That acronym stands for the Integrated Postsecondary Education Data System. All colleges and universities are required to report data to the IPED system.

In a recent report we prepared for the OACCS, we were able to compare a range of data about Ohio's tax-supported community colleges; our public colleges, universities and their branches; 61 non-profit colleges and universities; and 45 career colleges operating at 80 campuses here in the State of Ohio.

These 45 career colleges represent only those degree-granting colleges that are fully accredited and regulated by the U.S. Department of Education, the Ohio Board of Regents and the State Board of Career Colleges and Schools.

Our research mission on behalf of OACCS was to provide a comparative analysis that would track career college performance relative to the performance of tax-supported community colleges, state universities, their branches and private non-profit institutions.

We conducted the comparative analysis based on the nine characteristics you see on the screen. Career colleges represent about 6 percent of the total student enrollment in Ohio.

There are about 97,000 students in the career system. But our focus is on about 46,000 of these students who are in the accredited degree programs. In its 2010 annual report, the State Board of Career Colleges and Schools reported an 80 percent job placement rate for career-college graduates. This means eight out of 10 career college students are on the job within 90 days of receiving their diploma. As an industry, career colleges in Ohio generated total revenue of nearly \$764 million in FY 2010.

So often, career colleges are stereotyped as a prohibitively expensive place for students to learn. The research shows otherwise. In fact, when we looked at

the tuition at all 200 colleges and universities, the average cost of tuition at Ohio career colleges exactly matched the \$13,459 statewide average for all of Ohio's tax-supported community colleges, state universities and their branches, non-profits and career colleges.

The data also show that Ohio career colleges continue to educate the most under-served populations in the state relative to the other educational entities. Women, minorities and older students already in the workplace, in particular, proportionately turn to career colleges more than community colleges, more than state colleges and universities and more than private non-profit institutions.

Women currently represent about 68 percent of the enrollment at career colleges. That average is about 12 percent more than the other colleges and universities.

For minorities, African-Americans now represent 12.2 percent of our state population and Hispanics are 3.1 percent of our total state population. At career colleges about 31 percent of career college students are African American and about 2.3 percent are Hispanic/Latino.

Groups like *Complete College America*, an organization funded by the Bill and Melinda Gates Foundation, say our state colleges and universities are lagging behind in this most important statistic. They observe that, "Ohio must raise (graduation) completion rates overall and place extra focus on closing the college attainment gap for underrepresented students."

For decades, career colleges have provided Ohioans, especially those economically disadvantaged, an opportunity to build a life and pursue their dreams right here in Ohio where most of them will remain after graduation.

Career Colleges, according to our research, are the institutions in Ohio that are closing the college attainment gap for this sector of our population. And it is career colleges that appear to define Gov. Kasich's desire for an accelerated three-year college program and the Ohio Board of Regents workforce development objectives.

Career college students, for example, account for a third of all students majoring in health care and computer sciences, occupations projected to be among the fastest-growing in Ohio.

Career colleges serve an older student population. Many of the older career college students are workers who are looking for a fresh start in the job market or need retraining and have found a place to learn. Many of these students have tried the "traditional" college and have found the career-college classroom better suited to attain their career objectives.

Much attention has been focused nationally on career schools regarding student borrowing. Here's what we know from our research: Career-college students borrow about \$1,127 more than the statewide average. And career college students are more likely to default on student loans than students in the other institutions.

Some of that, we suspect, is because of the high number of economically disadvantaged students who migrate to career colleges. Based on our research, there is no question about the correlation of higher borrowing rates and the loss of Ohio College Opportunity Grants in the last budget cycle for career-college students. In 2008, the state made \$46.5 million available to career-college students in Ohio. Two years ago career college students were excluded from that program.

The career college community believed then and they believe now that needy students at career colleges deserve the same tuition assistance that public university students enjoy and should not be discriminated based merely on the institutions they attend.

It is important, of course, to keep the loan-and-debt issue in context. Our data indicates that the 10.3 percent loan-default rate in Ohio means there are about 3,700 career college students in default. But we also note that Ohio's tax-supported community colleges, where tuition is about a third of career colleges, have an 8.2 percent loan-default rate. Our research indicates as many as 7,000 Ohio community college students are in default.

But let's talk about performance. Our research is clear that career colleges are getting the job done. The proof is in their graduation rate. But let's talk first about what elements might be contributing to their success and the success of their students. One reason is a more favorable student/faculty ratio at career colleges.

A difference of 18-to-1 for a student/faculty ratio doesn't sound like much compared to 21-to-1, but in education we know better. It means career college students are learning in smaller-population classrooms and that translates to better access and one-on-one communication with instructors.

Graduation is a key measurement of success for any college. But the most recent data shows career colleges are competing with public four-year colleges and private non-profit colleges and universities.

The career college graduation rate in Ohio is 52 percent compared to a 55 percent graduation rate at state 4-year universities and a 60 percent rate at non-

profits. But contrast the 52 percent rate with 14 percent at community colleges and 22 percent at the university branches.

And, yes, at the end of the day, we are talking about tax-spending vs. taxpayers. Career colleges rely on the private marketplace to stay in business. In the current budget, public institutions in Ohio are subsidized to the tune of about \$2 billion in tax money.

Mr. Chairman, members of the sub-committee, that concludes my testimony. Please let me introduce Greg Shields who serves on the Board of Directors for the Ohio Association of Career Colleges and Schools. He is Regional Director for National College, which has six campuses across the state.

| Ohio's Fastest Growing Occupations* | | | |
|--|----------------|-----------------|----------------|
| 2008-2018 | | | |
| | | Total | Average |
| | Percent | Annual | Wage |
| Occupational Title | Change | Openings | May 09 |
| Home Health Aides | 47.9% | 3,487 | \$9.78 |
| Personal and Home Care Aides | 44.6% | 790 | \$9.91 |
| Network Systems & Data Comm. Analysts | 43.2% | 721 | \$34.38 |
| Skin Care Specialists | 37.9% | 50 | \$15.18 |
| Athletic Trainers | 35.6% | 60 | \$42,860** |
| Physician Assistants | 33.5% | 99 | \$40.33 |
| Biochemists and Biophysicists | 31.6% | 48 | \$33.07 |
| Physical Therapist Assistants | 31.5% | 220 | \$24.61 |
| Computer Software Engineers, Applications | 31.1% | 848 | \$39.17 |
| Financial Examiners | 30.7% | 43 | \$36.46 |
| Occupational Therapist Assistants | 30.0% | 108 | \$24.66 |
| Physical Therapist Aides | 29.8% | 55 | \$11.69 |
| Medical Assistants | 29.2% | 889 | \$13.16 |
| Medical Scientists, except Epidemiologists | 28.7% | 87 | \$32.99 |
| Veterinary Technologists and Technicians | 28.4% | 147 | \$14.13 |
| Veterinarians | 27.1% | 92 | \$43.55 |
| Self-Enrichment Education Teachers | 26.2% | 303 | \$20.41 |
| Pharmacy Technicians | 26.0% | 760 | \$12.52 |
| Dental Assistants | 25.2% | 438 | \$15.54 |
| Dental Hygienists | 25.1% | 323 | \$29.82 |
| Computer and Information Scientists, Research | 24.7% | 38 | \$48.39 |
| Comp. Software Engineers, Systems Software | 24.4% | 334 | \$39.97 |
| Heating, AC, & Refrigeration Mechanics/Installers | 24.0% | 458 | \$22.25 |
| Optometrists | 23.7% | 65 | \$61.08 |
| Employment, Recruitment & Placement Specialists | 23.6% | 370 | \$24.75 |
| Cargo and Freight Agents | 23.6% | 101 | \$17.63 |
| Mental Health Counselors | 23.6% | 180 | \$20.99 |
| Physical Therapists | 23.4% | 271 | \$36.22 |
| Emergency Management Specialists | 23.1% | 24 | \$26.03 |
| Market Research Analysts | 22.8% | 436 | \$30.21 |
| * Occupations with at least 500 employment. | | | |
| **Annual earnings. | | | |
| Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information, November 2010. | | | |