

Strategic Plan for Higher Education 2008-2017

Submitted by Eric D. Fingerhut,
Chancellor, Ohio Board of Regents



Ohio

Board of Regents

Ted Strickland, Governor
Eric D. Fingerhut, Chancellor

University System of Ohio



Governor Strickland signs H.B. 2, making the Chancellor of the Board of Regents a Cabinet-level position.

Dear Speaker Husted, President Harris, Leader Beatty, Leader Miller, and Members of the General Assembly:

Following is the 10-year strategic plan for higher education required by H.B. 2 and H.B. 119 of the 127th General Assembly.

As you know, under H.B. 2 of the 127th General Assembly, the Chancellor became a member of the governor's cabinet, a change made to assure the General Assembly and the public that the Governor and Chancellor are united in the direction they seek to take higher education. Almost immediately after his appointment, Chancellor Fingerhut began working on a 10-year strategic plan for higher education in Ohio. The results of that effort are contained in this report, and I will join with the Chancellor in seeking its full implementation.

The past year has been a remarkable one for higher education in Ohio, thanks to a shared recognition in both the executive and legislative branches that our state, whose workers once ranked among the world's best educated, must regain its heritage of leadership and innovation in higher education if Ohio is to compete and prosper in the new millennium's global economy. It has been a remarkable year in the higher education community also, as presidents, faculty, staff and students have collaborated in the creation of a new system and have offered their best thinking and ideas to the strategic plan. The Chancellor and I are grateful for this partnership.

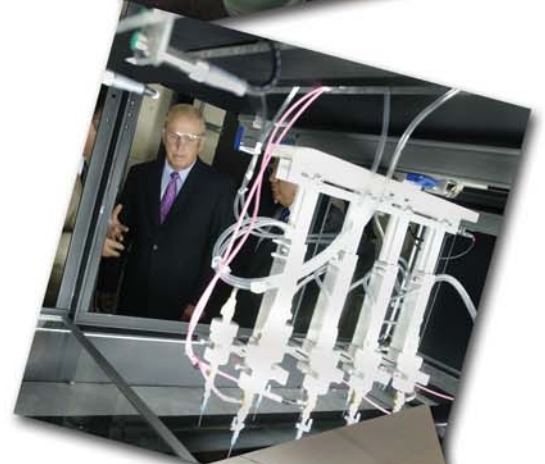
Much of what you will read in this report builds upon the principles I put forth last year in creating the University System of Ohio, which represents a new, cooperative framework for public higher education. For too long, Ohio has been ill-served by competition between institutions for students and resources, rather than the collaboration that would benefit all Ohioans. With this plan, I am confident that all our colleges and universities will join together in implementing its elements, both those that are easy and those that require more significant changes.

State government has worked hard to earn the trust of higher education leaders, even during the recent challenging economic and budget period. I know that this effort will be met with an all-out effort by our higher education institutions to meet the goals set in this plan.

I look forward to working with each of you as we build a world-class system of higher education for all the people of Ohio.

Sincerely yours,

Governor Ted Strickland
Columbus, Ohio
March 31, 2008



Dear Governor Strickland, Speaker Husted, President Harris, Leader Beatty, Leader Miller, and Members of the General Assembly:

It is my honor to submit to you this plan for higher education in Ohio. This report is intended to fulfill the requirements of several executive and legislative directives, including H.B. 2 and H.B. 119 of the 127th General Assembly, and Governor Strickland's Executive Directive of August 2, 2007. The plan seeks to establish clear goals and measurements to track our progress. It also describes the principle strategies we will use to reach these goals.

This plan will guide us day to day, but the process of reforming higher education in Ohio will remain a work in progress. We must be flexible enough to respond to changing circumstances or to adjust strategies that are not working. I will conduct periodic reviews of the strategies and report publicly on progress made and changes needed.

Some of the strategies set forth in this plan can be implemented under the authority of the Governor and the Chancellor, while others require action by the General Assembly. Throughout my tenure as Chancellor, the General Assembly has been a valued partner on issues related to higher education, and I look forward to a productive dialogue with the legislative branch about these matters.

I have strived to develop a constructive working relationship with Ohio's many and varied institutions of higher education over the past year, and I am grateful for the insights many of our state's leading educators have shared with me. This has been, and will remain, a collaborative process. I have tried to create a shared vision of the future of higher education in our state, and have incorporated ideas from colleagues across the state as best I can. While I understand that some of our institutions may disagree with specific recommendations, I expect that all of them recognize the expanding role higher education must play in the future of our state, and on that basis will work with me to implement this plan.

Respectfully submitted,

Chancellor Eric D. Fingerhut
Columbus, Ohio
March 31, 2008





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Executive Summary

Executive Summary

If the State of Ohio is to grow and prosper, it must raise the education level of its population. The goal of this 10-year strategic plan is to raise the educational attainment of our state each year, and to close the gap between Ohio and competitor states and nations. To accomplish this goal we must do three things:

1. **Graduate more** students.
2. **Keep more** of our graduates in Ohio.
3. **Attract more** degree holders from out of state.

Meeting the goal of this plan will require mobilizing Ohio's extensive network of public universities and community colleges – the University System of Ohio – and a diverse collection of independent colleges and universities.

The University System of Ohio consists of the state's 13 public university campuses, one medical college, 24 regional branch campuses, and 23 community colleges, as well as adult literacy and adult workforce centers. Through a combination of strategies, the University System of Ohio will become a high-quality, flexible system of higher education that offers a wide range of educational options, while driving down the average amount that students pay to among the lowest in the nation.

Lowering the cost to the student is a top priority, but it cannot be done through cost-cutting alone or through setting a one-size-fits-all price at the state level. Instead, the state will offer **many educational options** to students who can then choose the best programs at the best price to meet their needs. This is the quickest path to an affordable, high-quality education for every Ohioan.

The University System of Ohio will **end the counter-productive competition** among institutions for scarce resources. The historic strengths and traditions of our individual universities will be drawn upon to create **distinctive missions** for each, leading to the establishment of nationally and internationally-recognized **Centers of Excellence** that will be drivers of both the regional and state economies and that will complement the comprehensive, quality education available at each institution. Each institution will delineate these Centers of Excellence, together with specific goals and measurements by which the goals can be evaluated.

Institutions will be given **flexibility** to set tuition at the main campuses, but this authority is contingent upon the institution's ability to offer financial aid based on need to all qualified students in accordance with guidelines to be established by the Chancellor. Information about the benefits and impact of this policy on students at all income levels will be provided to the General Assembly prior to the adoption of a biennial budget.

High-quality associate and bachelor's programs in core fields will be made available at a University System of Ohio campus **within 30 miles** of every Ohioan, utilizing the existing infrastructure of community colleges and regional campuses. These associate and bachelor's degrees will be among the lowest cost available anywhere in the country.

The **Seniors to Sophomores** program will allow qualified high school students to spend their

senior years on a college campus, then after graduation enroll as sophomores in the system. Other early college opportunities, such as increased use of advanced placement exams and offering college-level courses in high schools, will also raise students' aspirations for college and lower their costs.

A **comprehensive community college education** will be available to all Ohioans. Community colleges will be linked through policies and a database that will enable each school to offer programs developed at other schools, and enable students to see what courses are offered at other schools.

High school graduates will have the option of being **"dual admitted"** to a community college and a public university, if they meet the admission standards of each, and will be able to move seamlessly from the college to the university after meeting established benchmarks.

Programs at **adult workforce centers** that are equivalent to technical programs offered at community colleges will be accepted for college credit, creating clear pathways between these types of institutions. Ohio's network of Adult Basic and Literacy Education centers will offer convenient and affordable "college prep" courses to prepare adult workers academically for the rigors of higher education.

Students who do not complete high school by the end of the school year following their 18th birthdays will be identified by the Board of Regents and the Ohio Department of Education and recruited to attend a program combining high school completion with **college readiness**. Students up to the age of 21 who obtain a high school diploma through this initiative will be counted in the graduation rate statistics gathered by the Ohio Department of Education and individual schools.

The **technology infrastructure** of Ohio's higher education system will be upgraded and integrated. This will benefit students by providing access to online information about University

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System of Ohio schools, allowing online application for admission, and permitting registration at multiple University System of Ohio campuses. Similarly, technology will be integrated across the spectrum of primary, secondary and higher education.

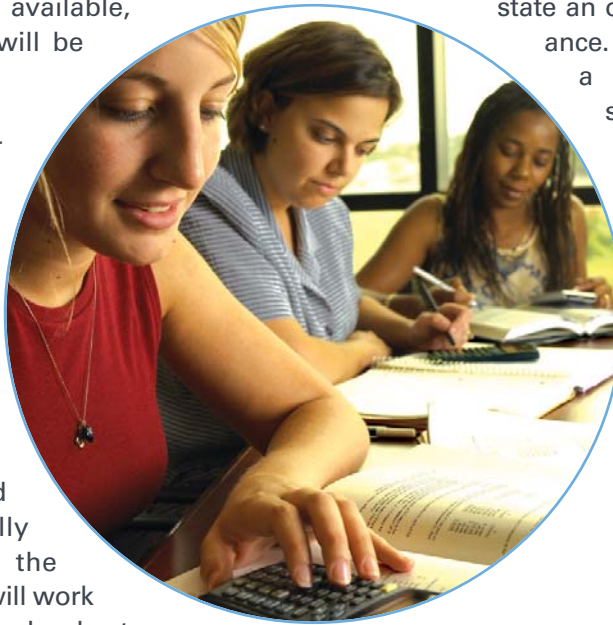
The Board of Regents will implement the **Ohio Skills Bank** to link industry demand to workforce supply in the state's 12 economic development regions. Demand for employment in each region will be measured against the supply of students and programs available, and the programs offered will be adjusted accordingly.

In recognition of the clear need of business and industry for a **diverse workforce**, a center will be established to study factors leading to success for African-American males and to implement best practices across the state. To promote Ohio colleges and universities internationally and draw talent here, the University System of Ohio will work with the state's private schools to promote higher education in Ohio to a global audience and share the costs of recruiting international students. Opportunities for military veterans and adults over 55 will be expanded as well.

The cost of higher education cannot be reduced without rigorously monitoring expenditures and efficiencies. A **continuous improvement system** will be created to identify spending efficiencies and productivity improvements and implement them statewide. The Chancellor will recommend to the Governor and General Assembly efficiency targets for each fiscal year. As the University System of Ohio becomes increasingly efficient, state support per full-time student should be increased to the national average.

The state will work closely with Ohio's excellent and diverse **private colleges and universities** to help accomplish the goals of this plan. Private schools will be encouraged to participate in the state's credit transfer system. Reforms will be made to the program approval system and student financial aid.

A list of 20 **"measurements for success"** will allow the state to determine how well the University System of Ohio is implementing this plan over the next 10 years. All universities will join the national Voluntary System of Accountability, making data available regarding price, financial aid, degree programs, retention and graduation rates, campus safety, student satisfaction and student learning outcomes. The results will be compiled into an Ohio College Portrait that will provide easily accessible, understandable information for prospective students, and give the state an objective measure of performance. Community colleges will join a comparable accountability system.



Implementation of this plan has already begun. When fully enacted, it will, over the next decade, accomplish the goal of the Governor and General Assembly to make higher education a principal driver of Ohio's economic growth and prosperity in the 21st century.



Introduction

“Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.”

- Excerpt from the Northwest Ordinance

Introduction

Even before there was an Ohio, those who settled here understood that public education was necessary to tame the wilderness, create jobs, and attract immigrant families.

Following statehood in 1803, the state legislature assumed responsibility for townships that had been set aside by Congress to support public education. In 1804, Ohio University opened with three students in Athens. Five years later, Miami University became only the seventh public college founded in the United States. The legislature vested one complete township in the district of Cincinnati to the school for its use, benefit and support.

The social and economic benefits that spring from education were clearly recognized by our founders. Governor Thomas Worthington argued the need to educate the poorer classes, who otherwise would be “unable to manage, with propriety, their private concerns, much less to take any part in the management of public affairs.”¹

On July 2, 1862, President Abraham Lincoln signed the Morrill Land-Grant Act, which paved the way for the next public college in Ohio. With funds from the sale of federal lands under the Act, the General Assembly chartered the Ohio Agricultural and Mechanical College, later to become The Ohio State University. The first 24 students began classes on the old Neil Farm, two miles north of Columbus, in 1873.

Some immigrants, particularly Catholics and members of other religious groups, were suspicious of public education, stemming from a belief that public schools promoted allegiance to the state over religion. This led to the establishment of many private and religious-affiliated colleges in the 19th century. Episcopalians founded Kenyon College in 1824; Presbyterians established Western Reserve in Hudson in 1826 and Muskingum College in 1837. Catholics opened The Athenaeum of Ohio in 1829, Xavier in 1831, and the University of Dayton in 1850.

Baptists founded Dennison in 1831. Congregationalists started Oberlin in 1833, Marietta in 1835, and Defiance in 1850. Methodists opened Ohio Wesleyan in 1842, Baldwin College in 1845, and Mount Union in 1846. Lutherans built Wittenberg in 1845 and Capital in 1850. The United Brethren established Otterbein in 1847. The Evangelical and Reformed Church opened Heidelberg in 1850, and the Swedenborgians founded Urbana in 1850.²

Although some blacks enrolled in colleges in Ohio from the earliest days, Oberlin College encouraged black students to attend as a matter of policy and in 1837 opened its doors to women, becoming the first co-educational college in America. The Methodist Episcopal Church established the first predominantly black college at Wilberforce. The school was purchased by a black congregation, the African Methodist Episcopal Church, in the 1860s.

This rich diversity of public and private colleges was unprecedented in the United States at the time, and Ohio gained a reputation for the number and variety of its higher education institutions. In an era when professional education was quite limited, the Medical College of Ohio in Cincinnati was opened in 1819 and graduated 239 doctors over the course of the next 15 years. Cincinnati also became a center of legal studies, due in part to the talent of such luminaries as Alphonso Taft, father of future President and Chief Justice William Howard Taft.

The General Assembly began to provide biennial appropriations for operating purposes for public

universities in 1878, giving them a stable source of funding for the first time. In 1913, the General Assembly decreed that any high school graduate in Ohio is entitled to admission to a state-sponsored college or university.

Following World War II, veterans flooded the colleges and universities on the GI bill. Over the next decade and a half, Ohio's five state universities and one state college – Bowling Green, Central State, Kent State, Miami, Ohio University and Ohio State – opened 32 branches to accommodate the huge influx of students.³

Public education expanded even more in the 1960s under Governor James A. Rhodes, who worked with the Ohio General Assembly to create a community college district in all single and contiguous counties with a population of more than 100,000 people. The original legislation limited course work to arts and sciences. After realizing this was short-sighted, Ohio added technical and vocational training facilities for work force development.

The promise by Governor Rhodes to locate a college within "30 miles of every boy and girl in Ohio" was fulfilled with the network of community colleges and branch campuses. The building boom was financed through state-issued bonds approved by voters.

Ohio's universities were also greatly expanded in the 1960s with the creation of Cleveland State University, the Medical University of Ohio (Toledo), Wright State University, Youngstown State University, the University of Toledo and the University of Akron.

The point is clear – Ohio is no recent convert to the notion that higher education is important to the well-being of the state and the quality of life of its citizens. Our historic leadership in higher education once made us the envy of other states, gave us one of the world's best-educated workforces, and contributed significantly to the prosperity we long enjoyed.



But the state's level of commitment in recent decades has not been sufficient to maintain this excellence. As Ohio's manufacturing base eroded and the state lost thousands of jobs yearly due to the closing of factories and steel mills, spending on higher education lagged. Today, the state ranks 39th in higher education spending per full-time equivalent student (FY 2006).⁴

But that bleak picture is starting to change. Tying Ohio's future and economy directly to higher education, Governor Ted Strickland called for increased funding in his first budget, and the General Assembly responded by providing funds for a two-year tuition freeze at all public colleges and universities.

In his 2008 State of the State speech, Governor Strickland invoked the 40-year-old promise of the late Governor Rhodes to locate a campus near every Ohioan: "Thanks to Jim Rhodes' foresight, we have a higher education infrastructure that rivals any state in the nation...We must provide Ohioans what they need to succeed in the 21st century – access to high-quality, affordable associate and bachelor's degrees."

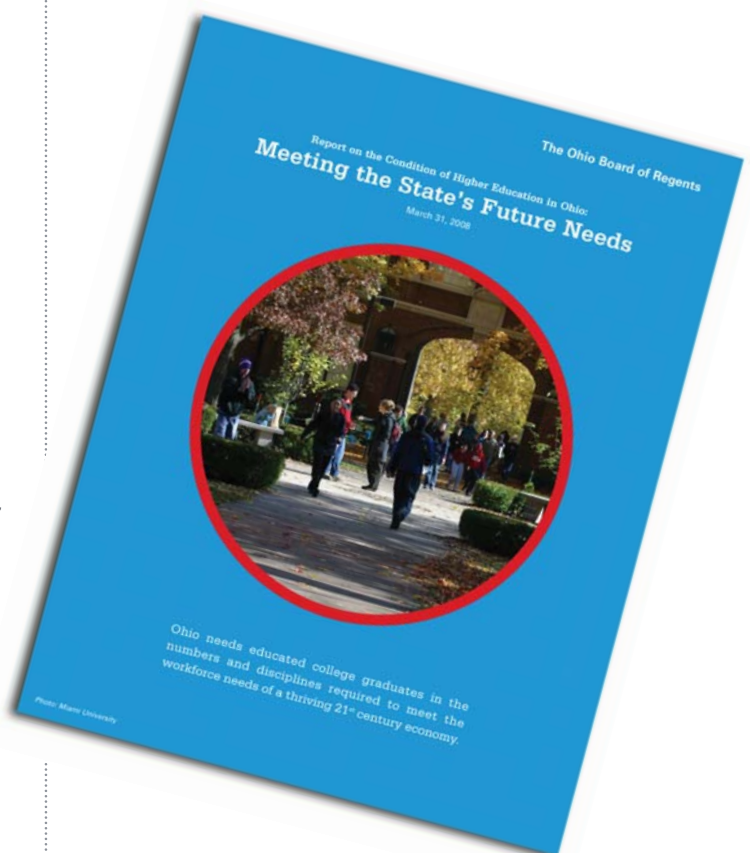
"Thanks to Jim Rhodes' foresight, we have a higher education infrastructure that rivals any state in the nation...We must provide Ohioans what they need to succeed in the 21st century – access to high-quality, affordable associate and bachelor's degrees."

- Governor Strickland

Knowledge Is Currency

This renewed commitment to higher education comes at a particularly critical moment in the state's history. 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.

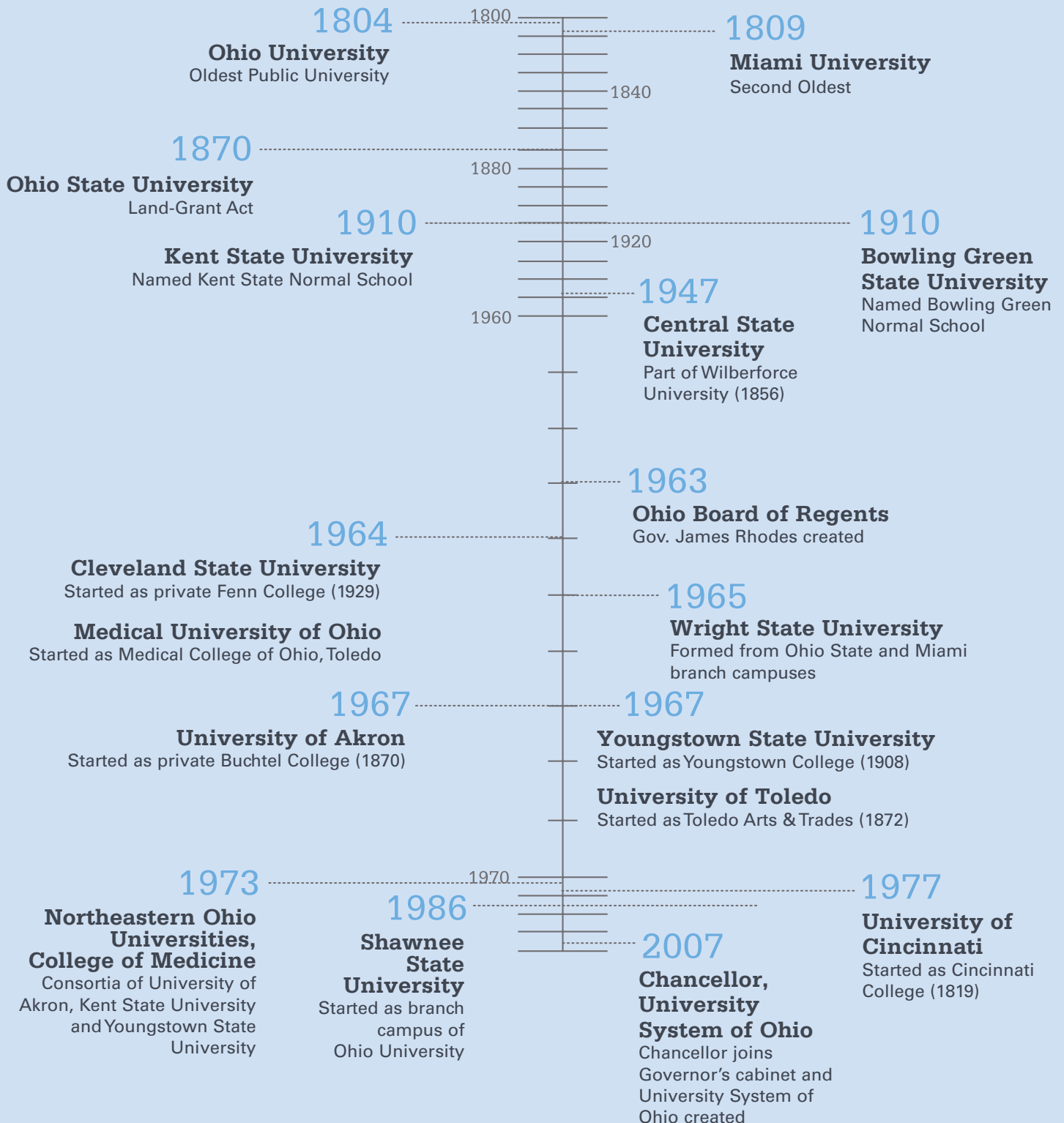
A comprehensive assessment of the current state of higher education in Ohio may be found in the Board of Regents' ***Report on the Condition of Higher Education in Ohio: Meeting the State's Future Needs***, which is being released simultaneously with this plan. As both reports were mandated by the General Assembly, they should be read as companion reports that collectively answer the questions: **"Where are we today?"** and, **"What should we do about it?"**



Ohio's

Public Universities

and Public Medical College



*Dates on timeline are the date each institution became a public university.
The date the institution was originally founded is listed below its name where applicable.*

Ohio's

Community Colleges

Community College	Year Created as a Community College
Belmont Technical College	1971
Central Ohio Technical College	1971
Cincinnati State Technical and Community College	1969
Clark State Community College	1966
Columbus State Community College	1963
Cuyahoga Community College	1963
Edison Community College	1973
Hocking College	1968
Jefferson Community College	1966
Lakeland Community College	1967
Lorain County Community College	1963
Marion Technical College	1970
North Central State College	1969
Northwest State Community College	1968
Owens Community College	1965
James A. Rhodes State College	1971
Rio Grande Community College	1976
Sinclair Community College	1966
Southern State Community College	1975
Stark State College of Technology	1960
Terra Community College	1968
Washington State Community College	1971
Zane State College	1969

Source: Ohio Association of Community Colleges

The benefits of a vibrant system of higher education are many:

- Ohioans who earn post-secondary credentials – including certificates and degrees – get **better jobs** and earn more money, contribute more to their communities, pay more in taxes to support vital public services, and depend less on public support.
- The more educated our workforce is overall, the easier it will be for businesses to find the workers they need to grow, **creating new jobs for Ohioans**.
- An educated workforce **attracts new businesses** to the state, and supports an entrepreneurial culture that spawns the creation of new businesses.
- By attracting and supporting talented researchers who are interested in pushing the boundaries of existing disciplines, higher education can become the **source of new inventions and technologies** that spur the creation of entire new industries, transforming the economy of the state in the same way that the invention of the automobile transformed Ohio a century ago.
- An exceptional higher education system will be a **magnet for talent** from around the world, attracting people who want to build their lives and fortunes here, just as our natural resources, fertile soil, and geographic location once attracted others.
- Renowned colleges and universities improve the quality and vitality of our cities, towns, and rural areas, making them **attractive places to live**, raise a family and retire.
- Higher education is itself one of the **fastest growing industries** in the world. The larger a share of this growing industry Ohio is able to develop, the more jobs we will create at colleges and universities and in all the ancillary industries that support higher education.

Higher education leaders have long argued that these undeniable contributions to Ohio's economic future justify additional investments of state dollars. "If you give us more money," it is said, "we will produce more." A better approach, and the one embraced in this plan, is that higher education will organize itself to produce more graduates, create more jobs, and produce more tax dollars. This will, in turn, enable state leadership to invest more in higher education. In short, higher education holds the key to the state's – and its own – future prosperity.

Higher Education as an Industry

Higher Education in Ohio Total *(both Public and Private)*

Academic R&D Expenditures	\$1,636,473,000
Enrollment (Fall 2005)	602,650
Total Faculty and Staff	136,864
Total Faculty and Staff Salaries, Wages, & Benefits	\$9,385,979,718
Total Student Spending <i>(includes tuition, room and board, books, transportation)</i>	\$6,102,432,840
Total Value of Facilities	\$27,904,841,312
Total Operating Expenses	\$12,767,719,336

Employment *(compared with private sector)*

	Ohio Total	5,231,918
Manufacturing	811,894	
Health care and social assistance	664,489	
Retail trade	613,800	
Accommodation and food services	431,515	
Administrative and waste services	313,043	
Wholesale trade	235,497	
Construction	232,472	
Professional and technical services	231,601	
Finance and insurance	229,744	
Other services, except public administration	167,987	
Transportation and warehousing	166,144	
Higher Education in Ohio	136,864	
Management of companies and enterprises	98,622	
Information	89,876	
Educational services	85,739	
Real estate and rental and leasing	69,578	
Arts, entertainment, and recreation	67,979	
Utilities	20,389	
Agriculture, forestry, fishing and hunting	14,136	
Mining	10,790	

Note: This includes all private schools – including higher ed

Total Wages *(in thousands of dollars)*

	Ohio Total	\$193,627,858
Manufacturing	\$39,140,027	
Health care and social assistance	\$23,650,824	
Retail trade	\$14,023,098	
Professional and technical services	\$12,449,731	
Finance and insurance	\$12,424,333	
Wholesale trade	\$12,091,618	
Construction	\$9,408,638	
Higher Education in Ohio	\$9,385,979	
Management of companies and enterprises	\$8,317,934	
Administrative and waste services	\$7,693,308	
Transportation and warehousing	\$6,418,035	
Accommodation and food services	\$5,103,692	
Information	\$4,504,361	
Other services, except public administration	\$3,894,667	
Educational services	\$2,461,268	
Real estate and rental and leasing	\$2,238,979	
Arts, entertainment, and recreation	\$1,580,605	
Utilities	\$1,441,071	
Mining	\$598,856	
Agriculture, forestry, fishing and hunting	\$328,617	

University System of Ohio

One of the fundamental organizing principles underlying this plan is the need to better coordinate the public institutions of higher education. A system of public colleges and universities – which emphasizes cooperation over competition and seeks to make the whole greater than the sum of its parts – should not be viewed as a controversial concept. Such systems are an important element in states like California, North Carolina and Texas, which have long demonstrated the merits of this approach. Brit Kirwan, Chancellor of the University System of Maryland – and a former president of The Ohio State University – recently described his system’s efforts to use tax dollars more efficiently:

“These achievements were made possible by our efforts to act together as a system, with our Board of Regents, campus presidents and their administrative teams, faculty, staff and student leaders, and the University System of Maryland office working in tandem.”⁵

While the benefits of such a system may be obvious, building one from a collection of institutions that traditionally have operated independently is very challenging.

Some see the development of a system as an effort to impose greater regulation on public institutions and to create a more powerful central bureaucracy. That is not the intent, and in fact this plan is designed to avoid those pitfalls. We currently have the worst of both worlds – highly regulated institutions that operate with little coordination or cooperation.

The University System of Ohio will eliminate, not create, levels of bureaucracy and regulation, while focusing all our institutions on accomplishing a single set of statewide goals. As will become clear, each institution will contribute in different ways to the achievement

of these goals, and all will have a stake in our collective success.

We are not without our strengths. The diversity of Ohio’s public institutions is a great asset, allowing us to offer different types of educational experiences to meet the needs of a diverse population of potential students. Community colleges and regional campuses offer low-cost, accessible, high-quality certificates and degrees, and our main university campuses provide a comprehensive set of undergraduate and graduate degrees.

Allowing this diversity to flower will achieve one of the state’s most cherished goals – lowering the cost of a college education. The current tuition freeze made a powerful, short-term statement of priority and positive impact on the system, but the long-term, sustainable path to affordability will require using all our educational assets to their fullest capacity, giving students as many high quality choices and options as possible, and giving institutions the incentives to create different paths to a higher education.

Competition From Other States

Ohio is not alone in coming to the realization that higher education holds the key to growth, prosperity and success. Similar conversations are taking place in all 50 states and in dozens of countries. As this report was being prepared, several states issued major new studies of their own, while others issued updates to existing plans or launched new initiatives in areas like affordability, research excellence, and talent retention.

Our response to such competition must combine urgency and caution. Clearly, there is no time to lose in taking steps to meet this challenge, but the answer is not a bidding war with other states. Yes, we must invest more dollars in education as we are able. But any credible plan must also recognize that the state will not be able to afford everything it would like, so ways to creatively and efficiently maximize our strengths must be found.

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Beyond STEM

In emphasizing economic development as the rationale for improving higher education, some inevitably misinterpret it to mean that we intend to focus only on science, technology, engineering and mathematics – the so-called STEM disciplines. To be sure, there is justified concern about the state of science and mathematics education not only in our state but in the nation as a whole. Ohio is taking creative steps to improve its performance in these areas and must take more. Success in the global economy, however, requires more than technical skills. It will take communication skills, creativity and innovation, an understanding of global cultures and history, and much more.

These skills are acquired through study in a wide range of disciplines, including the liberal arts and humanities, law and business, as well as science and math. Among employers and business leaders, concern over the basic reading, writing, and oral communication skills of the workforce is as deep as the concern over the technical skills workers bring to the job. Where this plan speaks of a comprehensive, quality education, it is meant in the broadest sense to include liberal arts, fine arts, and humanities. Where this plan speaks of developing Centers of Excellence, it fully contemplates that these centers can and will be established in fields commonly associated with these disciplines, as well as the STEM disciplines.

Private Schools

The plan also addresses the role of Ohio's diverse group of private nonprofit and for-profit schools in advancing the state's higher education goals. These schools range from major research institutions to nationally known liberal arts colleges to locally focused schools that specialize in adult career opportunities. Ohio is incredibly fortunate to be home to such a rich array of colleges and universities. Implicit in this plan is a respect for the right of private schools to operate according to their own

missions and goals. Yet we also desire to maximize opportunities for partnerships between them and the state based on shared priorities.

A Better Ohio

In 1962, the great educator John D. Millett, Ohio's first Chancellor, issued a report much like this one. Millett believed the best way to increase college attendance was to bring the campus to the students rather than the students to the campus. It was on his recommendation that our network of community colleges was created.

He knew exactly how high the stakes were.

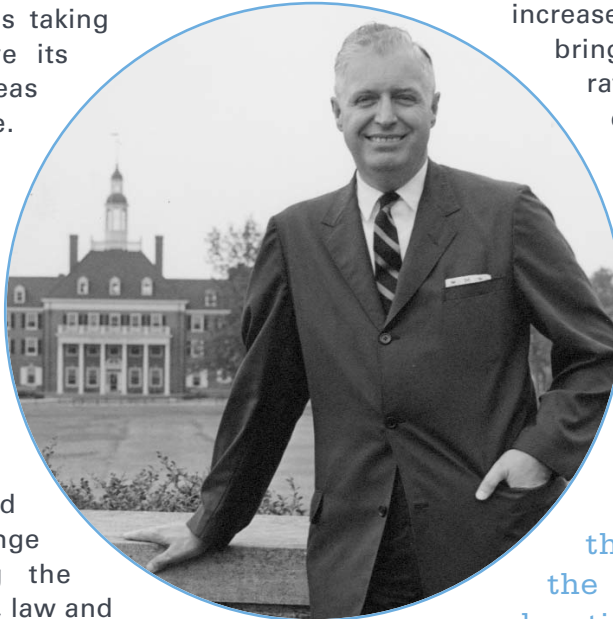
As he wrote at the time:

*"There is no need at this late date to assert the argument that higher education should be open to all those who can profit from it. That argument was won a hundred years ago."*⁶

Forty-five years later, his words ring even more true. We are once more at a pivotal moment of change, and we face difficult choices. But we have faced such moments before, and met the challenge.

As a 10-year strategy, this plan takes a long view of the problem. The changes contemplated here will not happen overnight. They will require a long list of public policy and institutional decisions that will in some cases take many years to implement. Of course, some changes can be accomplished more quickly, and the people of Ohio will see a difference in a shorter time. We will measure our progress as we go.

Ten years is enough time to make the changes necessary to chart a course for Ohio well into the 21st century. This is Ohio's plan, drawing upon our unique strengths, and if we implement it carefully and deliberately, it can light the path to a better Ohio for all of us.



John D. Millett



Raising Educational Attainment in Ohio

Raising Educational Attainment in Ohio

For any strategic plan to be successful, it must have a clear purpose. This plan seeks to raise the overall educational attainment level of Ohio's workforce. However, Ohio will not advance economically if our rate of improvement is slower than our competitors around the country and the world. Educational attainment of Ohioans is going up, but not as fast as the leading nations of the world. Therefore the educational attainment of Ohio's workforce must catch up with outside competitors.

Accomplishing this goal requires higher education in Ohio to do three things: (1) **graduate more people**, (2) **keep them here after graduation**, and (3) **attract more talent** to Ohio so that we become a net importer of people with college degrees, and not a net exporter as we are today.

Graduating people is the core business of higher education, and the institutions in Ohio are well aware of Governor Strickland's call, expressed in his first State of the State address, to enroll 230,000 more students by 2017 and to graduate an additional 20%. Still, accomplishing this goal will require us to improve our quality and productivity in order to get to the scale of activity that is needed.

Accepting responsibility for keeping our graduates in Ohio is likely to be a more controversial assertion. We assume that keeping graduates in Ohio has to do with economic and sociological factors beyond our control. In

fact, there are a number of significant steps that institutions can take to keep graduates in Ohio. These range from promoting co-op and internship programs that link students to Ohio businesses, to creating an entrepreneurial environment on campus that helps generate new and exciting career opportunities for graduates, to building neighborhoods around our campuses that make students want to stay in the area to live and work.

Similarly, our colleges and universities can make Ohio a net importer of people with college degrees. Schools can attract students and faculty to study and teach in world-class academic programs and institutes, and to partake of the quality of life and entrepreneurial environment in and around our campuses. These recruits often bring spouses, partners, and colleagues who are also highly educated, and are major players in the creation of highly charged, fast-growing communities.

The Ohio Department of Development rightly spends a good portion of its time trying to attract businesses from other states and countries to

locate in Ohio. The state must expend as much effort attracting the talent that could start new businesses.

Ohio has two great academic resources – the state’s system of public colleges and universities, and the state’s unique collection of private colleges and universities. This report details strategies to help meet the three-part test of graduating more students, keeping them here, and making Ohio a net importer of people with college degrees.

Ohio’s colleges and universities are vast reservoirs of intellectual innovation and energy. This plan calls for concentrating that energy not only on improving our institutions of higher education, but also on improving the condition of our state as a whole. If the goals of increased enrollment and graduation rates are met, but the state still falls behind economically, then we cannot truly judge our work to be a success or the taxpayer’s investment to have been well spent. We must, and we will, do more.

Ohio's Educational Attainment 2006 Data	Current Workforce Ages 25-64			Future Workforce Ages 25-34		
	% Degrees at Level or Higher	Ohio's National Rank	U.S. Average	% Degrees at Level or Higher	Ohio's National Rank	U.S. Average
Associate Degree	33.41%	38	37.22%	34.71%	32	37.05%
Bachelor's Degree	25.17%	37	28.94%	26.61%	30	28.84%
Graduate Degree	8.93%	29	10.32%	7.66%	17	8.03%

See Ohio compared to other states and other countries on pages 25 and 26.

Educational Attainment Dashboard

The Educational Attainment Dashboard will measure progress made by higher education in the next 10 years. The Web-based tool will be available around the clock to show the educational attainment of the state compared to other leading nations and states. As Ohio becomes more competitive, the dashboard will show relative rankings improve. The Chancellor is accountable for achieving progress on these goals.

Ohio Compared to the Nation

Associate Degree			Bachelor's Degree			Graduate Degree		
State or Nation	Associate's Degree and Higher	Rank	State or Nation	Bachelor's Degree and Higher	Rank	State or Nation	Graduate or Professional Degree	Rank
<i>Ages 25-64</i>								
Massachusetts	49.20%	1	Massachusetts	40.80%	1	Massachusetts	16.89%	1
New York	42.93%	10	Virginia	35.08%	6	New York	14.13%	4
Virginia	42.57%	12	New York	33.83%	8	Virginia	14.02%	5
Illinois	39.73%	16	Illinois	31.56%	14	Illinois	11.55%	10
California	38.20%	21	California	30.14%	16	Pennsylvania	10.52%	15
United States	37.22%		United States	28.94%		California	10.47%	16
Pennsylvania	36.94%	27	Pennsylvania	28.46%	23	United States	10.32%	
Florida	36.66%	28	Florida	26.69%	30	Michigan	9.57%	21
North Carolina	35.62%	29	Michigan	26.54%	32	Ohio – 2006	8.93%	29
Michigan	35.31%	30	North Carolina	26.50%	33	Florida	8.90%	31
Ohio – 2006	33.41%	38	Texas	25.87%	36	Kentucky	8.69%	32
Texas	32.66%	40	Ohio – 2006	25.17%	37	North Carolina	8.57%	34
Indiana	31.77%	41	Indiana	23.49%	41	Indiana	8.29%	35
Kentucky	29.27%	45	Kentucky	21.77%	45	Texas	8.16%	37
West Virginia	25.01%	50	West Virginia	18.20%	50	West Virginia	7.04%	47
<i>Ages 25-34</i>								
Massachusetts	51.92%	1	Massachusetts	44.32%	1	Massachusetts	15.06%	1
New York	47.06%	3	New York	38.12%	2	New York	13.29%	2
Virginia	41.66%	13	Virginia	34.27%	9	Virginia	10.85%	7
Pennsylvania	41.62%	14	Illinois	32.75%	12	Illinois	9.74%	9
Illinois	40.76%	18	Pennsylvania	32.24%	15	Pennsylvania	9.02%	10
United States	37.05%		United States	28.84%		United States	8.03%	
Michigan	35.57%	26	California	27.94%	24	Ohio – 2006	7.66%	17
North Carolina	35.48%	27	Michigan	27.40%	27	Michigan	7.59%	18
California	35.16%	29	North Carolina	27.21%	28	California	7.54%	19
Florida	35.08%	30	Ohio – 2006	26.61%	30	North Carolina	7.09%	23
Ohio – 2006	34.71%	32	Indiana	25.31%	33	Kentucky	6.71%	26
Indiana	34.49%	33	Florida	24.91%	34	Florida	6.48%	28
Kentucky	30.60%	41	Texas	23.30%	39	Indiana	6.10%	35
Texas	29.52%	46	Kentucky	21.98%	42	Texas	5.60%	41
West Virginia	28.22%	47	West Virginia	19.52%	50	West Virginia	5.07%	47

Ohio Compared to Other Countries

Associate's Degree		Bachelor's Degree	
State or Nation	Associate's Degree and Higher	State or Nation	Bachelor's Degree and Higher
<i>Ages 25-64</i>			
Canada	46.06%	Norway	30.26%
Japan	39.92%	Netherlands	28.32%
Finland	34.63%	Denmark	25.98%
Denmark	33.54%	Iceland	25.87%
Ohio – 2006	33.41%	Ohio – 2006	25.17%
Norway	32.70%	Canada	23.27%
Australia	31.69%	Australia	22.69%
Korea	31.61%	Korea	22.68%
Belgium	31.05%	Japan	22.26%
Iceland	30.54%	United Kingdom	20.79%
Netherlands	30.12%	Sweden	20.59%
Sweden	29.65%	Spain	19.88%
United Kingdom	29.63%	New Zealand	19.71%
Ireland	29.06%	Switzerland	19.04%
<i>Ages 25-34</i>			
Canada	53.84%	Norway	38.95%
Japan	53.19%	Netherlands	33.79%
Korea	50.98%	Iceland	32.54%
Norway	40.87%	Korea	31.72%
Ireland	40.65%	Denmark	30.69%
Belgium	40.61%	Australia	29.23%
Denmark	39.82%	Sweden	28.42%
Spain	39.73%	Canada	28.21%
France	39.31%	Japan	27.92%
Australia	38.10%	Spain	26.96%
Finland	37.54%	United Kingdom	26.94%
Sweden	37.29%	Ohio – 2006	26.61%
Luxembourg	37.01%	Finland	26.57%
Ohio – 2006	34.71%	Ireland	26.24%

All state data is for 2006, all international data is for 2007. No international data is available for Graduate Degrees.

State rank does not include Washington DC.

Source: US Census, 2006 American Community Survey; Organization for Economic Cooperation and Development, 2007

*The University System of Ohio will use the same benchmark states selected by the Ohio Department of Development



Governor Strickland signs the executive directive creating The University System of Ohio.

University System of Ohio

“Eighty percent of the students in this country are educated in our public universities. They are the front door to the American dream. They represent what life is about. They represent what this nation is about. I believe in every fiber of my being in the public university.”

- E. Gordon Gee
President, The Ohio State University

University System of Ohio

On August 2, 2007, Governor Strickland issued an Executive Directive creating the University System of Ohio, consisting of Ohio's 13 public universities, 23 community colleges, and one free-standing medical college. These institutions will be joined on January 1, 2009 by the state's adult career centers and adult basic and literacy programs, which are being transferred from the Ohio

Department of Education to the Ohio Board of Regents. This will allow the state to build a fully integrated adult education system ranging from GED to Ph.D. The University System of Ohio will be flexible, high-quality, technologically advanced, and affordable for every Ohioan seeking a better life.

The directive was not a symbolic act. It established that Ohio has a unified system of public higher education, a fact that will guide decisions made about the future.

The University System of Ohio formally links the state's 13 public universities, 24 branch campuses, 23 community colleges, one public medical college, more than 100 adult literacy centers and scores of adult workforce centers.

By aggressively pursuing the strategies outlined in this report, the University System of Ohio will increase the quality and effectiveness of each of its member institutions, so that they will collectively be known as one of the greatest public university systems in the world and students who attend one of the system's schools will have the benefit of being a student of the whole system.



TED STRICKLAND
GOVERNOR
STATE OF OHIO

Directive to the Board of Regents
August 2, 2007

Establishing the University System of Ohio

1. **Ohio Has a Great Higher Education Tradition.** The State of Ohio currently supports thirteen public universities, twenty-three public two-year colleges, and numerous adult career centers. The state's biennial budget for Fiscal Year 2008-2009 increases funding for these schools, providing funds which will, among other things, enable them to freeze tuition for two years. For these schools to best serve the needs of all Ohioans, it is imperative that these funding increases be matched by increases in quality, productivity and sustained improvements in affordability.
2. **Collaborative Efforts will Improve Higher Education in Ohio.** The best state systems of public higher education across the nation are more than just a collection of institutions. They work together in a rational, coherent way that creates sums worth well more than the individual institutions themselves. The power of unifying resources and making sure each maximizes its potential allows the best public university systems to shine in seas of mediocrity. We need to build such a system here in Ohio.
3. **Establishing "The University System of Ohio".** In order to realize the benefits of collaborative and coordinated activity between Ohio's institutions of higher education, I direct the Chancellor of the Board of Regents to refer to those institutions, collectively, as The University System of Ohio. Further, I direct the Chancellor to manage the state's investments in higher education to build The University System of Ohio so that it ensures affordable, high quality higher education opportunities for all Ohioans.
4. **Planning for the Future.** In order to maximize the quality and affordability of higher education for all Ohioans, I further direct the Chancellor to prepare a ten-year plan for The University System of Ohio that sets clear goals for the System and provides a timeline for accomplishing those goals.



Ted Strickland
Ted Strickland, Governor



Goals for the University System of Ohio

As the state's public system of higher education, the University System of Ohio bears the primary responsibility for raising educational attainment. To do so, the system must meet the following goals. Meeting these goals will enable Ohio to meet the benchmarks for higher education established by Governor Strickland, including increasing enrollment by 230,000 by 2017, and increasing the rate of graduation by 20%.

The University System of Ohio will improve Ohio's educational attainment by:



Graduating more students

Indicator	Current Level	2017 Target
Total Degrees Awarded (FY2006)	72,657	100,000
Associate	18,156	28,000
Bachelor's	37,816	52,000
Graduate and Professional	16,685	20,000



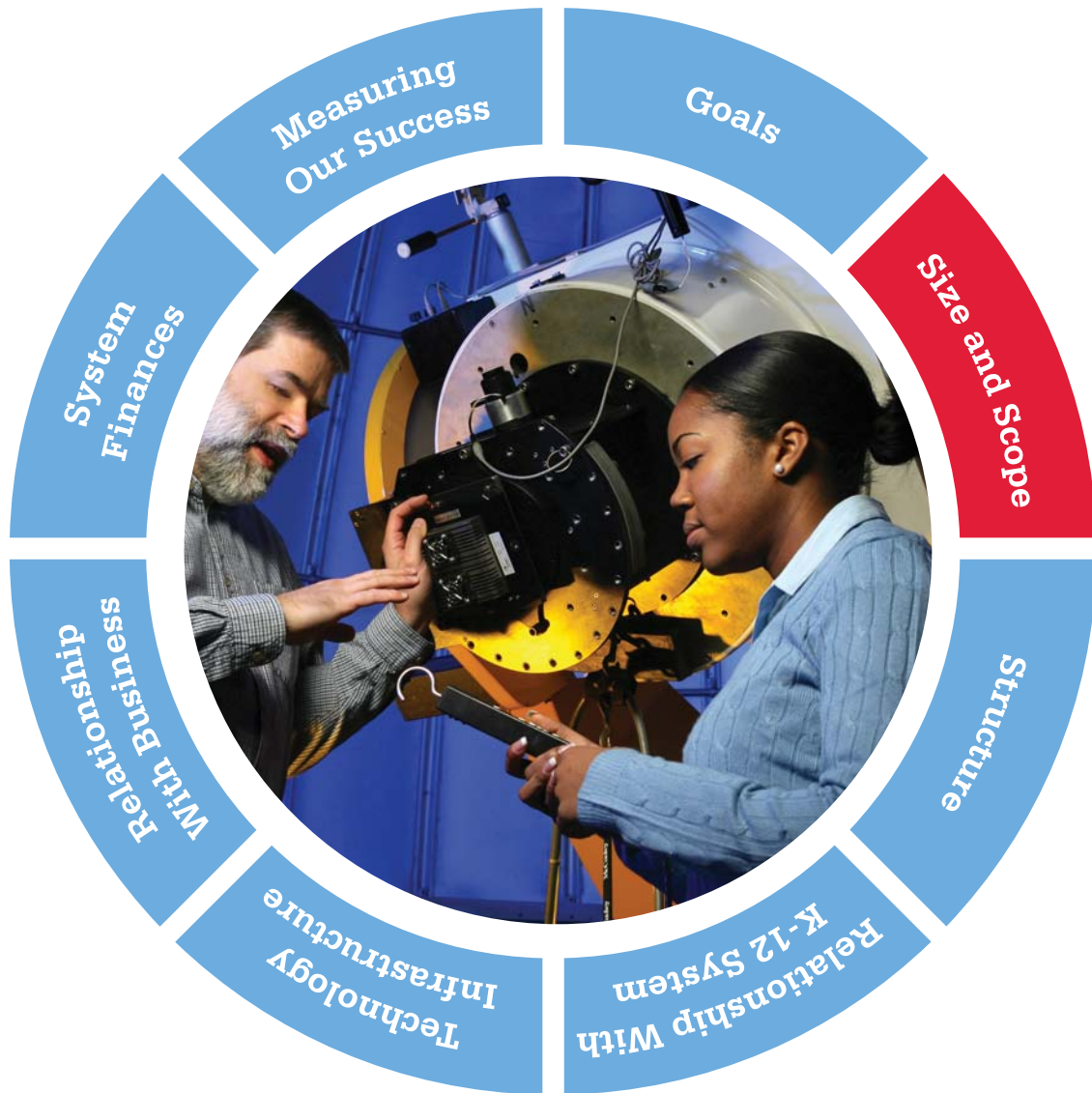
Keeping graduates in Ohio

Indicator	Current Level	2017 Target
Percent of graduates living in Ohio three years after graduation	66.26%	70.00%
Associate	81.84%	85.00%
Bachelor's	62.71%	66.67%
Graduate and Professional	56.44%	60.00%



Attracting more talent to Ohio

Indicator	Current Level	2017 Target
Number of degree holders age 22-64 entering the state minus number leaving the state each year	-9,120	10,000
Associate	-400	2,000
Bachelor's	-5,826	5,000
Graduate and Professional	-2,894	3,000



University System of Ohio: Size and Scope

Our Vision:

Committed to the highest standards of quality, the University System of Ohio will increase the state's economic competitiveness in the nation and the world, and enrich the lives of Ohioans.

Our Promise:

The University System of Ohio will provide the transformative leadership needed to (1) continuously improve the educational attainment level of Ohio's workforce and (2) close the gap between the educational attainment level of Ohio's workforce and the leading states and nations.

Sector and Institution	Fall 06 Enrollment	July 06 - June 2007 Degrees Awarded
University Main Campuses	253,577	56,314
University Regional Campuses	46,999	2,627
Community Colleges	172,118	13,717
Total University System of Ohio	472,694	72,658

Size and Scope

of the University System of Ohio

University System of Ohio

Totals

Fall 06 Enrollment	472,694
July 06-June 07 Degrees Awarded	72,658

Community Colleges

Totals

Fall 06 Enrollment	172,118
June 2006 - July 2007 Degrees Awarded	13,717

Sector and Institution	Fall 06 Enrollment	June 2006-July 2007 Degrees Awarded
Cuyahoga Community College- All Campuses	29,754	1,668
Jefferson Community College	1,601	148
Lakeland Community College	8,788	724
Lorain County Community College	10,521	955
Rio Grande Community College	1,528	154
Sinclair Community College	22,951	1,397
Cincinnati State Technical and Community College	8,438	1,001
Clark State Community College	3,339	305
Columbus State Community College	22,745	1,428
Edison State Community College	3,085	288

Sector and Institution	Fall 06 Enrollment	June 2006-July 2007 Degrees Awarded
Northwest State Community College	2,881	241
Owens Community College – All Campuses	20,034	1,085
Southern State Community College- All Campuses	2,976	305
Terra State Community College	2,324	190
Washington State Community College	2,316	325
Belmont Technical College	1,714	204
Central Ohio Technical College	3,103	382
Hocking Technical College	5,581	752
James A. Rhodes State College	3,347	435
Marion Technical College	2,043	233
North Central State College	3,195	389
Stark State College of Technology	7,920	777
Zane State College	1,934	331

University Main Campuses

Sector and Institution	Fall 06 Enrollment	June 2006-July 2007 Degrees Awarded
Bowling Green State University	19,150	4,090
Central State University	1,761	170
Cleveland State University	15,119	3,502
Kent State University	22,869	5,156
Miami University	16,198	4,527
Northeastern Ohio Universities College of Medicine	459	112
Ohio State University	52,512	14,095

Totals

Fall 06 Enrollment	253,577
June 2006 - July 2007 Degrees Awarded	56,314

Sector and Institution	Fall 06 Enrollment	June 2006-July 2007 Degrees Awarded
Ohio University	20,610	5,188
Shawnee State University	3,897	692
University of Akron	22,476	3,726
University of Cincinnati	28,245	5,562
University of Toledo	20,788	4,185
Wright State University	16,214	3,357
Youngstown State University	13,279	1,952

University Regional Campuses

Sector and Institution	Fall 06 Enrollment	June 2006-July 2007 Degrees Awarded
Bowling Green State University		
Firelands	2,164	155
Kent State University		
Ashtabula	1,536	131
East Liverpool	812	129
Geauga	1,062	49
Salem	1,274	123
Stark	3,743	83
Trumbull	2,012	87
Tuscarawas	2,019	241
Miami University		
Hamilton	3,297	*
Middletown	2,414	*
OSU, Agricultural Technical Institute	767	196

* Regional campus June 2006 - July 2007 degree total included in main campus total

Totals

Fall 06 Enrollment	46,999
June 2006 - July 2007 Degrees Awarded	2,627

Sector and Institution	Fall 06 Enrollment	June 2006-July 2007 Degrees Awarded
Ohio State University		
Lima	1,220	*
Mansfield	1,577	*
Marion	1,714	*
Newark	2,414	*
Ohio University		
Chillicothe	1,850	178
Eastern	708	8
Lancaster	1,727	70
Southern	1,824	112
Zanesville	1,723	126
University of Akron		
Wayne	1,742	104
University of Cincinnati		
Clermont	3,368	320
Raymond Walters	5,149	446
Wright State University		
Lake	883	69



University System of Ohio: Structure

Mission Differentiation
Ohio's Public Universities
Ohio's Community College Network
Ohio's Adult Learners and Workforce Training
Transfer and Mobility
Funding Formulas: Alignment with State Priorities
Affordability

Mission Differentiation

Some observers are surprised by the sheer number and breadth of Ohio's public universities. The temptation is to conclude that we have too many, and to try and prune the system.

But the fact is that Ohio, the seventh largest state in the union, has about the average number of schools per capita. This plan calls for attracting more students to our campuses, graduating more people, and keeping them here after they graduate. Reducing the size of the system would work against these objectives.

The focus should not, therefore, be on the number of institutions, but on whether they are performing at the level that the state needs. Across the system, there are programs of national and even international significance. Several Ohio schools, and many individual programs, regularly show up on widely accepted measures of research quality and scholarship. Many students are choosing Ohio schools over better known competitors. Nevertheless, Ohio's public institutions have not, on the whole, distinguished themselves on national and international benchmarks of quality.

Centers of Excellence

For the University System of Ohio to be a magnet for talent and innovation, the quality and reputation of the universities must grow. It does Ohio no good to have 13 universities competing for resources, students and faculty. In a competitive global market for talent, the only way for the system as a whole to raise its quality is for each institution to develop distinctive missions and Centers of Excellence that are recognized by students, faculty and business leaders. If Ohio can boast of 13 distinct universities, collaborating to help build each other's strengths – while competing globally to bring talent and resources to the state - then the state will enjoy the economic benefits that flow from

a world-class system of public higher education. And the choice of 13 distinctive universities will give Ohio's students and businesses a range of options that make the case for staying in Ohio.

Elements of this mission differentiation will develop over time. The goal for most schools will be to sharpen their focus. Others have not yet taken this path. For those schools, this plan will be more difficult and perhaps engender greater concern. But it is a necessary effort, and the state must support it by targeting resources to programs of excellence and linking subsidies to achieving mission-driven goals and metrics.

KEY STRATEGY:

Each of Ohio's 13 public university main campuses will have **distinctive missions**, which include a comprehensive, high-quality education, as well as the establishment of nationally-recognized Centers of Excellence.

In a report to the Chancellor due at the end of 2008, each university will identify and establish goals for their **Centers of Excellence**. This report, which must be approved by the Board of Trustees, will also specify the externally-recognized standards that will be used to measure progress.

The Chancellor, in consultation with the Director of Development, will approve or seek modifications in the reports to guarantee a range of academic strength sufficient to drive the global competitiveness of Ohio's economy.

The Chancellor will take the final, approved Centers of Excellence into account in making all future funding decisions and recommendations.

Research and Innovation

The development of Centers of Excellence is the basic building block of universities as drivers of innovation and entrepreneurial activity. Nationally recognized programs in key areas of academic study serve as the platform for world-class centers of research, which in turn are the home to remarkable collections of intellectual talent and attract public and private investment. Research centers attract private capital looking for inventions to build into businesses, creating jobs and economic prosperity. These activities fuel the exciting, entrepreneurial environments

that attract and retain the young people that every state is seeking.

The University System of Ohio will be a leader in this form of economic development. The key to success is the willingness of university leaders to focus their academic and research activities so as to achieve true prominence in a particular area. Web sites, billboards and annual reports claiming national or international stature will not attract the researchers and investors who will create the jobs of the future, only true excellence will. And

with so many colleges and universities seeking this talent and investment, those that succeed do so by understanding their core expertise clearly and focusing relentlessly on being better than anyone else in the field.

Colleges and universities have to pay attention to popular ranking systems like the ones developed by *U.S. News & World Report* because, like the Academy Awards, they are well known, widely promoted, and have influence on student and parent choices. For the purpose of measuring true quality in a given field, however, it is critical to rely on measures of success that are accepted nationally and are externally verifiable. That is why the report to be developed by each institution regarding Centers of Excellence will include the nationally comparable measurement systems that will be used to track progress. And that is why this plan uses, and the Board of Regents will continue to use, the measures of research activity compiled by the National Science Foundation (NSF) as its basic tool in comparing Ohio's institutions to our national competitors. The NSF figures are credible, are widely accepted, and allow apples to apples comparisons between institutions. The Board of Regents will also rely on the project to assess U.S. research doctorate programs of the National Research Council.

The Chancellor is committed to working aggressively with presidents and trustees on achieving the needed focus and definitions of excellence. For the Chancellor to succeed, the state must have sufficient flexible funding to support and incentivize the push for quality and Centers of Excellence at our universities, as well as to encourage the establishment of collaborative relationships between the academic Centers of Excellence across the state.

An early model for such efforts was the *Ohio Eminent Scholars Program*, first established in 1983. Over the years, this program funded 51 faculty positions on a competitive basis. In recent years, however, the cost of recruiting such faculty members has increased, while the funds available diminished, leaving the program ineffective.

Another model is the Third Frontier Commission. The commission established a pattern of releasing requests for proposals that were clear about the economic goals of the program and encouraged collaboration between multiple partners to develop the highest quality responses.

These responses were then submitted to a rigorous review process measuring the proposals against national and international standards by recognized, unbiased experts. The commission reviewed these results and had the final say to make sure that the state's policy interests were served by the national expert review. What evolved is a highly respected process that serves Ohio's economic development goals, but also serves to identify and support Centers of Excellence across higher education institutions in the state.

THE OHIO INNOVATION PARTNERSHIP

The Board of Regents built on both these models when Governor Strickland and the Ohio General Assembly created the *Ohio Innovation Partnership* in the most recent biennial budget. The Innovation Partnership was clearly intended by the political leaders of this state to increase the role of Ohio's higher education institutions in building the talent and research pipelines critical to the state's economic success.

KEY STRATEGY:

The ***Ohio Innovation Partnership***, including the ***Ohio Research Scholars Program*** – which exists in partnership with the Third Frontier Commission – and the ***Choose Ohio First Scholarship Program***, should be made permanent and expanded when possible.

The *Ohio Innovation Partnership* included two distinct elements – scholarship funds to recruit talented students to the STEM disciplines (the *Choose Ohio First Scholarship Program*) and endowment funds to recruit faculty to academic Centers of Excellence tied to the strength of our regional economies (the *Ohio Research Scholars Program*). The legislative leaders and the Governor agreed that both these funds should be competitive in nature to ensure that the highest quality standards are met, but that the Board of Regents should also work with schools across the state to assist in the development of quality programs.

CHOOSE OHIO FIRST SCHOLARSHIP PROGRAM

Unlike most scholarship programs that direct funds to students or schools based on a formula or a set group of criteria, the *Choose Ohio First Scholarship Program* called for schools to submit proposals describing how they would go about recruiting students to the STEM disciplines, as well as the strategies they would employ to make sure that the students are successful once they enroll. It sought partnerships between public and private institutions, between community colleges and universities, between high schools and higher education, and between education and business to create internships and co-op programs. In short, the goal of the program is to recruit students to study in our best and most innovative programs. Following the Third Frontier model, the Board of Regents recruited a panel of national experts in STEM education to review the first set of proposals. Awards in the first round went to eight different collaborations with focuses ranging from the recruitment of under-represented students, to building a pipeline of nursing educators, to an expansion of successful co-op education programs. Schools matched the state's commitment of scholarship funds with funds of their own.

OHIO RESEARCH SCHOLARS PROGRAM

The *Ohio Research Scholars Program* is being implemented in a similar spirit. One significant development was the forging of a partnership with the Third Frontier Commission to both expand the amount of funds available and to ensure that the developing centers of research excellence across the state are fully aligned with the state's economic development goals. To do so, each partner ceded some control, as all final awards will have to be approved both by the Third Frontier Commission and the Chancellor. In an equally significant move, the state's public universities, through the Inter-University Council, and the state's two private research universities, Case Western Reserve University and the University of Dayton, voluntarily agreed to contribute funds from established research incentive programs that would have otherwise been distributed according to a formula. This statement of support for a competitive program of excellence was powerful and bodes well for the future of this state's academic research enterprise. While this report is being written before the first round of Research Scholar awards are announced, the

process has been an enormous success in pointing the way to the value of excellence-based funding.

The *Ohio Innovation Partnership* represents a commitment to funding based on quality and alignment with the state's economic priorities. The programs should continue to be funded in coming years, and increased as the state economic picture allows. While it is not possible or advisable to set a specific funding goal, it does seem clear that the goal of initiating \$50 million in new scholarships per year under the *Choose Ohio First Scholarship Program* will make a real impact. Similarly, the \$150 million in the biennium allocated to the *Ohio Research Scholars Program* (after all partnerships were formed) is a significant amount of money that, if available on a regular basis, could make a difference in our research quality across the state.

EXCELLENCE FUND

KEY STRATEGY:

An **Excellence Fund** will be established that allows the Chancellor to support Centers of Excellence established under this plan. The fund should receive financial contributions from the institutions, the state and private sources. The Chancellor should establish criteria in an open and transparent manner, and update them as circumstances warrant to contribute to the successful implementation of this plan.

While the *Ohio Innovation Partnership* provides a strong base of funding for Centers of Excellence and research, its focus in the STEM areas has the potential to leave Centers of Excellence in other areas underfunded. Therefore, this plan calls for the establishment of an Excellence Fund under the control of the Chancellor, funded through shared efforts of the state and the University System of Ohio institutions. Under this proposal, the state would first calculate the subsidy to be provided to each institution under the formula prevailing in a given budget cycle. The *Excellence Fund* should equal one percent of the amount, with half coming from the existing subsidy line intended for the institutions, and half coming

from an additional state match. If the state is unable to fund the match, then the institution's share should not be withheld. The Chancellor should also seek non-state funds to support the *Excellence Fund*.

The *Excellence Fund* will be used by the Chancellor to support Centers of Excellence that the Chancellor deems to be especially worthy or in need of additional support. The criteria for selection should be published by the Chancellor in an open and transparent manner, with appropriate external review procedures created and followed.

SUPPORTING ENTREPRENEURSHIP

Translating basic research into new businesses and industries that produce jobs for Ohioans is a growing economic strategy in Ohio and around the country. Specific strategies can be pursued to accelerate the process of creating entrepreneurial environments in and around our campuses. Like the entrepreneurial process itself, this is not a static subject, but one that will continue to change as smart, creative, ambitious people find new ways to extract value from their ideas.

While not yet a leader in the field of technology transfer, Ohio has a history of adopting best practices in this field. In May 2000, the General Assembly passed legislation allowing college and university faculty to reap financial rewards from research conducted at the university. This creates

an economic incentive on the part of research faculty to focus on the commercial potential of their work. This incentive in state law should now be expanded to include graduate students and others who work on research projects that lead to commercialization activities.

Three years ago, the General Assembly created a pilot program allowing the Board of Regents to give universities incentives to turn research into new businesses. This program, known as the *Technology Commercialization Incentive* and funded at \$500,000 per year, is helping the state focus schools on this important subject. And the Third Frontier Commission recently awarded over \$85 million in entrepreneurial support grants, many of which went to organizations and incubators affiliated with colleges and universities in Ohio.

KEY STRATEGY:

The University System of Ohio must seek out and implement best practices for **building entrepreneurial excellence** and leverage the work of our Centers of Excellence into jobs for Ohioans. This effort will be led by a Research and Commercialization Task Force, created and led by the Chancellor, working in collaboration with the Ohio Department of Development.

Graduate and Professional Education

Discussions of university quality often center on undergraduate education, but the reputation and impact of universities increasingly depends on graduate and professional education. Graduate and professional education develops the leadership, management, clinical, and research skills needed in the workplace of the 21st century, and is at the core of academic Centers of Excellence that provide nurturing environments where new ideas are incubated, developed, tested, and refined.

Over the past several decades, American higher education has mounted a vigorous and highly effective response to society's growing need for workers with high level technical and professional skills by producing more and more graduates with advanced degrees. Master's and professional degree graduates now make up fully one-fourth of all degrees conferred at the bachelor's degree level and higher. By 1960, our nation was producing a little more than 10,000 doctoral degree graduates each year, but since 2000 this number has increased to over 55,000.⁷ Despite

this increase, the market demand for advanced degrees remains high and seems likely to increase in the years ahead.

Given the competitive nature of the global economy, Ohio's future economic success will depend in large measure upon our ability to maintain strong centers of graduate and professional education. The production of graduate degrees is an important component of meeting the overall educational goal in this plan, while keeping and attracting graduate degree holders will also be closely measured and tracked.

Successful graduate programs are, as noted, most often associated with academic Centers of Excellence. Accordingly, an important component of each university's response to the development of Centers of Excellence will be the potential of those Centers of Excellence to include graduate programs with a sufficient national and international reputation to attract top students and faculty.

Role and Responsibilities of Boards of Trustees and Regents

KEY STRATEGY:

The Governor will appoint highly qualified trustees to the boards of institutions who will provide leadership for the institution and the University System of Ohio as a whole. The trustees will be **committed to the goals of the strategic plan**, including providing high quality, affordable education and building Centers of Excellence at the universities. State law should be amended to permit the appointment of trustees who live outside the state but are deeply committed to the success of higher education in Ohio and can contribute value to the particular institution.

State university systems are governed in many different ways. Some have argued that, for the University System of Ohio to be a success, the state must adopt the governance structure from

one of our competitors. To the contrary, with the passage of H.B. 2 of the 127th General Assembly, Ohio now has a flexible yet accountable governance structure for its university system that will be a model for other states in the future.

Under H.B. 2, the Governor appoints the Chancellor with the advice and consent of the Ohio Senate. The Chancellor works with the governor to develop clear goals and policies, and to implement those policies. The governor also appoints members of the Board of Regents, who are charged by state law with providing an annual report that analyzes the condition of higher education in the state. Because the terms of the Regents are staggered, this review, as well as the annual evaluation of the Chancellor's performance, is independent and will be viewed credibly by the public. Finally, the governor appoints the trustees who have the responsibility for the individual institutions. This recognizes the need for alignment with the state on goals, but also the need for independent judgment to be exercised at the school level on how best to implement these goals.

The responsibility of running a public college or university is a position of high public trust. This trust is placed in the boards of trustees, who in turn select the presidents. Under Ohio law, trustees are appointed by the Governor to nine-year terms, subject to the advice and consent of the Ohio Senate. (Community colleges that have local levies have a mix of locally chosen trustees and trustees appointed by the Governor.)

While the trustees appropriately leave the day-to-day affairs of the school to the president and senior leadership, they are responsible for setting the overall direction of the institution and providing supervision and oversight of the president. Given the average tenure of presidents, and the length of a trustee's term under Ohio law, odds are that most trustees will participate in the selection of a president at some point in their tenure. This is without question the most important duty they will shoulder, as the president must not only be highly capable, but must also share the same vision for the institution and be committed to the same goals as the trustees.

Trustees have a fiduciary duty to advance and protect the interests of the institutions they serve. It is the deeply held view of Governor Strickland that the best interest of each institution is served by being strong, collaborative members of the University System of Ohio. Therefore, the Governor has committed to appointing individuals of high skill and qualification who agree that the direction set forth in this plan is in the best interests of the institution, and will work to support that direction in all ways appropriate to the position of trustee.

Individuals with a wide range of personal and professional skills can capably fill the position of trustee. However, the size and complexity of the institutions, the competition they face in the marketplace, and the need for institutions to raise private funds, suggest the types of qualifications the Governor should consider in making appointments.

The need for our schools to be globally competitive also suggests that the state should revisit the question of residency, and permit the Governor to appoint trustees with strong ties and loyalty to the state and a particular institution, even if they do not currently live in the state. It is easy to imagine the talented alumni who could contribute great value as trustees from positions of responsibility and influence across the globe.

Input from trustees has been important in the development of this plan. Collaboration between the Chancellor and the trustees, all of whom are appointees of the governor and share the public trust to run the state's public higher education system, is essential to the success of this plan and to the future growth and prosperity of this state.

KEY STRATEGY:

The Board of Regents will participate as **active advisors** to the Chancellor in the implementation of this plan, and will **work with the Boards of Trustees** and other civic leaders to build support for higher education in Ohio. The annual report on the *Condition of Higher Education in Ohio* issued by the Board of Regents will include an assessment of progress under this plan, as well as observations about changing circumstances that might require modifications in the plan.

The issuance of this plan and the Board of Regents' first *Report on the Condition of Higher Education in Ohio* represent significant milestones in the implementation of H.B. 2 of the 127th General Assembly, the legislation that restructured the governance of higher education in Ohio. Since the passage of H.B. 2, the Chancellor and the Board of Regents have developed a constructive working relationship that both believe has benefited the state greatly. The Chancellor and the Board of Regents also coordinated the development and release of these reports.

H.B. 2 required that the Chancellor discuss the future role of the Board of Regents at the time of the issuance of this plan. It is clear that the Regents, both individually and collectively, have an important role to play in the future progress of higher education. That role should include an expansion of their advisory capacity to include participation in program development in ways that match the personal interests of individual Regents. In addition, the significant role to be played by university trustees under this plan would be greatly enhanced by the development of strong, collaborative working relationships between the Board of Regents and Boards of

Trustees. Both Regents and trustees are leaders in the civic and business life of their communities. Their close working relationship would add another strong link to the collaborative spirit called for in this plan.

Finally, the annual *Condition Report on Higher Education* mandated by H.B. 2 presents an opportunity for the Regents to suggest changed circumstances that the Chancellor should consider in the implementation of this plan. Every plan is, to some extent, a work in progress, which should be regularly reviewed to keep it focused and relevant. The *Condition Report* is one important vehicle for such input.

Ohio's Public Universities

All of the state's public universities present opportunities for Ohio citizens, and they belong to all of us. Each institution's success is critical to the growth of our state. Our ability to build and maintain support for higher education in Ohio depends on all institutions working together, and on helping each other succeed. We have made great progress in this direction in recent months, but it is easy to fall back. This plan is designed to put us on a permanent path of collaboration and mutual growth.

The Land Grant and National Research University

The Ohio State University

The Ohio State University is the seventh-ranked public research university among all public universities in the total amount of annual sponsored research expenditures.⁸ With respect to industry-sponsored research, an excellent indicator of a university's reputation in the business world, Ohio State is ranked second in the nation and first among all public universities. Ohio State is one of the largest and most comprehensive institutions in the country with nationally-ranked programs at the graduate, professional, and undergraduate levels. Moreover, the quality of the undergraduate student body has continued to improve over the last 13 years. Research, academic excellence, and the quality of the student body are appropriate measures for assessing the performance of an institution like Ohio State. Indeed, research and academic excellence constitute Ohio State's major contributions to the state and to the University System of Ohio and continuing advancement along these dimensions must be paramount for the university, the system, and the State of Ohio.

Because of its comprehensiveness, quality and statewide presence, Ohio State can also perform an important service to the University System of Ohio as a whole. The original intent of the land grant college was to spread knowledge about agricultural and industrial developments across the state. This was accomplished by establishing remote programs and "extension services."

Today, we have significant universities and research centers across the state, though none have all the capacity and resources that Ohio State can muster. The 21st century version of the "land grant" mission should include Ohio State's helping develop Centers of Excellence across the state and across the system wherever its expertise can be of use. Accordingly, we should judge Ohio State's contributions not only by its own metrics of success but also by the extent to which its activities contributes to the success of the other institutions in the University System of Ohio.

University System of Ohio Total Research & Development Expenditures

University	Total R&D Expenditures (Dollars in Thousands)	University	Total R&D Expenditures (Dollars in Thousands)
Ohio State University	652,329	Cleveland State University	14,496
University of Cincinnati	294,150	Kent State University	11,076
University of Toledo*	52,060	Bowling Green State University	9,912
Wright State University	47,711	Northeastern Ohio Universities College of Medicine	5,294
Ohio University	38,000	Central State University	2,320
University of Akron	28,440	Youngstown State University	1,308
Miami University	19,229		

University System of Ohio Total

1,176,325

**University of Toledo includes Medical University of Ohio, which merged on July 1, 2006
Source: National Science Foundation (NSF), 2006*

The Historic “Four Corners”

Bowling Green State University, Kent State University, Miami University, Ohio University

Ohio’s historic “four corners” regions are home to Bowling Green State University, Kent State University, Miami University, and Ohio University, which are established comprehensive institutions situated in small town settings. They are residential in character, liberal arts in tradition, and have recognized academic and research strengths. Ohio University and Miami University are 200-years-old, while Bowling Green and Kent State are approaching their 100th anniversaries.

Ohio’s “four corner” universities offer an extensive portfolio of distinctive undergraduate programs, focused master’s and professional degrees, and a select number of nationally-recognized doctoral programs.

Bowling Green State University

Bowling Green State University, in the northwest, is nationally known for the quality of the living and learning communities that it provides for its students and for its first-year student success programs, its critical thinking about values, and serves as a model for cooperative learning experiences and student engagement with the community and region. Bowling Green is recognized by the Carnegie Foundation as a community engaged university.

Kent State University

Kent State University, in the northeast, has a robust set of undergraduate and graduate programs. It is a “high research activity” university and is recognized by the Carnegie Foundation as a community engaged university. Kent State’s collaborations with other higher education insti-

tutions, businesses and non-profit health and research centers have enabled it to play a significant role in the economy of the region while building programs that draw students from across the state and nation.

Miami University

Miami University, in the southwest, is nationally recognized as a leader in liberal arts education and student success. It ranks 9th among public universities in graduation rate and in the top 25 of all colleges and universities in placement of its students into graduate and professional programs. Miami’s deep commitment to student engagement with faculty, to student involvement in research, and to study abroad attracts significant numbers of students to Ohio from throughout the United States, as well as internationally, and is a model for the rest of the system in this regard.

Ohio University

Ohio University, in the southeast, is ranked fourth in the nation for exceeding its predicted graduation rate. It is the only institution in the United States with a degree-granting college incorporating all the essential features of the traditional tutorial system, contributing to a consistently outstanding performance in nationally-competitive awards. Ohio University is noted for developing the potential of undergraduate and graduate students from diverse backgrounds. The first institution of higher education in Ohio, Ohio University has a history of service to its region and the state that is a model for the rest of the system.

The Public, Historically Black University

Central State University

Enriching Ohio’s diversity of offerings is one of the country’s premier public, historically black universities, Central State University. For many students, studying at a university that gives them the freedom to explore academics in a uniquely supportive setting is a key contributor to success. Central State is pursuing a plan to dramatically increase its enrollment and academic offerings. This plan, approved by the Board of Regents and the Ohio General Assembly, is called “Speed to Scale,” and will help Ohio build a diverse workforce to support the needs of global businesses. Central State’s legacy and reputation also make it an importer of talent from out of state.

The Urban Research Universities

Ohio's urban research universities constitute a significant foundation for economic development in the next century. They embody the opportunity, culture, excitement, vibrancy and vitality of Ohio's cities, providing dynamic settings for experiential learning, service learning, undergraduate research, collaboration with industry, and ready access to major medical centers. These universities have evolved with their cities. Founded as municipal colleges and universities, they thrive today as engaged partners within our major metropolitan areas.

University of Cincinnati

The University of Cincinnati is Ohio's premier urban research university. University of Cincinnati is one of the only three "very high research activity" universities in Ohio according to the Carnegie Commission, and ranks second among our state universities in research productivity. University of Cincinnati possesses academic and research strengths that place it among America's leading research universities. University of Cincinnati has the largest program of cooperative education in Ohio and is ranked among the top five co-op education programs in the nation. The university is a major driver of the global competitiveness of the Greater Cincinnati region. Each year, this urban, public, research university graduates 5,000 students, adding more than 200,000 living alumni around the world. University of Cincinnati is the largest employer in the Cincinnati region, with an annual economic impact of more than \$3 billion, and an endowment of more than \$1.1 billion.

University of Toledo

The University of Toledo, as a consequence of its merger with the Medical University of Ohio, now ranks third among the state universities in total research, and is showing a dedication to becoming a model metropolitan university. The university is well-positioned to lead a resurgent, globally competitive, regional economy and to contribute to the state's economic growth through its increasingly well-respected research and economic development portfolio, as well as its full complement of undergraduate and graduate programs. The University of Toledo has also demonstrated leadership in helping raise the educational attainment level of the region through its effective collaborations with other public and private institutions.

Wright State University

Wright State University is deeply involved in the economic future of the Dayton region. Its proximity

to Wright-Patterson Air Force Base and its willingness to shape its academic programs around the needs of this fast growing economic resource have created an admirable academic focus. Wright-Patterson is currently experiencing a significant period of growth as a result of the recent Base Realignment and Closure (BRAC) process, which saw a large amount of Air Force research come to Wright-Patterson from San Antonio, Texas.

Wright State, which has a research portfolio placing it fourth among the state's public universities, also partners closely with the University of Dayton in what is surely the state's most collaborative region as measured by partnerships between higher education and economic development organizations.

University of Akron

The University of Akron, a STEM-intensive institution, has long focused on the industries that would transform Akron from the "Rubber Capital of the World" to a city and region brimming with potential in polymers, advanced materials and engineering. Over the last decade, it has significantly increased its research portfolio and gained national recognition as an exemplar institution for its productivity in technology transfer and commercialization. A continued strong focus on areas that integrate basic and applied research, entrepreneurial education, intellectual property law and technology transfer expertise is critical to the future of the city and Northeast Ohio.

Cleveland State University

Cleveland State University, the state's 8th ranked public research university, is focused on contributing to the region's growing health care and biomedical economy. This positive direction, which is a logical extension of its historic emphasis on the STEM disciplines and economic development studies, should be supported and

encouraged by the state, business and civic leaders. Cleveland State is expanding its presence in downtown Cleveland, a critical development for the regional economy.

Youngstown State University

Youngstown State University must provide the Youngstown area with the talent and research base for the growth of new companies and industries to replace those that have been lost to a changing economy. Past practices in the state have discouraged the university from playing this vital role by restricting the growth of undergraduate and graduate programs that are an important component of a university's skill base. With the expansion of community college education in the region, Youngstown State will be better able

to focus on its indispensable role in the economic rebirth of the Mahoning Valley. The state will encourage this role by authorizing and supporting undergraduate and graduate programs that focus on quality and have relevance to economic rebirth.

Shawnee State University

A similar future awaits Ohio's newest university, Shawnee State University in Portsmouth. The university's role in the development of talent through new bachelor's and graduate degree programming in applied research is vital in one of Ohio's slowest growth regions. Its low cost is also a major attraction to students who come from throughout the nation to this university on the banks of the Ohio River.

Northeast Ohio Universities

As the preceding sections demonstrate, Ohio's public universities have a logical way of differentiating by mission and region. Bowling Green and the University of Toledo, for example, both serve Northwest Ohio, but do so in very different ways. The collective contribution of the two distinct institutions is an enormous asset to the region. The same is true of Southwest Ohio, where Miami University and the University of Cincinnati each provide enormous benefit to the region. Wright State University and the University of Dayton are excellent examples of public and private institutions working together to benefit the local economy through collaboration rather than competition.

Yet questions about the missions of the distinct universities do arise in Northeast Ohio. The reason is plain – the state has four public universities in four contiguous counties (Cleveland State in Cuyahoga, Kent State in Portage, the University of Akron in Summit and Youngstown State in Mahoning), plus one of the last free standing medical schools in the country, the Northeastern Ohio Universities College of Medicine (NEOUCOM), in a region that has seen its overall share of the state's population decline over the last several decades. The close proximity and the lack of population growth have made the schools intensely competitive, a competition which has not served the best interest of the state or the region.

During the same period this report was being prepared, a commission created by former Governor Taft and the Ohio General Assembly met to analyze the situation in Northeast Ohio and make recommendations for improvement. The Northeast Ohio Universities Collaboration and Innovation Study Commission took its work seriously, and the Board of Regents supported the effort with financial and technical assistance. The commission produced a report with important recommendations, including many on the subject of administrative consolidation and shared services that have statewide, as well as regional, implications.

Had we started with a blank slate, we would not have drawn so many competing institutions in such close proximity to each other. There is no quick fix to the situation, but determined and steady effort, regularly reported and measured, is required.

KEY STRATEGY:

The Chancellor will convene a public session of the trustees of Northeast Ohio's four public universities and NEOUCOM at least annually to review the progress toward improving **quality**, increasing **mission differentiation**, increasing **collaboration**, increasing the **contribution** of the institutions to the regional and state economy, and **decreasing competition** among the institutions, and will submit an annual report to the Governor and the General Assembly summarizing the progress made since the release of the Northeast Ohio Universities Collaboration and Innovation Study Commission's report.

Conversations with trustees and business leaders across the Northeast Ohio region suggest a growing recognition that clear differentiation between the universities is a necessity. The support of these leaders will be critical to the success of this effort. New trustees appointed by Governor Strickland will be chosen both on their qualifications and their commitment to further this goal.

REVIEWING PROGRESS

The Chancellor has accepted responsibility for the implementation of the Northeast Ohio Universities Collaboration and Innovation Study Commission. To that end, the Chancellor will convene a public session of the trustees of the four public universities and NEOUCOM at least annually to review the progress toward improving quality, increasing mission differentiation, increasing collaboration, increasing the contribution of the institutions to the regional and state economy, and decreasing competition among the institutions. The Chancellor will invite the business leadership in the region to participate in these sessions, and will engage outside experts as appropriate to review the region's progress against other regions across the state and the nation. Following this session, the Chancellor will submit an annual report to the Governor and the General Assembly summarizing the progress made since the Northeast Ohio Universities Collaboration and Innovation Study Commission's report.

KEY STRATEGY:

The Northeastern Ohio Universities College of Medicine (NEOUCOM) should be placed under the leadership of an independent board of trustees and **expand its presence** in Akron and Cleveland.

The Northeast Ohio Universities Collaboration and Innovation Study Commission recommended that the Chancellor consider the issue of governance of NEOUCOM. NEOUCOM currently serves a consortium made up of Kent State University, Youngstown State University, and the University of Akron, each of which is entitled to send students to the combined BS/MD program in Rootstown. The three schools also control the board of trustees of NEOUCOM, with each president and two other appointees from each school serving. This board structure has not served the school well, as each member represents their own school, not the interests of NEOUCOM as a whole. The commission recommended that the Chancellor review the governance of NEOUCOM, and seek changes that include replacing the presidents of the individual universities with independent trustees. The commission also recommended adding Cleveland State to the consortium.⁹

This report recommends that the board of NEOUCOM should be replaced with an independent nine member board appointed by the Governor, as is the case with all other universities. NEOUCOM should then be charged with adding Cleveland State to its list of schools that feeds students to the BS/MD program at its Rootstown campus and with expanding the schools presence in both Akron and Cleveland.

In Akron, this expanded presence should be through participation in the developing plan to create a center of excellence in orthopedics research, building on the related expertise in polymers at the University of Akron and the medical expertise at the Akron hospitals.

In Cleveland, this presence should take the form of additional capacity for training primary care physicians, a capacity that is called for by the need in Northeast Ohio and that is complementary to the existing medical schools in Cleveland. This presence would also make it easier for Cleveland State University and NEOUCOM researchers in molecular medicine studies to collaborate with the Lerner Research Institute at the Cleveland Clinic.

This strategy gives NEOUCOM its best chance to succeed as an independent entity, with access to increased research funding and student populations through its geographic reach and affiliations.

Ohio's Community College Network

One of the most significant developments in higher education in recent years has been the growth of the community college. Ohio is fortunate to have a large number of community colleges that serves many different populations.

Providing a comprehensive community college education to every Ohioan is a cornerstone of this plan. Today, some Ohioans have access to extraordinary community college education, but others have fewer opportunities.

Creating a comprehensive community college network is important because community colleges have come to fill so many roles in our system of higher education. They provide the basic two-year technical education that is the gateway to many high paying jobs in our state's economy. They also provide continuing education, both programmed and customized, for businesses in their service areas.

But community colleges also have become a gateway to degree attainment at all levels. The role they play in encouraging those who obtain a two-year degree to continue in school, or in providing a lower cost option for students beginning the road to a bachelor's degree and trying to do so in a convenient, economical manner, is indispensable to meeting Ohio's educational attainment goals. On a practical level, we know that the vast majority of the new students who will enter the University System of Ohio in the coming years, particularly those who will represent the bulk of the 230,000 increased enrollment that Governor Strickland has called for, will come in through the community colleges.

With 23 community colleges, it is not possible in this report to cite the excellent programming that can be found in all of them. Two of our schools are part of the prestigious "League for Innovation," a national network of community colleges that

serves as an incubator for new ideas and a leader in performance and accountability. Five of our schools have participated in another leading national network known as "Achieving the Dream," which is designed to help community college students succeed in completing courses, earning certificates and earning degrees.

But outsiders looking in are baffled by Ohio's community college system, and rightly so. State law defines three different types of community colleges: community colleges (characterized by a local levy), state community colleges (the same as community colleges except without the local levy) and technical colleges (those schools that can offer only technical associate degrees, not the general associate degree).

Then there are the 24 regional campuses of universities, many of which are focused primarily on offering two-year degrees, while many universities still offer associate degrees at the main campus or in closely held subsidiaries nearby. Each of these schools offers a different mix of degrees at a different price.

There is also overlap with the adult career and technical education centers, many of which look like technical colleges, yet are not degree granting institutions.

Rationalizing this system to serve all students in Ohio with better, lower cost, more comprehensive options is a must. A long-term goal should also be to refer to all the different two-year schools as "community colleges," which is how they are referred to in this plan.

Expanding Associate of Arts and Associate of Science Degrees to All Community Colleges

KEY STRATEGY:

Make Associate of Arts and Associate of Science degrees available at **all 23 community colleges** in the University System of Ohio.

In H.B. 119, the Ohio General Assembly authorized the Chancellor to grant “state technical colleges” permission to offer the Associate of Arts and Associate of Science degrees. These are the degrees most easily transferrable to a university for two years of credit toward a bachelor’s degree.

The technical schools in Ohio have submitted a single, joint application to the Chancellor to

implement the Associate of Arts and Associate of Science degree. As soon as all necessary steps have been taken in the process, the application will be approved.

Once the technical colleges have the ability to offer the Associate of Arts and Associate of Science degrees, there will be effectively no difference in academic level between the three types of community colleges defined by state law. This represents a significant expansion of the offerings available at eight of the 23 community colleges in the University System of Ohio, and an important step toward fulfilling the promise of access to a comprehensive community college education for all Ohioans.

Linking All Community Colleges into a Shared Course and Program Network

KEY STRATEGY:

Create an **integrated** course and program network among all community colleges.

Even when all community colleges can offer the same degrees, it doesn’t mean they have the same resources to offer the full range of courses and specialized programs that the most comprehensive community colleges can offer. Realistically, it is not possible to have every school offer every degree program available anywhere in the state. The courses and programs offered in one region can and should reflect the needs of local industry and students.

But there may be a need on the part of local students or employers for a particular program for which the local community college does not have the resources to develop or offer the required courses. Even if a school can afford to develop the new program on its own, sharing the cost with other schools that also need the program can be far more cost-effective.

A similar situation might arise where there is some need and interest in a new program in one community, but perhaps not enough to justify the full cost of mounting the program. The presence of potential students in other service areas might justify going ahead with the investment in development costs. Finally, there is the need to continuously upgrade existing programs to meet the changing technological standards in a given industry. The costs of these upgrades can be prohibitive.

These issues will be addressed by linking all community colleges into an integrated course and program network. The network will help institutions address the policies associated with sharing of courses and programs, such as accreditation, program approval and developing inter-institutional agreements. It will also provide a database which will enable each school to offer programs developed at other schools within the system, and enable students at each school to see what courses and programs are offered throughout the system.

The manner in which programs developed at one school will be accessed by students at another school will be flexible. Courses may be offered online through distance learning, or the school that developed the course or program may “sell” the course materials to a second school, train its faculty and serve in a consulting role, or any combination of these options. The courses and materials may be “re-branded” by the receiving school or simply cross-listed between two schools. Each of these combinations will require the development of financial relationships that provide sufficient incentives on the part of the school and faculty members developing the courses and materials to share them with others and sufficient incentives for receiving schools to use courses and materials developed by another school to attract students. All of these transactions will be conducted electronically.

In effect, the network and its database create a marketplace for community college courses and programs that is statewide. In this marketplace, the local school will seek out students who need a higher education, and match them to appropriate courses and programs whether developed by their own school or others. It must also provide the support services needed to help students succeed.

Any school can also play the role of content developer, creating materials for its own students or to sell throughout the system. In this way, more students will have more choices, and faculty and schools will receive incentives to create new programs that meet emerging needs because they know they will have the opportunity to sell the courses not just in their immediate service area but to a statewide audience.

Bring Community College Education to the Mahoning Valley

Community College education has proven particularly beneficial to communities that are experiencing a transition from a heavy industrial economy to a more diversified employment base. One region of the state in which the challenges of expanding community college education is particularly challenging, but where the benefits of success will be immense, is the Mahoning Valley. Educational, civic and business leaders have

KEY STRATEGY:

Community college education will be made available to the **Mahoning Valley**. This will be accomplished in collaboration with Kent State University, Youngstown State University, Jefferson Community College, and adult workforce centers.

called for the establishment of a community college in the Mahoning Valley. Particularly notable has been the leadership of Youngstown State University, whose enrollment and program

mix will be affected by the introduction of community college education in the region. Similarly, leaders at Kent State University, with regional campuses in Trumbull and Columbiana counties, and officials at Jefferson Community College, headquartered in Steubenville, have understood the need and committed to working together collaboratively to broaden the educational offerings in the area. All of these schools could have many reasons to oppose the idea, but are not doing so. This approach is highly commendable.

With support from the Raymond John Wean Foundation of Warren, the Board of Regents has engaged state and national experts to help devise a plan to expand community college education that builds on existing assets in the region. The experts will be working with a local implementation committee, consisting of all important stakeholders, and will assist all the educational providers in meeting the challenging issues as the plan moves forward. The expansion of community college education in the Mahoning Valley should begin by the 2010-11 school year.

Dual Admission to Community Colleges and Universities

Students who know from the outset that they intend to use the community college as a stepping stone to a bachelor's degree will be able to take advantage of dual admission, allowing qualified students to be admitted into a community college and university simultaneously. Upon application, students will be able to complete the admission and acceptance process for a community college and a university within the University System of Ohio.

Dual admission is intended to allow students to move seamlessly from a community college or two-year degree program into a university. The dual admission students will have a four-year plan for receiving their associate and bachelor's degrees at their colleges of choice.

KEY STRATEGY:

Every high school graduate in Ohio will have the option of being **"dual admitted"** to a community college and a public university, so long as they meet the academic standards of each school. Students will always know what university programs and campuses will admit them based on their level of performance at the community college.

Students will select a community college and a university at the time of admission into a community college program. To receive dual admission, a student must meet the admission requirements of both the community college and university. Counselors and admission officers will provide information on curriculum and grade requirements for the university.

Upon successful completion of a two-year program, the student will not have to apply for admission into the university because that admission has been pre-approved. This will save students time and paperwork because the transfer will be automatic into the university.

Some students may wish to select more than one university upon admission to a community college. In these cases, students will receive information regarding the requirements of those universities but will not be considered dually-admitted until they make a final selection.

At the end of the first year in a community college, students who are dually-admitted through a single application will be encouraged to pay a visit to the university to meet with officials and review course work and grades. Students may request a written assessment during this review at the university.

In the dual admission program, students who have met the requirements will move directly into the bachelor's program. They will be able to continue into the upper level courses as easily as those who completed their first two years at the university. Dually-admitted students will be guaranteed spots and not be placed on a waiting list for admission.

Greater Access to Community College Education

KEY STRATEGY:

State law should make clear that anyone with a high school diploma or GED will have **access to higher education** to the community college of their choice. General Associate degrees will be fully transferrable to a university. Universities will have flexibility to set admission standards that conform to their missions.

The credits earned in an Associate of Arts or Associate of Science degree will be fully transferrable to a public university in the University System of Ohio. If students wish to transfer to a university before earning an associate degree, they will be able to do so with their credits also transferring. The exact mix of courses required at the university level to earn a bachelor's degree will depend on what major the student selects. These differences will be clearly delineated and easily accessible through the University System of Ohio website.

Students who earn an applied degree such as an Associate of Applied Science, as opposed to the Associate of Arts or Associate of Science degree, will also be encouraged to continue their studies at a public university with the additional courses needed clearly delineated and readily available. This will require coordination and cooperation among the network of community colleges and universities, another benefit of a single, integrated higher education system.

Many students transferring between public and private institutions will enjoy similar transparency and flexibility. Though the state cannot require all private institutions to participate, many are eager to do so.

Encouraging students to begin their college education at a community college is beneficial to students both academically and financially. This policy will also enable universities to have greater flexibility in setting admission standards. This flexibility is required if we are to meet our goal of increasing the quality and reputation of our university programs.

One of the challenges that public universities face in pursuing excellence is the perceived conflict between access to higher education and quality. To put it bluntly, universities that are "open admission" have a more difficult time attracting students with academic records that qualify them for more selective institutions, or hiring faculty with the capacity to attract significant research grants.

Given the commitment to guaranteeing access to higher education through the community college, and to extend the reach of community college education across the state, it is appropriate to allow universities to set admission standards that conform to their missions and developing Centers of Excellence. State law should clearly reflect this reality, with the Chancellor charged by law with reviewing admission policies set by the university boards of trustees to ensure that the policies are advancing the goals of the University System of Ohio and are increasing access, affordability and quality of higher education for all Ohioans.

Adult Learners and Workforce Training

This plan cannot succeed only by encouraging more high school students to go on to college. Rather, success depends on encouraging and supporting adults to go back to school to improve their skills and marketability. Studies show that older students are more motivated and focused than many younger students who do not have the same economic pressures to succeed. But motivation can only go so far without the support of the system to help them along the way. This plan seeks to provide the needed support.

Ohio's Adult Education System Geared to the Adult Learner

KEY STRATEGY:

Adult courses will be **more flexible** than traditional courses in times, locations and duration. More online courses will be available to adult learners.

Adult learners are often working parents or employed full-time and need flexibility in sched-

uling of classes. As a result of their experience in the workplace, they require more seasoned instructors.

Institutions must hire and train faculty who are prepared to integrate the older student into the system. This will require updating and modifying Ohio Board of Regents authorization processes to recognize and respect the important role of the part-time faculty member.

College Ready Courses Available to Adults

Policymakers have long been concerned about the extent to which students enrolling in college require remedial classes to reach beginning college level coursework. The Board of Regents used to issue annual reports on remediation rates to call attention to the issue. Regrettably, the response to such reports was to criticize the success of the primary and secondary education system in preparing students for college.

Higher education bears an equal part of the responsibility for the current state of affairs. The University System of Ohio will lead the way by taking greater responsibility for articulating what it takes for a high school student to be college ready and in helping students and their schools get students to that level.

But there is an even larger challenge. To increase the educational attainment of our workforce will require that greater numbers of adult students return to school. This means that the number of students coming to the doors of our community colleges and universities with a need for remedial education is going to increase, not decrease, over the course of this plan.

For this reason, we need to build a network of adult education programs focused on helping adults become college ready. By using the infrastructure of Ohio's existing Adult Basic and Literacy Education structure, the University System of Ohio can offer adults convenient and affordable "college prep" opportunities around the state.

KEY STRATEGY:

The **Adult Basic and Literacy Education** (ABLE) programs will build a network of adult education programs focused on helping adults become college ready.

Under the current system, adult students can take "college prep" or "high school refresher" courses, but they do so at existing colleges or universities and thus pay full community college or university tuition for this remediation. Often times, they take out loans and use up financial aid eligibility. The state also expends subsidy dollars on such courses.

On top of the expense, under the current system, adult students get discouraged by being forced to take courses that are essentially a repeat of high school material, and are not quickly exposed to the type of exciting content that is a path to achieving career goals. That said, ensuring that adult learners are college ready is essential, for we know that the single greatest reason why adult students do not complete a degree is lack of preparation.

Under the new plan, the standard of college readiness will be the same for adults as it is for

high school students, but the structure of the programs for adults will be quite different. By building on the ABLE network, the University System of Ohio will offer adults several choices with regard to taking “college prep” classes. Programs will be available in a wide range of locations – on and off college campuses – and in a variety of formats, including online or distance learning. This alternative path to college – providing college readiness programs for all adults desiring to return to school – expands opportunities, adds convenience, and helps adult students save real dollars in this vital arena.

College Credit for Apprenticeships and Adult Workforce Center Programs

There is a close relationship between programs offered at adult workforce centers and technical courses offered at community colleges, but these systems have often been more competitive than collaborative. In addition to the resources wasted, adults who take courses at adult workforce centers and then seek to obtain a college degree frequently have to start over again from scratch. Apprenticeship programs offered by labor unions and others often don’t count toward college credit, an issue addressed here.

The Ohio Board of Regents and the Ohio Department of Education are working to transition the state’s adult education programs, including adult career-technical education and Adult Basic and Literacy Education (ABLE) into the University System of Ohio. This will create a completely integrated workforce education system by January 1, 2009.

This integration will allow the Board of Regents to develop an efficient system for students who complete programs at adult workforce centers that are equivalent to technical programs offered at community colleges for college credit and develop clear pathways. The University System of Ohio will also make greater use of the excellent facilities available in the adult career network to further expand the locations at which higher education will be offered in Ohio.

KEY STRATEGY:

University System of Ohio adult career-technical and apprenticeship programs will be included in the transfer system. Courses offered and certificates earned will have the opportunity and be **encouraged to meet standards** sufficient for college credit.

In March 2008, the Board of Regents launched five regional transfer and articulation sites. These sites will be responsible for coordinating the articulation of programs between the career centers and the community colleges and universities. The funding consultation to be convened after the release of this report will recommend ways to fund community colleges and adult workforce and technical centers that support the needed collaboration between institutions.

As with any transition of responsibility, there are concerns on both sides. Some adult and career-technical centers have expressed concern that they would be “taken over” or “put out of business” by the community colleges, while some community colleges have expressed concern about the impact on their academic processes and accreditations. At the same time, examples of strong collaboration exist across the state. These

examples offer clear models for how to proceed and sufficient assurance that this integration of programs can be accomplished.

The decision to include the adult workforce centers in the state's higher education system was made carefully and deliberately by Governor Strickland and the Ohio General Assembly. The

benefits to the University System of Ohio are obvious, providing an additional set of quality locations and facilities, established programs, and strong relationships with local employers to the overall offerings available for our students. This integration of programs will be accomplished with great care, but it will not be side-tracked by longstanding rivalries.

“Stackable Certificates”

KEY STRATEGY:

Adult learners will build their academic and technical skills by earning a series of pre-college and college-level **“stackable certificates”** that provide a pathway to career-oriented postsecondary training and economic success. This will make it easier for adults to prepare themselves for satisfying and productive careers and allow them to connect pre-college academic work to credit-bearing career and technical coursework that leads ultimately to a college degree.

As part of the transfer of adult career technical education to the University System of Ohio, the state will make it easier for adult learners to

prepare themselves for satisfying and productive careers through the establishment of “stackable certificates.” This will offer adult learners an open door and will help them connect pre-college academic work to credit-bearing career and technical coursework that leads ultimately to a college degree.

Certificates will be developed statewide or regionally to reflect market needs. Certificates earned while an adult is enrolled in an institution of higher education will be eligible for college credit, subject to standards established by the University System of Ohio.

Stackable certificates will be based on demonstrated competencies, not just “seat time” spent in the classroom. This approach to learning is strongly favored by most employers. Adult learners, most of whom are “employees who learn” rather than “students who work,” will also benefit from the flexibility.

Transfer of Military Credits

KEY STRATEGY:

The University System of Ohio will accept credit received through training and experience in the United States Armed Forces or National Guard, as long as it has been approved by the American Council on Education or a regional accrediting body, such as the Higher Learning Commission. University System of Ohio colleges and universities will join **Servicemembers Opportunity Colleges**, a consortium of institutions dedicated to helping veterans succeed.

Veterans of U.S. military service are sometimes unpleasantly surprised when they return to civilian life and find that credits earned while in uniform are not transferable to their college of choice. The military has a system for translating courses and training into potential college credit, and the American Council on Education analyzes and makes recommendations on how much credit should be awarded. But individual institutions are under no obligation to follow these recommendations and some do not. This forces veteran students to take more courses than they expected, lengthening their college careers and

delaying their entries into the civilian workforce. From a standpoint of simple fairness, it is intolerable that veterans of our armed services, to whom we owe so much, should not receive every consideration when it comes to transferring military credits.

There is a matter of self-interest to consider as well. Veteran students bring maturity, motivation and leadership with them to campus. They are precisely the kind of students Ohio needs to keep and attract. The University System of Ohio, therefore, will encourage its member schools to accept credit programs received through military training and experience, as long as it is approved by the American Council on Education or a regional accrediting body, such as the Higher Learning Commission.

Nine Ohio universities and 14 community colleges currently are members of Servicemembers Opportunity Colleges, a consortium of more than 1,800 institutions dedicated to helping veterans succeed in their college careers.¹⁰ Member schools agree to a set of principles that call for providing flexible policies and procedures to assist veterans in gaining all the educational opportunities to which they are entitled. All University System of Ohio schools will be encouraged to join Servicemembers Opportunity Colleges. A state advisory council will be created to ensure that the University System of Ohio provides the best possible services to veterans.

Lifelong Learning

KEY STRATEGY:

Adult learners over age 55 bring life experience and knowledge to higher education. The University System of Ohio will encourage this growing age group by developing programs, hours, and convenient locations as part of the **Lifelong Learning Initiative**. The mature learners will be matched with younger learners for tutoring and mentoring.

Mature adults at age 55 or older are returning to college for a host of reasons, including upgrading job skills as part of their final years in the workforce, learning new trades for a second or third career, wanting to take on a part-time position for supplemental income, or simply to continue their education and take classes of specific interest.

The *Lifelong Learning Initiative* will actively promote returning to colleges and universities through special promotions, discounts, convenient locations and times. More online courses will be available to computer savvy mature adults geared to their interests.

The University System of Ohio recognizes the opportunity presented by older Ohioans who are seeking new opportunities for productive work

that is personally fulfilling. Community colleges and universities will include older Ohioans in their for-credit recruitment activities in order to grow their enrollment, increase the overall education level in Ohio, and maintain a strong and viable older workforce.

Senior programs in Ohio have partnered with community colleges and universities to provide services that make it easier for this age bracket to take advantage of the wealth of courses offered by the University System of Ohio and private colleges. Many mature learners give back through volunteer tutoring and mentoring programs. The Ohio Department of Aging will work with the University System of Ohio to encourage more mature adults to work with young learners. The University System of Ohio schools can encourage these match-ups through discounted courses offered to the mature adult volunteers.

The University System of Ohio will encourage schools to modify student services to serve these adults. This requires flexibility beyond the classroom, to a wide range of services such as parking, food service, recreational and arts activities, libraries and the like. Appropriate financial aid and pricing strategies will also be needed to attract the thousands of potential learners to the system, often working closely with corporate partners on tuition reimbursement policies and incentives.

Transfer and Mobility

Guaranteed Credit Transfer System

Easy credit transfer and accelerated student mobility are the cornerstones of the University System of Ohio. They provide all citizens - newly minted high school graduates as well as returning adults - with a clear pathway for gaining the skills and knowledge necessary for productive and satisfying performance in the knowledge economy.

KEY STRATEGY:

Students will know in advance the courses and programs **guaranteed to transfer** and apply to their degree program. This includes the general education component and the prerequisite and beginning courses in their majors. An ever-expanding pool of guaranteed courses and degree programs for transfer will be available to the citizens of Ohio.

The Ohio Credit Transfer System was initiated by the Ohio General Assembly so constituents can transfer credit from one institution to another without retaking courses. The system produces a list of courses that have a statewide transfer guarantee.

It is impossible to overstate the role of faculty in the Ohio Credit Transfer System. Faculty members are responsible for Ohio's higher education curriculum and are the stewards of their academic disciplines. Their leadership role in the development and review of courses is imperative for the success of the Credit Transfer System. Faculty expertise in the implementation of the transfer initiatives gives the process the required creditability for success. Their service and dedication to the Ohio Credit Transfer System is recognized by their institutions as vital components of the service and teaching mission of higher education. This work should be acknowledged in faculty performance reviews for promotion, staff development opportunities and salary increases.

This plan builds on the excellent work accomplished in recent years in two ways:

- After a date to be established in consultation with chief academic officers, no new courses appropriate to the statewide Articulation and Transfer System will be listed or offered at any University System of Ohio school before they are reviewed by statewide faculty and included in the Ohio Credit Transfer System.
- The Ohio Credit Transfer System will be integrated into a user friendly system that includes all relevant student support, admission, counseling and financial aid services.

Single Academic Calendar

The success of students, the integration of institutions, and opportunities to improve efficiencies and trim costs would be bolstered by a move toward a common academic calendar across all of the universities in the state. Having a common academic calendar would allow students greater ease in transferring to institutions that match their academic pursuits and personal circumstances. Their ability to undertake internships and co-ops would be bolstered, and it would provide the chance for all students to take courses that are academically comparable in the depth of instruction provided by semester coursework.

A common academic calendar will facilitate one of the most innovative aspects of the University System of Ohio, which is the opportunity to

build multi-institutional academic programs. The creation of these programs at both the graduate and undergraduate level will bring significant gains in academic quality as well as system-wide efficiencies and cost savings. At a local level, substantial savings and efficiencies would accrue at those institutions that currently operate on a quarter system.

Given the significant benefits of a common academic calendar, the universities currently operating on a quarter system should give strong consideration to making the transition to a semester academic calendar. Once a timetable has been established by the universities for this transition, the community colleges not on the semester calendar should consider making the transition.

Aligning Funding Formulas and State Priorities

A core principle of higher education finance is that funding formulas must be systematically aligned with the goals and priorities of the state in order for colleges and universities to have the incentives and resources they need to achieve the targets set for them.

The state's basic funding formula, the State Share of Instruction, is currently designed to reward enrollment growth and penalize enrollment decline. This formula, as much as any other factor, has contributed to the wasteful competition among state institutions. A new funding formula will be recommended to the Governor and the General Assembly in the next biennial budget that will be aligned with the goals of this plan. The funding that is currently provided through the "Challenges" – Jobs Challenge, Access Challenge, Success Challenge and Economic Growth Challenge – will be incorporated into the new formula to better incentivize the goals of this plan.

The formula itself will be developed in consultation with legislators and university officials who will be convened immediately after the release of this report. The following principles, adapted from lists of principles developed by the members of the Inter-University Council and the Ohio Association of Community Colleges, will guide the decision-making process as this plan becomes a reality.

KEY STRATEGY:

State subsidy formulas will be revised in consultation with university officials and members of the Ohio General Assembly. They will be based on a set of **core principles** to support the goals of this plan, and should begin implementation by the FY 2010-2011 biennial budget.

1. The funding formula should only reward those educational outcomes that align with Ohio's priorities.
2. The funding formula should be designed to continuously support and improve systematic, cost-effective collaboration among state colleges and universities in the achievement of state goals.
3. The outcomes that are rewarded should take into consideration differences in institutional missions, including differences between community colleges and universities, and provide appropriate levels of state support for each mission, including not only the teaching mission of all colleges and universities, but other relevant contributions such as research, technology transfer, workforce development, globalization, and community revitalization.
4. Increases in enrollments or degrees granted, or improvements in other activities or outcomes that advance state goals, should be supported by appropriate increases in state funding. To determine what is an 'appropriate' level of funding, the funding formula should be informed by systematic comparisons of Ohio institutions versus their peers across the nation, with the goal of making Ohio competitive with its peer states or peer-state institutions.
5. The funding formula should harmonize and integrate state policies regarding institutional subsidy, student tuition, student financial aid and institutional capital funding.
6. The funding formula should be designed to provide some level of predictability and financial stability for institutions.
7. The funding formula should include an incentive for each campus to develop excellence in academic programs and disciplines significant to its mission, region, and state priorities and goals.
8. The funding formula should recognize differences in academic program cost and should encourage cost efficiency among similar programs.
9. The details of the funding formula should be the outcome of an open consultative process with broad participation.

Affordability

The affordability of higher education is a matter of great concern in Ohio. Tuition has often been a contentious matter during the biennial budget process. The current budget established a two-year tuition freeze, supported by increased appropriations, at all public colleges and universities. This tuition freeze was necessary after a decade in which tuition increases averaged nine percent, and it enjoyed broad bipartisan support.

In recent months, attention has focused nationally on the question of affordability. Congress and the president acted to increase Pell Grants, the largest single source of financial aid for college students in the United States.¹¹ While doing so, Congress continued to exert pressure on colleges and universities to control the growth of tuition. Leading private universities, responding to pressure about their costs and their growing endowments, have expanded financial aid to middle class students and families. Harvard University, for example, expanded its financial aid commitment to include families with income up to \$180,000. Similar decisions have been announced at Duke, Yale, Stanford, Brown, Princeton and others.¹²

Since the goal of this plan is to raise the educational attainment level of Ohio's population, it goes without saying that lowering the cost of higher education to all Ohioans is an essential strategy. Indeed, making college more affordable is specifically mentioned in the legislative mandate that produced this report.

This plan fully responds to that mandate, recommending a series of administrative and legislative steps to make the cost of college education among the lowest in the nation. However, these recommendations will require the public and the legislature to think differently about how to lower college costs.

SEVERAL POINTS MUST BE KEPT IN MIND

- Affordability cannot be divorced from quality. Our goal is not a cheap, low-quality system, but an affordable, high-quality system.
- There are important differences in the cost of different types of a college education. No one would expect the cost of an associate degree

from a community college to be the same as a Ph.D. at a comprehensive university. But students can also take different paths – some low-cost, some high-cost – to similar outcomes. For example, one student might pursue a bachelor's of business at a university main campus, while another pursues the same degree by combining an Associate of Arts degree with a bachelor's completion program offered on a community college or regional university campus. At the comprehensive campus, the student may participate in a full range of academic, athletic and social programs and can take courses outside the major in dozens of areas of academic study. Having different paths for different students – at different price levels - is an asset to the state, and a strength of the University System of Ohio. Encouraging growth in the lower cost delivery options is an important way of achieving efficiency in the system.

- The “sticker price” of a college education is frequently not what the student actually pays. Schools are very familiar with state and federal financial aid policies, and take these into account in setting prices. Additionally, schools have private endowments that enable them to offer scholarship funds on the basis of both need and merit. Nevertheless, the sticker price cannot and should not be ignored. Students want to know what they will pay, and deserve complete and transparent information about tuition and fees. Indeed, such a requirement – known as the “Truth in Tuition Guarantee” – was proposed by Governor Strickland and adopted by the General Assembly in H.B. 119 of the 127th General Assembly.
- Each school in the University System of Ohio already has different levels of tuition. Tuition freezes and across-the-board increases lock in differences between institutions that may or may not have a rational basis, favoring schools that had raised tuition more in the past. It is an asset, not a detriment, to have some public universities emphasize a low sticker price while others focus on providing aggressive financial aid packages to those who need them. These various strategies provide high-quality choices to students and families at all income levels.

Building a Low-Cost System

This plan seeks to establish policies on affordability that make the cost of obtaining a college education in Ohio among the lowest in the nation. This goal cannot be accomplished with a one-size-fits-all strategy, but rather through a series of inter-related strategies outlined in this report. These strategies include expanding high-quality, low-cost educational opportunities around the state, linking tuition increases on main campuses to the availability of financial aid so that out-of-pocket costs do not drive away qualified students, increasing private fundraising, and leveraging the University System of Ohio to lower costs through efficiencies.

It is critically important that the affordability policies established now be allowed to serve as a model for the next decade. Changing direction every two years is as detrimental to the state as having no policy at all. Any policy chosen must be given a chance to work.

KEY STRATEGY:

By 2017, the average out-of-pocket dollar amount that an in-state, undergraduate student pays to obtain a college education in the University System of Ohio will be among the **lowest in the nation**. Data will be collected documenting the amount students actually pay to attend college, and the results will be summarized and made available to the General Assembly and the public.

It is the responsibility of the Chancellor, working with the trustees and presidents of our institutions, to clearly explain to the citizens and elected officials of this state what college actually costs, and what choices Ohio students have among the different types of college education offered in the University System of Ohio. To do so, we must have accurate data on what students actually pay. This is known as “net tuition” – the amount of money students or their families pay after subtracting out grants and other types of aid.

All national surveys of college affordability agree that, in order to determine “net tuition,” detailed unit record data about student fees, and state, federal, and institutional grants and scholarships must be gathered. This is the most accurate way to assess the affordability of a state’s higher education system. Systems that gather unit record data such as this have sometimes made dramatic changes in policy once they understood what individual students were really paying.

The University System of Ohio has begun gathering this unit record data from its institutions, and will begin using it to inform policymakers as quickly as possible. Early data should be available to assist in the development of the FY10-11 biennial budget.

Expand Degree Offerings by Creating Network of High-Quality, Low-Cost Campuses Offering Both Bachelor's and Associate Degrees within 30 Miles of Every Ohioan

KEY STRATEGY:

A network of high-quality, low-cost, campuses will be created within 30 miles of every Ohioan offering associate and bachelor's degrees needed for economic advancement. The network will utilize existing community college and regional campus facilities. The price of the combined degrees will be one of the **10 lowest cost paths** to a bachelor's degree in the nation. The Chancellor will establish bi-annual enrollment and tuition goals for these combined campuses and recommend appropriate incentives in the state subsidy formula to achieve these goals.

Making the widest range of associate degrees available at all community colleges – and then making certain that those degrees are fully transferable to a bachelor's degree program – are important components of a comprehensive community college education. But there is one last piece of the puzzle. Not every part of the state has ready access to a community college education, nor to the bachelor's degree programs they need. The solution is to tackle the somewhat daunting challenge of integrating our regional university campuses with our community college system.

Ohio's 24 regional branch campuses, affiliated with eight different universities, are not monolithic. A small number serve as feeders to their main campuses for students who were not academically qualified to begin work on a bachelor's degree directly at the main campus, or who chose to start at the regional campus for financial or personal reasons. Approximately 10% of regional campus students move onto the main campus for their next year.¹³ Others function much like community colleges, offering two-year degrees targeted to the needs of the community.

Generally speaking, the cost of delivering an associate degree at a regional university campus has been higher than at a community college.

Some have been able to charge these higher prices because there was no direct competition from a community college in a given community; others compete side by side with community colleges at co-located campuses and have therefore developed a set of programs that are distinct from the community college.

While there are some bachelor's degrees available at regional campuses, delivering bachelor's degrees has not been the main focus of their efforts. Indeed, universities have been discouraged by the state from expanding bachelor's degree offerings at regional campuses, with the state arguing that such an expansion would represent wasteful duplication of effort instead of an efficient expansion of an accessible education. This plan represents a change in direction on this subject.

There is ample evidence to suggest a demand for bachelor's degrees by students who are unable to or are uninterested in attending a university main campus. A number of community colleges have adopted a "University Center" model, where they invite colleges and universities to offer the third and fourth year of a bachelor's degree program on their campus, with the stipulation that these programs accept the associate degree earned in full as transfer credits.

One of the most aggressive uses of the University Center model has been at Lorain County Community College, where students can pursue a bachelor's degree from eight different colleges and universities without leaving the Elyria campus. No doubt some of the students engaged in Lorain's University Partnership would have pursued a bachelor's degree anyway, but it seems clear that a much larger number than would otherwise do so are earning bachelor's degrees because of the opportunity to do so right on the community college campus.

The University Center model also recognizes and takes advantage of another type of mission differentiation – that between community colleges and universities. The community college business model is designed to offer a lower cost associate degree, while the university business model is better designed to offer the bachelor's degree. The

university can do so cheaper at a regional campus because the overhead costs are lower than on a main campus, but it remains the case that the university's costs to deliver a degree will be higher than the community college.

This plan will include a major effort to integrate our community college and regional campus networks around a common goal – to have available on as many campuses as possible across the state the comprehensive, low-cost offerings of a community college and the quality bachelors' degrees available from our universities. Because the cost of delivering the bachelor's degree at a regional campus or community college site will be lower than on a university main campus, the combined cost of the associate and bachelor's degrees obtained on one of these joint campuses will be the lowest combined cost of a degree available to an Ohio student.

Forty years ago, Governor James A. Rhodes launched a plan to build a community college, technical center or branch campus within "30 miles of every boy and girl" in Ohio. Thanks to his efforts, we have an extraordinary network of campus facilities. In today's world, however, students need access to associates and bachelor's degrees in the core fields that are called for in a local economy. It is time, therefore, to update Governor Rhodes' promise and offer low-cost, high-quality, associate and bachelor's degrees within 30 miles of every Ohioan.

These expanded educational offerings will be particularly attractive to adult learners who have jobs to do and families to care for while they are going to school. These students need affordable, accessible higher education, exactly what this plan delivers.

Integrating the community college and branch campus networks into "two plus two" campuses will require careful planning and thoughtful transitions. Community support exists for regional campuses, and faculty members have devoted their careers to making opportunity available to students in traditionally underserved parts of the state. These will be respected and preserved. But Ohio must begin now to implement this element of the plan, moving as quickly and aggressively as possible.

Today's

Cost Comparison

Average tuition and fee cost per year*

All Community Colleges & Regional Campuses	\$3,516
Local Community Colleges	\$2,379
State Community Colleges	\$3,444
Technical Colleges	\$3,833
University Regional Campuses	\$4,974
University Main Campuses	\$8,520

It is already the case that students who enroll in a community college can dramatically cut the cost of a four-year education. A student who attends a local community college for two years will spend on average a total of **\$4,758**. A student who attends a four-year main campus for the same two years will spend on average a total of **\$17,040**.

Today, the average total cost for a four-year degree on a main campus is **\$34,080**. The average cost for a combined two-year degree at a community college and two years at a main university campus is **\$21,798**, or a savings of **\$12,282**.

This plan seeks to reduce the combined cost of an associate and bachelor's degree to among the lowest in the nation.

*Based on 2007-2008 figures.

Differentiated Tuition for Main University Campuses

With respect to the main university campuses, which must grow in quality and reputation and assume greater responsibility for the economic future of our state, setting a single tuition policy is unwise and counter-productive. Instead, the university trustees, applying guidelines established by the state, should be given greater responsibility and flexibility to design tuition policies leading to both affordability and quality. Trustees will be required to tie tuition policy to the ability of all students to pay the cost of higher education after taking into account federal, state, and institutional financial aid.

KEY STRATEGY:

University Boards of Trustees will submit to the Chancellor, by October 15th of each even numbered year, a document containing good faith estimates regarding the upcoming biennium in the following categories: (1) estimated **enrollment** and distribution among programs, (2) estimated growth in **endowments**, private fundraising and other non-public revenue sources, (3) estimated **tuition** charges, and (4) estimated **out-of-pocket costs** to students in each income category. Trustees may submit alternative plans that consider different levels of state support. The Chancellor will establish a format for these reports, as well as tuition guidelines that describe the level of financial need that must be available for students at different income levels. The reports will be used to seek flexibility from the Governor and the General Assembly to allow each university to set its own tuition policies on the main campuses so long as each university demonstrates that all qualified students will be able to attend through a combination of federal, state and institutional financial aid.

There are many benefits to this approach to setting tuition. The demand for programs and services varies widely from institution to institution, and even within institutions. These differences can and should be reflected in tuition policies.

A key element of cost-efficiency is the ability to offer students low-cost educational options. These options include the campuses on which an associate and bachelor's degree is offered at a combined low cost, as well as the opportunity for students to begin their higher education at a community college or adult workforce center and transfer credits to a bachelor's degree program at a university. It also includes offering discounts on the university main campuses for students who take courses during off-hours, on weekends and in the summer, or online where the online material is deemed equal in academic value to the live version of the same course.

There is, however, an important caveat to the flexibility sought in this plan. Tuition must be set at a level that results in all academically qualified students being able to afford the school of their choice without being burdened with unreasonable loan obligations. Therefore, in setting tuition

policy, trustees must ensure that sufficient financial aid is available from federal and state programs, private scholarships or institutional endowments to enable all qualified students to attend.

The Chancellor, subject to appropriate legislative oversight, should have the responsibility to establish clear guidelines for the trustees to use in making these decisions. As will be described later in the report, the state will help with incentives to raise funds to increase institutional endowments that are targeted to need-based financial aid.

The challenge of moving to a system of differentiated tuitions from the state's current practice is significant. The debate over tuition policy has generated ill-will on all sides. Institutions are often frustrated that the link between tuition and state aid is not acknowledged in the budget debate. Legislators feel that the institutions are not trying hard enough to hold costs down. And the students and their families are unhappy when tuition goes up.

To break this impasse, members of the General Assembly must be willing to focus on how much

students in Ohio are actually paying for school, not on the sticker price at each school. In turn, the public institutions in this state must provide our elected officials with a clear demonstration of what this policy will accomplish for our state, and concrete assurances that the flexibility will not result in students being priced out of higher education.

To give these assurances, the public institutions will have to provide information about the

intended pricing and financial aid policies for each biennium **before** the Governor and the General Assembly are asked to pass the biennial budget, **not after** the budget passes as is currently the case. This process will certainly seem awkward at first, but the benefits to the system will soon be clear. One of the goals of a differentiated tuition policy, and indeed this entire plan, is to provide greater stability in planning over time. The projections that will be developed by the institutions will help reinforce this goal.

University System of Ohio Support of Private Fundraising

Caught between demands for increased service and tight public budgets, state colleges and universities increasingly have had to diversify their revenue sources. Private donations are an important and growing source of such resources, and, if projections hold true, are expected to become more significant in the future when at least \$41 trillion in wealth will transfer between generations by 2052.¹⁴

While Ohio's public institutions have had some success in their ability to raise money from private donors, the state should play a bigger role in helping campuses leverage the future generosity of donors.

KEY STRATEGY:

Financial incentives and state support will be provided to support **increased private fundraising** at all University System of Ohio schools.

At least 23 states have launched programs that utilize state funds to match private donations to public colleges and universities.¹⁵ Challenge grants such as these generate publicity, and appear to be successful in tapping the generosity of the general public to donate funds.

Ohio began experimenting with the use of state funds to match private donations in the FY08-09 biennial budget. Governor Strickland requested, and the General Assembly agreed, to provide the

Board of Regents with \$8.5 million over the biennium to experiment with incentives for private fundraising for need-based scholarships.

The budget specified that the Board of Regents partner with the Ohio College Access Network (OCAN) in this effort. The Board of Regents and OCAN together developed a grant program available to nonprofit organizations, college foundations and similar organizations, which would provide funding for the staff necessary to raise additional funds and for matching grants. When the budget was passed, it was hoped that the program might raise as much as \$100 million. As of this writing, it appears that the program is on track to raise at least \$90 million, and may yet break the \$100 million mark, more than a 10:1 return on the state's investment.

Ohio also has experience using competitive scholarship and research programs as incentives for matching grants. The Third Frontier program has made extensive use of leveraging requirements to achieve an immediate return of more than 8:1 on its grants (including federal matching grants), before the expected long-term return on investment is even considered. A minimum of a 1:1 match is required under the *Choose Ohio First Scholarship Program* and the *Ohio Research Scholars Program*, with the actual results exceeding this amount. (The first eight awards under *Choose Ohio First* resulted in a leverage of nearly 2:1.)

Conversations with foundations, development officials and business leaders also confirm that matching grants are a very significant inducement, and can be used effectively to increase the

private fundraising for scholarships, for endowed faculty positions, and for capital fundraising.

Given the success of Ohio's pilot project and the apparent success of such programs in other states, it seems clear that Ohio should utilize the strategy of seeking leverage from its financial support to colleges and universities in as many ways as possible, and should seek new funds that can be used to further the strategy of increasing the total amount of private fundraising in Ohio.

In developing such a program, the state should make sure that it is a collaborative effort with school and campus officials, that it leverages new private dollars, and that it is designed to achieve state goals and needs. The state should also ensure that smaller schools are not systematically disadvantaged by the structure of incentives.

The state should also link incentive-based fundraising to a willingness on the part of smaller schools to aggregate their foundation funds for investment purposes. Virtually every public institution of higher education in Ohio has a foundation, and many of these foundations are relatively small. For example, the median fund balance of foundations for community colleges is about \$2.3 million, but the total of all such foundations is in excess of \$120 million. Smaller foundations

cannot by themselves take advantage of a number of newer and more profitable investment instruments that are available to larger funds. The aggregation of many smaller funds for investment purposes will enable the collective fund to leverage relatively better returns and negotiate lower investment costs than they can achieve individually.

In moving forward, the state will consider both new programs that could create matching incentives and ways to turn existing programs into leverage opportunities. One such existing program that will be closely examined with this in mind is the Ohio College Opportunity Grant (OCOG) program. OCOG is the state's principle need-based financial aid program for students attending both public and private institutions. While the amount each school receives is based on the total need of the students attending that school, the program actually takes the form of a payment to the college or university. It is, therefore, a part of the total funds that a college has available to offer need-based aid to its students. It seems likely that the state's payments could be used to leverage private fundraising. Such a redesigned program could set a higher leverage requirement for schools with smaller alumni pools, or those located in communities with fewer potential donors.

Create University System of Ohio Endowment to Support Need-Based Scholarships

The idea of creating a system-wide scholarship endowment raises concerns among individual schools that the state will compete with them for private donations. This concern must be carefully addressed, but at the end of the day will be unwarranted. The tools and strategies that a University System of Ohio endowment can utilize are different than those that can be employed by individual schools, as is the pool of potential donors. These concerns can be further alleviated by appointing representatives of the individual universities to the board of the foundation, putting them in a position to help guide the foundation and make sure it is not supplanting individual school efforts but adding new value.

KEY STRATEGY:

A University System of Ohio **endowment** will be created and should be supported with state matching funds.

Therefore, the Board of Regents will create the University System of Ohio Foundation to raise funds for need-based scholarships. The board of the foundation will include representatives from member universities, the General Assembly and the business community. All transactions, budgets and meetings will be subject to appropriate open meetings and records laws.

The Chancellor will recommend that the state appropriate \$10 million per year for the next 10 years to the University System of Ohio Foundation, with a match requirement of 10:1, thereby creating a \$1 billion endowment. This endowment will then provide at least \$50 million per year in need-based scholarships, increasing by 20% the total amount the state has available for need-based scholarships. The Chancellor will also recommend that the appropriation be contingent on the Board of Regents raising funds from private foundations or donors to underwrite the costs of all feasibility and marketing studies, and the administrative cost of the program.



Relationship With K-12 System

Establishing Clear Standards of College Readiness

Helping High School Students Aspire and Prepare for College

No Dropouts - Combined High School Completion/College Readiness Courses

Improving Teacher Education and Expanding the Role of Education Schools

States have long recognized that raising the educational attainment of the citizenry requires close collaboration between primary and secondary and higher education. Most states have some version of Ohio's Partnership for Continued Learning, a statutory body chaired by the Governor that includes the State Superintendent of Public Instruction, the Chancellor, legislative, education and business leaders. The goal of the Partnership is to identify and support policies and practices that build an effective educational pipeline from pre-school through higher education.

Ohio's higher education system must take greater initiative to advance this collaboration. As the state's public system of higher education, the University System of Ohio will help students prepare for college and raise the educational aspirations of all Ohioans.

Establishing Clear Standards of College Readiness

KEY STRATEGY:

Clear standards of **college readiness** will be established.

While it is common to speak about the extent to which high school graduates are college ready, higher education has in fact not clearly identified what “college ready” means. This plan adopts a clear definition so that higher education can immediately begin working with parents, students, teachers, and counselors to help students get ready for college.

Ideally, a standard for college readiness should be fully aligned with what high schools expect students to know when they graduate. This is the goal of the Ohio Department of Education and the Board of Regents.

However, it will still be some time before such a comprehensive alignment is possible. The urgency of this plan requires the state to have an interim strategy. Fortunately, the state’s Articulation and Transfer Council has, at the direction of the General Assembly, been considering this subject, and has made a recommendation regarding a statewide placement standard for entrance into the first college level courses. The Chancellor has accepted this recommendation, and the Board of Regents, in partnership with the Ohio Department of Education, will begin designing and implementing strategies that help students prepare for and meet this standard.

It is important to understand that this is not an admission standard for college. As noted above, all high school graduates will be admitted to the community college of their choice. Some universities will likely have admission standards below this level as well. However, those students who

do not meet the standard should expect to be enrolled in remedial help in one or more areas of college work. The goal of identifying this standard is to give all students the knowledge of what is required to avoid the need for remedial education, thus saving money and time toward a college degree. The University System of Ohio will be a leader in helping students meet and exceed this standard before entering college.

Ohio’s Statewide

Placement Policy

The goal of Ohio’s statewide placement policy is to help students, parents and teachers determine whether a student is college ready using readily-available and existing resources, and let schools know whether a student is ready for the first non-remedial course in English and mathematics. The standard is:

ACT of 18 or higher for English
(or an equivalent SAT)

COMPASS of 69 or higher
(or an equivalent assessment)

ACT of 22 or higher for Algebra
(or an equivalent SAT)

COMPASS of 65 or higher
(or an equivalent assessment)
for placement in non-remedial algebra

Students interested in majors such as mathematics, physics and engineering will need to achieve a mathematics ACT score of 27 or higher for placement and success in college calculus (and equivalent COMPASS or other assessment score). An assessment of writing is strongly encouraged for placing students in courses in English composition.

Helping High School Students Aspire and Prepare for College

Another way to help students prepare and succeed in college is to encourage them to meet the standard of college readiness early and take college courses and advanced placement courses leading to college credit, while still in high school. These programs help encourage students to go to college, give them confidence that they can do college work, and help reduce the cost of a college education. They may also help some students remain engaged in education during their senior year of high school.

Early College Credit and Seniors to Sophomores Program

Ohio has lagged behind other states in implementing such programs. The Governor and General Assembly have each issued clear directives seeking to improve the state's performance.

KEY STRATEGY:

Seniors to Sophomores is an early college credit program, which will bring qualified high school seniors to college campuses, allowing them to earn a full year of **academic credit** for free. The program will also drive the strategy to increase participation and awareness of the state's other early college credit options.

Improving the state's performance on early college programs requires a focus on the existing Post-Secondary Enrollment Option (PSEO). PSEO allows high school students to enroll in college courses, and sets forth a formula for how much money should be deducted from the state's public school foundation formula to compensate the college or university. This one-size-fits-all formula has been widely criticized by both public school districts and higher education officials, contributing to the poor performance of the state in this area.

Despite the inflexible statutory formula, many public school districts have partnered with colleges and universities across the state to develop strong dual enrollment programs. These schools have essentially worked around the state PSEO formula to find more equitable arrangements.

Learning from this experience, Governor Strickland announced the *Seniors to Sophomores* program in his 2008 State of the State address:

"Building on the existing Post-Secondary Enrollment Options plan, today I am announcing that I have directed the Chancellor to give every twelfth grader who meets the academic requirements a choice of spending their senior year in their home high school, or spending it on a University System of Ohio campus.

Tuition for the year will be free.

We will begin enrolling students in this plan for the upcoming school year. Participating seniors will then graduate from high school ready to start their sophomore year in college. In fact, students will receive their high school diploma and one full year of college credits at the same time. The credits will transfer in full to public institutions, as well as many private colleges.

I call this initiative *Seniors to Sophomores*. Its goal is to raise the aspirations of all students, to challenge students who might feel disengaged from their high school studies, and to help students who want to accelerate their college education. And, just think about the effect on a family's budget when they save the cost of an entire year of college tuition."

Using the *Seniors to Sophomores* program as the impetus, the Board of Regents and the Ohio Department of Education have moved quickly to enhance all available strategies for early college credit. For the 2008-09 school year, approximately 40 school districts, in partnership with University System of Ohio colleges and universities, will be

awarded a maximum of \$100,000 each to serve as “Early Adopters.”

Early adopters will work to not only implement the *Seniors to Sophomores* program, but also to expand PSEO, AP, early college and dual enrollment programs that offer college classes on the high school campus. The experiences of the early adopters will help the state identify, develop and implement the most effective strategies statewide.

Responding to the Governor’s call for a *Seniors to Sophomores* program also caused the Ohio Department of Education and the Board of Regents to agree on a standard of academic eligibility that students must meet by the end of the junior year. To participate in *Seniors to Sophomores*, students must:

- Pass all parts of the Ohio Graduation Test.
- Complete Algebra II or the equivalent with a grade of “C” or better.
- Complete three years of high school English with a grade of “C” or better.
- Score “college ready” on the college’s placement assessment.

The Ohio Department of Education and the Board of Regents have also established standards for courses that would qualify for college credit on a high school campus. For a course to receive college credit:

- All faculty must meet Higher Learning Commission criteria.
- All courses offered must be either Transfer Assurance Guide (TAG) or Transfer Module Courses (terms associated with the state’s Credit Transfer System) or courses that are the beginning of technical degree programs.
- All courses must use the college text(s), assessments and syllabi.
- The college has identified a college faculty member or academic administrator to monitor the quality of the course and visit the high school site at least once-per-term.

New Combined High School Completion/College Readiness Courses for Those Who Do Not Complete High School

The University System of Ohio will support all efforts to keep high school students engaged and in school until graduation. But some young adults will always leave school without finishing their diploma. These students are typically lumped into the category of “dropout.” Ohio cannot afford to spend its time counting dropouts, and so, in partnership with the Ohio Department of Education, the University System of Ohio will work to eliminate that phrase from the state’s vocabulary.

KEY STRATEGY:

The University System of Ohio will **reach out** to all students who do not complete their high school education and work to re-engage them through high school completion and college preparedness programs.

Students who do not complete a high school diploma by the end of the school year following

their 18th birthdays will be jointly identified by the Ohio Department of Education and the Board of Regents, and will be recruited to attend an academic program offered through the Board of Regents that combines high school completion with college readiness.

These programs will be developed and administered by the adult literacy network that has been transferred to the Board of Regents from the Ohio Department of Education. The Board of Regents will report publicly on its success in recruiting such students to continue their education. Since the state guarantees support for high school completion through the Ohio Department of Education for students up to age 21, funding will be shared by the Ohio Department of Education and the Board of Regents. Students who complete the high school diploma through this initiative may be counted on the graduation statistics gathered by the Ohio Department of Education, giving both colleges and high schools an incentive to participate.

Improving Teacher Education and Expanding the Role of Education Schools

A critical way in which higher education impacts the success of the primary and secondary education pipeline is through teacher preparation. By tradition and statute, teacher preparation has been a shared responsibility between the institutions that train teachers, the Ohio Department of Education and the Board of Regents.

Ohio prepares approximately 7,000 teachers annually through campuses that represent a range of missions, contexts and challenges.¹⁶

KEY STRATEGY:

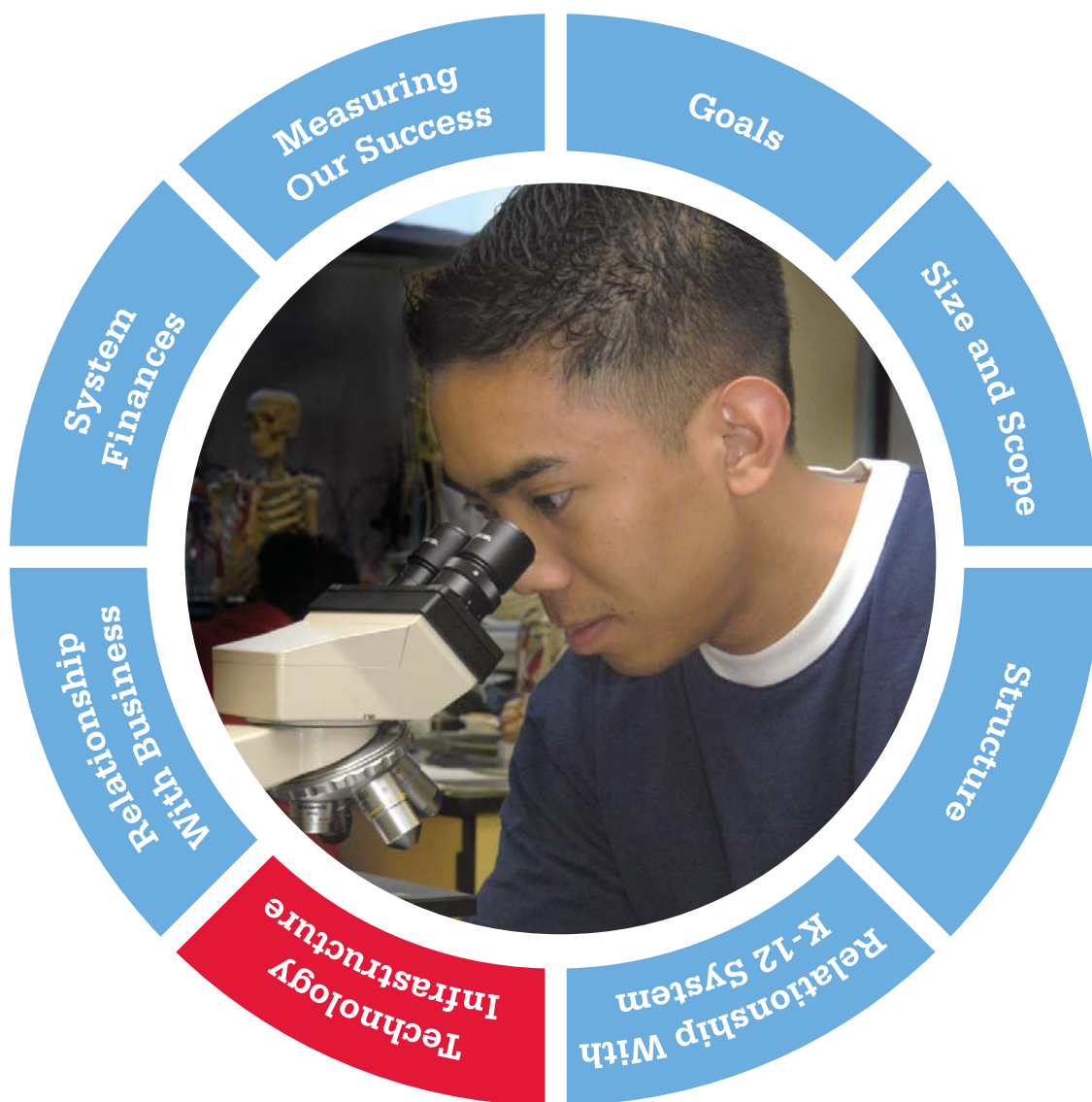
The Board of Regents will collaborate with the Ohio Department of Education to **improve teacher education** and expand the role of education.

Teacher preparation programs must focus on adequately equipping new teachers to meet the changing structure of schools and student populations over the next decade. A deeper and more sustained relationship between campus-based teacher preparation and school-based clinical experiences will be required. In this new model, teacher education students will benefit from an extended period of apprenticeship in the school setting. Experienced “master” teachers will provide expertise as adjunct faculty and increase

the capacity of university education programs. And schools will have an available pool of teachers with greater experience directly in the school setting. Through feeder-programs to universities and career-pathway programs such as teacher’s assistant certifications, community colleges also play an important role in teacher training, and should be a partner in these conversations.

Universities will need to take a more proactive stance in setting the teaching agenda for the state. The knowledge base, research and expertise on campuses must be engaged to help the state and the universities address the complex issues surrounding teaching and learning.

Ohio’s teacher education programs have been examining all aspects of the teacher preparation process through voluntary participation in Ohio’s Teacher Quality Partnership (TQP) (www.teacherqualitypartnership.org). TQP is a collaboration of researchers from public and private institutions engaged in longitudinal studies of teacher education graduates and their impact on student achievement. This research initiative will be tremendously helpful in ensuring greater understanding of the inter-relationships of teacher education programs.



Technology Infrastructure

State's History as a Technology Innovator

Current Standing

Integrated Future

Integration with K-12

Individual institutions of higher education have become increasingly clear about the level of technological sophistication expected by current and prospective students. Students have become used to interacting with their friends and businesses through well-designed online services, and will expect the same from schools within the University System of Ohio.

KEY STRATEGY:

The Board of Regents will create a **single, integrated technology infrastructure** to provide:

- Access to online advising services that allow students and parents to easily determine the best way to obtain a college education in Ohio, apply for admission, and register for courses at multiple University System of Ohio institutions and campuses.
- A common application system.
- A readily accessible and easy to use online system for researching courses at different schools, enrolling and transferring credits, and completing necessary financial transactions.
- A federated system of authentication that makes it possible for students and faculty to access resources at multiple campuses through a single account.

State's History as a Technology Innovator

Ohio has historically been an innovator in the use of technology to advance higher education. The Ohio Supercomputer Center (OSC) was founded in 1987 when the Board of Regents, together with a group of university presidents, determined that Ohio needed a supercomputer in order to be competitive with other states in the increasingly important areas of computational science. OARnet was created at the same time to meet the need to connect Ohio's research universities with the supercomputer facility. Subsequently, it became a more general network service provider for all of Ohio's higher education institutions.

The same year that OSC and OARnet were created, the Board of Regents began work on a statewide electronic catalog system, an effort that led to the creation of OhioLINK. The catalog system became operational in 1992 and now also includes statewide licensing of many online information resources. The Ohio Learning Network (OLN) was established in 1999 as a means of promoting the

increased use of distance learning and other forms of technology-enhanced education.

In addition to these organizations, the Board of Regents has developed technology solutions to address particular issues. For example, when the Ohio General Assembly mandated the development of a credit transfer system that would allow students to know in advance whether a course they are taking at one school can transfer to others throughout the system, an Internet-based system was devised to keep track of this important work and to send transcripts between colleges electronically. The Board of Regents staff also developed the Higher Education Information system to make available to interested parties the voluminous information that the staff was regularly asked to gather and analyze in response to requests from the General Assembly, the executive branch and the public.

Current Standing

The fact that Ohio has utilized technology effectively in the past does not mean that we are currently at or near the cutting edge. One inhibiting factor is the practice of creating new and independent organizations to handle each new task. These organizations then become self-perpetuating, even as the technologies which led to their creation change. In contrast, the trend in technology, and the work that technology facilitates, is toward integration – the use of multiple technologies to provide a service – and toward increased flexibility in meeting new needs. For example, OLN encourages the development of online courses and programs, while OhioLINK

manages library and other information resources. To get the greatest possible return on the OLN-funded courses, however, the materials for online courses should be managed in a database and shared with other faculty, a task that requires the integration of OLN and OhioLINK. Similarly, eTech Ohio, yet another state agency involved in educational technology, is developing a clearing-house of online courses for primary and secondary schools, just as dual enrollment is blurring the line between higher education and K-12, and as K-12 students increasingly need access to both high school and college courses.

Some of the **Technology Organizations** Supporting Higher Education and K-12

Name	Support Area	Sector
Ohio Supercomputer Center	supercomputing for academia and industry	Higher education
Ohio Academic Resources Network (OARnet) <i>Operated as a Division of the Ohio Supercomputer Center</i>	networking video conferencing	Higher education
Ohio Learning Network (OLN)	technology enhanced learning distance education professional development student services outreach	Higher education
Ohio Library and Information Network (OhioLINK)	library and information resources	Higher education
eTech Ohio Commission	technology enhanced learning distance education professional development networking; public broadcasting video conferencing	K-12
InfOhio	library and information resources	K-12

Integrated Future

To achieve the goals of this plan, the state must have a single, integrated technological infrastructure supporting higher education.

While technological integration can be expensive, it is clear that the state is spending more than necessary to maintain the individual organizations and to build separate hardware and software systems. This effort is therefore also expected to result in significant management efficiencies at the state level.

It is not possible at this time to identify all the steps that will be necessary to accomplish this goal, though some are relatively clear:

- While continuing OLN and OhioLINK programs, the agencies will be merged, with the resulting organization serving as the educational technology division of the Board of Regents. This division should have an advisory committee consisting of Chief Information Officers and Provosts from both public and private universities and colleges.
- OSC's role in support of the state's broadband initiatives, through its operation of OARnet, will be maintained, including improving connections to any campuses that do not currently enjoy the fastest possible connectivity for faculty, students and administration. At the same time, the Chancellor will take steps to increase OSC's capacity to support the supercomputing needs of our leading academic and private research centers.
- The Chancellor, who also serves as chair of the eTech Ohio Commission by appointment from Governor Strickland, will work with that commission, the Ohio Department of Education, and the General Assembly to integrate the K-12 and higher education online course offerings. The result of this work should be an integrated clearinghouse of classes that will be available online, together with a shared learning management system and a repository of instructional materials. This clearinghouse will be used to ensure that high school students have access to a core set of college classes and the opportunity to begin earning college credit no matter where they are located in Ohio. A similar core set of online classes or other professional development opportunities will be offered to teachers for professional development.

KEY STRATEGY:

The Chancellor will take the necessary steps, in consultation with the public and private institutions and the General Assembly, to assemble a **single, integrated technology infrastructure** for higher education. Legislative action will be sought where necessary to accomplish this goal.

Integration with K-12

The integrated technology infrastructure will also incorporate work currently underway between the Board of Regents and the Ohio Department of Education to create an electronic transcript for each student that follows them throughout their educational career and facilitates the implementation of dual enrollment programs like the Post Secondary Enrollment Option and Seniors to Sophomores, discussed elsewhere in this report.

There are many other benefits of integrating technology across the primary and secondary and higher education spectrum, including:

- Students (with their parents' permission when appropriate) will be able to send their educational records electronically to the University System of Ohio.
- K-12 students and teachers will be able to access the University System of Ohio online resources and services by using the same mechanisms they use to authenticate themselves at their home school.
- K-12 and higher education administrators and policymakers will be able to track the progress of a student from their time in K-12 through college.
- K-12 students will gain access to the higher education library and information resources that can help them learn how to do the research needed in college level classes.



Relationship with Business Community

Business Satisfaction Survey and Study
Compact Between Higher Education and the Business Community
Marketing the University System of Ohio
Tracking University System of Ohio Graduates
The Ohio Skills Bank
The Leadership Center for African-American Males
Promoting Ohio Colleges and Universities across the Globe

As noted, this report is a response to a number of gubernatorial and legislative directives. Among these was the requirement in H.B. 119 that the Chancellor work with the business community of this state to align the state's higher education system with the needs of business. Leaders of the state's business community have been generous with their time and insights as the Chancellor responded to this important mandate (see Appendix A). This report incorporates many of the suggestions received during these consultations.

The most important outcome of the consultations was the creation of a long-term partnership between the Board of Regents and the business community, with a commitment on the part of higher education to meet the needs of business and a commitment on the part of the business community to be an active partner in this effort.

The idea of a strong business and higher education partnership is not a new subject for Ohio. In 2003, former Governor Bob Taft convened the Governor's Commission on Higher Education and the Economy (better known simply as "CHEE"). The CHEE report had a major impact in linking higher education to the state's long-term economic growth goals.

One product of the CHEE report was the creation of the Business Alliance for Higher Education and the Economy (BAHEE).¹⁷ BAHEE, an affiliate to the Ohio Business Roundtable, has kept alive the vision of CHEE and played an important role in recent higher education policy advances, particularly in STEM education. BAHEE, through the Business Roundtable, assisted the Board of Regents in responding to the legislative mandate to seek business input, and has signaled a commitment to be a long-term partner with the Board of Regents as this plan is implemented.

Satisfaction Survey and Study

The best way to find out whether business is satisfied with the product of higher education is to ask. This plan establishes a partnership

KEY STRATEGY:

A survey and study of **business satisfaction** with higher education will be developed and administered annually in partnership with leading business organizations.

between BAHEE and the Board of Regents to develop a rigorous and transparent process for surveying business satisfaction with higher education in Ohio. This plan looks to the business survey and study to not only reflect business satisfaction, but to also serve as a broader measure of quality of teaching and learning in the system as a whole.

As with the surveys that rank individual schools and programs, measurements of the quality of teaching and learning in a higher education institution are necessarily subjective, and always controversial. Study commissions and learned organizations of all types have tackled this question in recent years.

The challenges are formidable. The changing number of academic disciplines, combined with the constant growth of knowledge and information, makes a uniform assessment of content mastery virtually impossible. Assessments of content mastery also fail to account for the importance to employers of general communication and problem solving skills. The skills are as important to the students' ultimate success as content mastery.

Assessments that measure progress in developing such skills while in college are being studied and tested. Their use as evaluators of the quality of the education offered by individual institutions across the country is likely to grow. All schools in the University System of Ohio will soon be administering at least one of the available assessments measuring student acquisition of analytical and communication skills.

The overall value of such assessments during the life of this plan, however, is likely to be limited. Ultimately, the principle guarantors of the quality of teaching and learning in our institutions are the faculty. Faculty design and teach courses, approve the contents of a particular academic major, issue grades and determine whether to award credit for the satisfactory completion of the course. Through recruiting and tenure decisions, faculty members are also intimately involved in the hiring process itself. The faculty's decisions are ratified when the presidents of the institutions and the trustees sign their names to the student's diploma. Finally, the Chancellor is charged with assuring the citizens of this state that degree programs are sufficiently rigorous, and that the institutions that offer them are appropriately organized and financed. This public trust must be exercised seriously as well.

Surveying and reporting on the satisfaction of the business community with the product of the University System of Ohio will be a powerful tool in helping institutions and the Board of Regents exercise this public trust. This tool will be administered at least annually and will enable a comparison over time, allowing us to track improvement or changes in the results. More details regarding the survey can be found in Appendix B.

Compact between Higher Education and the Business Community

The permanent working relationship with the business community established through this plan will go beyond an annual survey to include the establishment of a compact between the business community and higher education. This compact will initially have three clear objectives:

1. **Increasing the number of students participating in co-ops and internships.**
2. **Increasing the number of incumbent adult workers receiving training leading to credentials.**
3. **Marketing higher education.**

KEY STRATEGY:

A **compact** or agreement will be executed with the business community to substantially increase the number of students participating in internships and co-ops.

Employers who are seeking skilled employees can greatly increase the available talent pool by offering internships or co-op arrangements with colleges and universities. Many successful models exist that can be expanded statewide.

For students, co-ops and internships have many direct benefits, including making college more affordable by offering paid internships, providing real world experience and skills needed for employment, and an opportunity for a job after graduation.

Co-op and internship programs are a key strategy to keep our best talent right here in Ohio. Research shows:

- Between 50% and 80% of co-op students accept permanent positions with their co-op employers.
- The retention of college graduates after five years of employment is 30% greater for co-op graduates.

- The percentage of minority group members hired is twice as high among co-op students as among recent college graduates.
- Employer recruitment efforts were 13 times more successful with co-op graduates.¹⁸

The University System of Ohio's accountability measures include doubling the number of juniors

KEY STRATEGY:

Higher education will become more **responsive and flexible** in serving the needs of businesses to train their incumbent workers, and businesses will enroll more workers into training programs that receive college credits or are transferable as credits so that more Ohioans will be on track to earn degrees.

and seniors in cooperative education or internships.

Training and upgrading the skills of workers is a core function of any business organization. The decision on how to invest worker training funds is based on the needs of that business. While some of these funds are spent on training that leads to higher education credentials, much is not. To achieve the goals of this plan, the state must convince businesses to spend a larger share of their training dollars on programs that will lead to credentials that employees will carry with them for the rest of their lives. In order to convince businesses to do so, higher education must develop programs that have the necessary value to the business enterprise and are delivered in a time and manner that is convenient to the business and its employees.

The compact between higher education and the business community will design and implement strategies that enable this challenge to be met on both sides. Some elements of this plan will be helpful in getting the compact started, including the plan to create "stackable certificates" earned from training programs that meet industry standards.

Adults in training programs are critical to Ohio's workforce solution. Almost 75% of Ohio's current workforce will still be working in 2020.¹⁹ According to many Ohio employers, the lack of technical skills in their workers impacts their

ability to achieve economic success.²⁰ This compact will help adult workers meet the changing demands placed on them by employers who are in turn competing for advantage in the global economy.

Marketing Higher Education in Ohio

KEY STRATEGY:

To increase enrollment, attract and retain in-state and out-of-state students, a **statewide marketing campaign** will be coordinated with the marketing and communications efforts of Ohio higher education institutions and the business community.

Broad initiatives aimed at increasing enrollment by 230,000 students and positioning colleges and universities as drivers of the economy will require an aggressive higher education access campaign that includes a strategic marketing and advertising component. Ohio must compete as a system to keep students from leaving the state to attend college, to recruit national and international students into specialized fields of study, and to brand its system as high-quality and affordable.

As a part of the compact, the business community has expressed an interest in partnering with the state of Ohio to pursue a sustained higher education marketing campaign. The Chancellor

will work with BAHEE and the Ohio Department of Development on this effort.

Individual colleges and universities spend millions of dollars annually for recruitment of students and to increase brand identity. These efforts are to be encouraged because they benefit the institution as well as Ohio's profile in higher education.

There needs to be a more coordinated effort to assure the best use of these dollars. To that end, the Chancellor will ask colleges and universities in the University System of Ohio to work together to promote and market higher education in a state that is facing a critical challenge of educating and training workers. This effort will be a supplemental one and not meant to supplant current marketing and advertising efforts at individual institutions.

The Chancellor will also work with the Ohio Department of Development to develop marketing materials that bridge higher education and economic development, and support the overall branding of the state of Ohio. The recruitment of new businesses into Ohio requires direct participation of Ohio's network of public and private higher education institutions.

Tracking University System of Ohio Graduates

KEY STRATEGY:

A **system-wide strategy** for tracking graduates will be established.

Most schools make an effort to track graduates, but it is expensive and difficult. Yet these efforts are increasingly important to a state like Ohio. Tracking our graduates would help us document the success of the system by knowing what and how our graduates are doing, as well as provide

employers with potential candidates for employment and graduates with updates on job opportunities in Ohio. It would also encourage graduates to come back for more education, and assist with fundraising.

A comprehensive tracking system is an example of a project that would be very expensive for each school to do individually, but more manageable when the costs and benefits are shared as a system. The University System of Ohio will organize this effort.

The Ohio Skills Bank

KEY STRATEGY:

The Board of Regents will lead the **Ohio Skills Bank** (OSB) to link workforce supply and demand at the regional level. Ohio Skills Bank regional teams will also facilitate articulation and transfer between adult workforce centers and community colleges.

An important responsibility of the University System of Ohio is to ensure that businesses in Ohio have access to a ready supply of educated and technically prepared workers to enable the business to grow its Ohio-based employment. This is accomplished primarily by increasing the overall educational attainment level of Ohio's workforce, and demonstrating that those who graduate from our schools have the analytical, communication and problem-solving skills that businesses need from all workers.

This general approach, however, cannot alone meet the needs of businesses for workers trained in specific skill sets or possessing required industry-based credentials.

Economic development-driven programs have funded workforce development projects for individual employers on a project-by-project basis. Most community colleges and adult workforce centers also offer training through contracts with targeted employers. These transactional strategies play an important role, but they must be led by a unified organization whose primary focus is on meeting the needs of Ohio businesses. This organization is the Ohio Department of Development. The Ohio Board of Regents will support the Department of Development in these efforts.

In contrast, the Board of Regents has primary responsibility for systemic efforts at workforce development. It takes years for students to be recruited and trained in many professions. This process cannot start only when a business has identified a new growth opportunity, or the opportunity will be missed.

To address this challenge, the Ohio Board of Regents will implement the Ohio Skills Bank,

which will directly link industry demand to workforce supply in each of Ohio's twelve economic development regions and through statewide strategies aimed at the state's largest industries. In each region, the Ohio Board of Regents will convene a consortium of all the education and training providers involved in workforce development. The consortium will be led by a qualified agency or individual based in the region. The consortium will be provided with data and assistance from agencies throughout state government organized by the Board of Regents. The job of the consortium will be to analyze the demand for employment in the region and the supply of students and programs, then determine what changes need to be made to guarantee that the education and training providers are recruiting and training the right number of people in the right types of programs to support a growing economy.

Each regional economic development director (who report to the Director of the Ohio Department of Development) will convene a committee of business and industry leaders. This committee will meet regularly with the education and training consortium to review its work. The committee will also advise and assist the consortium in developing an acceptable plan for the workforce needs of the region.

The Ohio Board of Regents will collect the work of the 12 regions for presentation to the Governor's Workforce Policy Advisory Board, which will serve as the statewide equivalent of the regional industry committees. The Board of Regents will also make sure that its funding formulas and incentive programs support those institutions who respond to the data and strategies developed by the Ohio Skills Bank by creating or modifying programs and expanding the number of graduates in key areas.

The Ohio Skills Bank will also serve as the link at the regional level to key strategies in adult education. These strategies, discussed elsewhere in this report, include:

- The transfer of adult education programs from the Ohio Department of Education to the University System of Ohio.
- The implementation of employer-recognized "stackable certificates" that provide adults

with a transparent path to learning and skill development – and an “open door” for drop-in and drop-out opportunities throughout their careers.

- The expansion of articulation and transfer agreements, allowing adult learners to move between programs and institutions with advance knowledge of what courses will receive credit.

Support Department of Development Recruiting and Retention Efforts

KEY STRATEGY:

The Board of Regents will create an office, with a **dual reporting** relationship to the Chancellor and the Director of Development, that specializes in gathering and presenting the necessary expertise during the competition phase of business relocation and expansion projects. This office will then facilitate the relationship between the business and the school once the state’s proposal has been accepted.

The Ohio Department of Development takes the lead in recruiting new businesses to Ohio, and encouraging Ohio businesses to stay and expand their operations. The Department frequently puts together and offers specific packages of state support to the companies to assist them with their relocation or growth plans. These packages, which include a wide range of incentives, more than pay for themselves in increased earnings and tax dollars received from the companies and their employees.

Companies with whom the Department of Development is working are increasingly interested in the state’s ability to provide the talent they need to expand their operations in Ohio. These talent needs are often very specific, but they also range over a wide variety of disciplines

even for a single company. It is not unusual for a single company to need highly skilled machine operators, computer software designers, accountants and finance specialists, managers and doctoral level scientists. Companies also want to be located near world-class research that will help them become more innovative, productive and profitable. The demand for talent and research can usually not be met by any one school, but can be met by linking the business to a number of academic programs at many different schools. Of course, this requires a great deal of work and expense for the business.

To help make Ohio more competitive in landing business attraction and expansion projects, the Board of Regents will partner with the Department of Development to develop the specific expertise at putting together employment and research pipelines for individual businesses that span multiple institutions and academic programs. Specifically, the Board of Regents will create an office, with a dual reporting relationship to the Chancellor and Director of Development, that specializes in gathering and presenting the necessary expertise during the competition phase of business relocation and expansion projects. This office will then facilitate the relationship between the business and the school once the state’s proposal has been accepted. In this way, higher education will become a specific benefit for companies looking to locate, expand and grow in Ohio.

The Leadership Center for African-American Males

KEY STRATEGY:

A center will be created to study the factors leading to success in college for African-American males and to lead an effort to **implement best practices** across the state.

Another clear need of business and industry is a talented, highly-educated and diverse workforce. Workforce diversity is vital to the strength and overall competitiveness of a knowledge-based economy. As a general rule, when a significant portion of any state's population does not have the education and skills to contribute to and compete in a knowledge-based economy, the state is not maximizing its economic potential. Investments in the creation of a more diverse workforce will result in tangible benefits to the economy such as more jobs with better pay, measurable increases in innovation, increased attractiveness for business and industry, a better quality of life, expanding the value of products and services to a broader audience, and enhanced customer relationships.

Education and training must serve as the foundation for creating a diverse workforce in Ohio. African-American and Hispanic students continue to lag behind in almost every measurable educational indicator. With the assistance of federal, state, and institutional college access programs, great strides have been made in the effort to close the achievement gap in Ohio.

Created as part of the Higher Education Act of 1964, TRIO programs provide educational assistance and cultural enrichment activities to low income, potential first generation middle and high school students in the effort to help them progress through the educational pipeline. There are currently eight TRIO programs in operation at 17 different University System of Ohio campuses.

GEAR UP is a federal grant program designed to increase the number of low income students who are prepared to enter and complete a post-secondary education. States may apply for six-year grants and services must be delivered at high poverty middle schools and high schools. The Board of Regents currently administers the GEAR UP grant for Ohio's eight sites in partnership with the Ohio College Access Network, a network of college access programs that operate as nonprofit organizations designed to increase the number of at-risk students who pursue post-secondary education.

Ohio is deeply committed to the transformative work of all Ohio college access programs in support of University System of Ohio goals, and will work to increase the size and scope of these programs as we are able. But we can do more.

A clear need in this state is to increase our ability to recruit African-American males to higher education and to provide the environment in which they can succeed. Addressing this challenge cannot be left to a government program that is subject to the vagaries of the biennial budget process. For this reason, the Ohio Board of Regents will lead the development of an independent Leadership Center for African-American Male Achievement.

The Leadership Center for African-American Male Achievement will be a research-based facility that will have a focused agenda managed by its own faculty with the goal of identifying issues and recommending strategies to correct them. The Leadership Center will focus its work in four areas: educational policy analysis and development, advocacy, research, and evaluation and training.

The Center will be established and operated with private funds. The Governor and the Chancellor will provide the leadership to develop a plan of action and help recruit private support for the endowment. Public and private institutions of higher education and business leaders will be invited to partner on this effort.

Promoting Ohio Colleges and Universities Across the Globe

KEY STRATEGY:

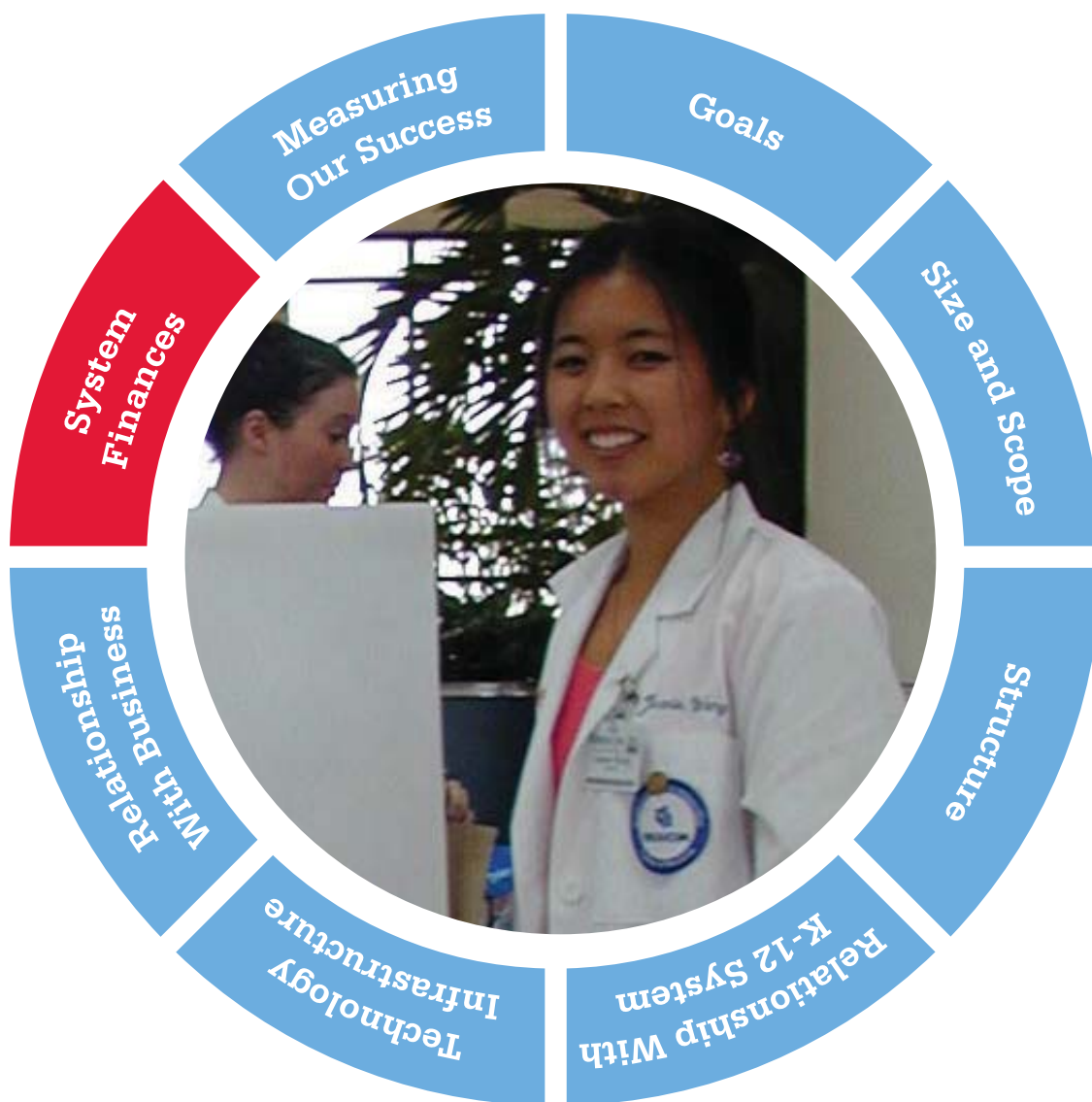
The University System of Ohio and Ohio's private colleges and universities will **work together** to promote higher education in Ohio across the globe and share the costs of recruiting international students.

At no time in history has global competence been as important as it is for today's students. The University System of Ohio must create opportunities for students to obtain the knowledge and experience needed to be productive citizens in this new landscape.

The University System of Ohio will have an aggressive international strategy involving several overlapping components:

- The University System of Ohio will encourage foreign language learning and will promote the teaching of less commonly taught languages critical to support the state's international trade linkages (such as the languages of Ohio's top 20 trade partners) and the country's national security interests.
- The University System of Ohio and the Partnership for Continued Learning will work with the K-12 system to encourage the study of foreign languages as early as possible.

- The University System of Ohio will work with Ohio's private colleges and universities to develop shared programs for study abroad that are more affordable to Ohio students.
- The University System of Ohio will work with Ohio's private institutions and the Ohio Department of Development to jointly market and promote Ohio's higher education offerings across the globe and to share the costs of recruiting international students.
- The Board of Regents will encourage Ohio institutions to measure the satisfaction of international students with the services provided at Ohio campuses and to compare them to key competitors in the United States and abroad in order to improve services.
- The Board of Regents will work with the Ohio Department of Development to identify Ohio companies that have a significant global presence to develop internship opportunities for Ohio students, provide these businesses with higher education resources to support their work in other countries, and to help solve overseas shortages of skilled manpower through sponsored training and recruitment of foreign nationals to Ohio's institutions.
- The Board of Regents will collect, through the Higher Education Information system, international educational data concerning students, scholars, international educational opportunities, and research activities.



System Finances – Managing Resources Efficiently

Continuous Improvement System
Purchasing Aggregation Programs
Bringing State Support to the National Average

Introduction of Continuous Improvement System

Given the challenge of serving more students in an environment of limited resources, it is incumbent upon public colleges and universities to use their existing resources efficiently and to constantly seek new ways to lower costs and improve productivity. The University System of Ohio will be committed to promoting, monitoring, and rewarding public campuses for their successful efforts to manage their resources, either individually or collectively, and to provide the highest quality service to students, communities, and the state at the lowest possible cost to students and taxpayers.

There is no single, “best way” to achieve this goal. Rather, there are a number of existing approaches and ideas - some under-utilized - that will be employed to drive down costs and improve services.

This report has already discussed a number of strategies that have the effect of making the system more cost effective. These include a significant increase in the availability and attractiveness of low-cost education options, including

KEY STRATEGY:

A **continuous improvement** system will be created to identify spending efficiencies and productivity improvement strategies and implement them statewide. Based on this work, annual efficiency targets will be recommended by the Chancellor for inclusion in the biennial budget.

the expanded use of community colleges and regional campuses, early college programs, online learning and student support services, comprehensive course transfer systems, and integrated technology databases.

Two other key strategies that will be pursued are the setting of annual efficiency targets for the system based on an aggressive monitoring of costs and efficiencies with the goal of spreading

best practices through the system, and shared service and purchasing cooperatives.

HB 119 required University System of Ohio schools to demonstrate efficiency savings of 1% in FY 2008 and 3% in FY2009. The goals were “to encourage each campus to improve its productivity, and ultimately use the gains in productivity to make additional investments in ways that promote undergraduate access and success,” and “to promote collaborations among campuses.” All schools met the 1% efficiency requirements, and many were able to find additional cost savings, with a reported total of \$182.9 million in savings.

This experience suggests that setting targets and linking them to increases in state funding through the biennial budget process is an effective approach. The challenge is identifying appropriate annual benchmarks, and then assisting schools in meeting these benchmarks through examples of best practices throughout the state or nation or through collaborative efforts to achieve savings.

Therefore, the Board of Regents will establish an office that continuously monitors spending practices and successful productivity strategies, with the goal of spreading these best practices throughout the system. This office will work closely, as it must, with representatives of all institutions, in developing and implementing its work plan. Through this work, the Chancellor will be able to develop a well-grounded recommendation on annual efficiency targets for the Governor and the General Assembly, and will be able to assist the schools in meeting these targets.

Special attention will be given to advancements in teaching and learning initiatives, such as those developed by the National Center for Academic Transformation, which have been shown to lower the cost of instruction and increase learning.²¹ This methodology will be particularly useful in meeting the goal of making the combined cost of an associate and bachelor’s degree among the lowest in the nation at the community college and regional branch campuses.

Aggregating the purchasing power of large institutions is a well accepted practice in the business community. The University System of Ohio institutions have done so to a limited extent over the years, but the potential for savings is significant. The state is developing aggregated purchasing

KEY STRATEGY:

The University System of Ohio will participate in **purchasing aggregation programs** developed by the state. Purchasing cooperatives covering products and services not aggregated by the state will also be supported.

processes. Joining the University System of Ohio institutions to these processes is good for the system, as it will save money on many common areas of goods and services, but it is also good for the other agencies of state government, since the volume of purchases in the University System of Ohio will also help the rest of state government achieve savings beyond what it could achieve without the participation of higher education. Such savings ultimately benefit the University System of Ohio directly by freeing up other state resources.

The state’s aggregation efforts are not likely to cover all the goods and services that could be efficiently aggregated in higher education. Thus, other cooperative purchasing efforts will need to be supported, as will fuller participation in regional procurement efforts, such as those offered through the Midwest Higher Education Compact. Finally, procurement costs for library resources and online instructional offerings can be reduced through the planned integration of collaborative enterprises such as OhioLINK and the Ohio Learning Network.

Campus energy conservation should also be greatly enhanced over the next 6 years as a result of Sub. H.B. 251 of the 126th General Assembly. This act requires public campuses to adopt energy conservation measures that are aimed at reducing energy consumption by 20% by 2014. The University System of Ohio will continuously monitor progress toward achievement of these goals, and promote best practices among campuses. Related to this, the University System of Ohio will consider ways to incorporate LEED (Leadership in Energy and Environmental Design) certified construction methods into all future campus construction projects. LEED-designed buildings, while they may have higher initial costs, can have lower lifetime operating costs through reduced energy and water consumption, the use of recyclable construction materials, longer useful facility lives, and improved productivity.

Bringing State Support to the National Average

KEY STRATEGY:

State support per full-time enrolled student will be **increased to the national average** within the next 10 years. This figure includes state operating support, but not capital funds, which are difficult to compare from state to state.

This plan pursues a wide range of strategies for utilizing the state's resources efficiently, incentivizing private fundraising, and encouraging students to utilize lower cost options. These steps must be matched by a sustained state commitment to providing our public institutions with the resources they need to build a world-class system.

In 2006, Ohio ranked 39th in state appropriations per full-time equivalent student (FTE), approximately \$1,100 per FTE, or a total of \$420 million, short of the national average.²² This shortfall in state operating support is a major reason why the state's average tuition is well above the national average.

The average state support per FTE includes basic operating support at the state level, but does not include expenditures on financial aid, capital, research, agricultural experiment stations and cooperative extension, teaching hospitals, and medical schools.

Despite many efforts to gather comparative information on capital expenditures, there is no meaningful comparison available. Best efforts suggest that Ohio's capital budget is about average among the states, but the number of states in this comparison is not significant.

State colleges and universities own and operate two types of facilities, those used for educational and general purposes, including classrooms, laboratories, and administrative offices, and auxiliary operations, such as dining and residence halls, bookstores, garages and facilities for inter-collegiate athletics. Auxiliary operations are expected to be fully self-financed from user fees. It is not possible to put a cost figure on the capital needs of the system as a whole, because there

are too many variables at play. This plan seeks to create a marketplace for educational programs that makes available low-cost associate and bachelor's degrees to students at community college and regional campus locations, to create Centers of Excellence at university main campuses, and to increase the use of technology for student services and online learning. All these strategies will impact the capital needs of campuses.

We do know that a static look at the picture gives rise for concern. Over the decades, Ohio invested billions of dollars to create a broad array of geographically accessible public community college and university campuses throughout the state. Much of this investment occurred in the last 50 years. Many of the facilities that had served the baby boom generation are nearing the end of their useful lives and now need to be renovated, rehabilitated, or replaced. Building renovations are also needed to accommodate changes in instructional methods and instructional technology.

Until recently, Ohio had not tried to determine the "right amount" of capital appropriations needed for higher education facilities. Campus and Board of Regents' staff have now been trying to do so. Applying one national standard of building renovation rates would suggest an annual shortfall of about \$170 million between the average of recent capital appropriations and the national standard. Taking into account a backlog from years of not meeting this national standard would increase the total annual need by another \$100 million.

Another factor to consider is the level of accumulated campus debt, which has increased by about \$323 million per year since FY1998. It is unclear how campuses will be able to sustain this kind of increase into the future.

As noted, this bleak picture represents what the system currently looks like, as opposed to what it will look like when this plan is fully implemented. Nevertheless, raising the quality of all our facilities will clearly take creativity, bold decision-making, and more money, both from the state and the private sector.

In another section, this plan recommends that the state create a matching fund to be used to solicit

additional private donations. These funds could be targeted to higher education facilities, among other purposes. State matching funds have been successful in some other states, and could be useful to help state colleges and universities manage their facility challenges better.

It goes without saying that efficiency in the use of existing facilities will help stretch every dollar and help reduce future capital needs. Such efficiency steps include giving campuses greater flexibility to manage costs and sharing purchases, increased use of technology, and collaborative uses of facilities.



Measuring Our Success

University System of Ohio Accountability Measures and Metrics
Voluntary System of Accountability

This plan sets a clear goal - raising educational attainment - and describes a number of strategies that are designed to move us toward that goal. It is, of course, possible that we have not selected the correct strategies. That is why this plan establishes 20 accountability measures by which progress can be monitored. If the strategies described in this plan are working, then the accountability measures will reflect that fact. If, however, these accountability measures are not being achieved, then the strategies must be re-examined.

Accountability is the path to change. These measures are calculated so that meeting the ten-year goals should translate into meeting the overall educational attainment goals of this plan. The accountability measures are the “report card” of the University System of Ohio. They will be posted on the website and updated as frequently as data is available.

KEY STRATEGY:

The University System of Ohio **Accountability Measures** will track progress toward meeting our goals as a system. By December 31, 2008, the presidents of each institution, with the approval of their Board of Trustees, will submit to the Chancellor a document indicating how the institution will contribute to meeting the system-wide accountability measures.

Alignment between the goals of the University System of Ohio and individual institutions will form the basis for a constructive working relationship between institutions and the state. It will be on this basis that funds will be allocated, and that the success of the system as a whole can be demonstrated to the Governor, the General Assembly and the public.

The accountability metrics measure the performance of the system as a whole. Each institution contributes differently to these measurements - some will grow in enrollment, others will attract more research dollars, and so on. To make certain that the collective actions of the institutions are helping the state meet its overall goals, each institution, through its president and with the approval of the Board of Trustees, will submit to the Chancellor, by December 31, 2008, a document setting out the contribution that the institution will make to the achievement of the state’s overall accountability measures. In consultation with the institutions, the Chancellor will develop and distribute a template for this submission. The initial report should cover a six-year period.

The Chancellor will review all the submissions together, and in consultation with the institutions, seek any changes necessary to ensure that all the goals of the University System of Ohio are met. The Chancellor will then use the individual submissions to measure the contributions of each institution to the fulfillment of the University System of Ohio goals.

The University System of Ohio

Accountability Measures



Board of Regents

Ted Strickland, Governor
Eric D. Fingerhut, Chancellor

University System of Ohio

Goals	Measurements of Success	Current Level	2017 Target
Access The University System of Ohio will be a flexible, integrated higher education provider, making the widest range of educational opportunities available to, and raising the educational aspirations of, all Ohioans.	○ Total post-secondary enrollment	472,694	702,694
	○ Total STEM degrees awarded	12,312	24,624
	○ Total enrollees age 25 and older	171,294	351,347
	○ Total degrees awarded to first generation college students	19,418	33,333
	○ Percent of total degrees awarded to Black and Hispanic students	8.63%	13.98%
Quality The University System of Ohio will be known for the excellence of the teaching and learning of its faculty and students and the reputation of its institutions.	○ Improvement in actual graduation rate over expected graduation rate (2007 as baseline)	Same	+10%
	○ Measuring the system's reputation: Number of first time enrollees in the top 20% SAT/ACT (at University Main Campuses)	13,866	20,799
	○ Percent of facilities in satisfactory condition or needing only minor rehabilitation	64.07%	70%
	○ Total size of endowments and foundations per FTE	\$10,573	\$21,146
	○ Federally financed research spending per capita – <i>national rank</i>	30	Top 10
Affordability and Efficiency The University System of Ohio will enable all Ohioans to afford the education and training they need to succeed, and will compete for those students who are choosing between Ohio and other states or nations for their post-secondary education.	○ Average out of pocket cost	TBD	TBD
	○ Tuition and fees of a combined associate and bachelor's degree offered on a community college or university regional campus – <i>national rank</i>	TBD	Top 10
	○ State funding per FTE – <i>relationship to the national average</i>	-\$420 Million	+\$1
	○ Percentage of first time enrollees below age 21 with equivalent of one semester or more of college credit earned during high school	5.5%	20%
	○ Percentage of bachelor's degree recipients with at least one year of credit from a community college	8.8%	25%
Economic Leadership The University System of Ohio will provide the intellectual and organizational infrastructure to measurably improve the economic outlook for all Ohioans.	○ Industrially financed research spending per capita – <i>national rank</i>	5	1
	○ Globalization measure: Total international students/Ohio students studying abroad annually	13,538 / 6,328	35,134 / 16,413
	○ Invention disclosures filed + university start ups attracting more than \$1,000,000	397+TBD	TBD
	○ Business satisfaction - measured through survey	TBD	TBD
	○ Number of students engaged in internships and co-ops	46,443	100,000

Access: The University System of Ohio will be a flexible, integrated higher education provider, making the widest range of educational opportunities available to, and raising the educational aspirations of all Ohioans.

1. **Total post-secondary enrollment:** The total number of students attending the University System of Ohio is a measure of the aspiration of Ohioans to obtain a post-secondary education, the accessibility and affordability of the system, and serves as the basis for building a strong and educated workforce. Total post-secondary enrollment includes all students enrolled in associate, bachelor's, graduate, and professional degree programs.

2017 TARGET: Increase enrollment by 230,000 students, consistent with the goal established by Governor Strickland.

Source: Higher Education Information System (HEI). Current level is based on Fall 2006 data.

2. **Total STEM degrees awarded:** STEM- Science, Technology, Engineering, and Mathematics- represent critical areas of need for the state's ever-changing economy. Increasing the production of these high demand degrees is a top priority of the state's business community.

2017 TARGET: In 2005, the Ohio Business Alliance for Higher Education and the Economy set a goal to double the number of STEM bachelor's degrees granted by Ohio colleges and universities by 2015. It is the goal of this plan to double the total amount of STEM degrees (associates, bachelor's, graduate and professional) conferred by University System of Ohio institutions by 2017, including a 110% increase in bachelor's degrees in STEM disciplines.

Source: HEI. Current level is based on July 06 - June 07 data.

3. **Total enrollees age 25 and older:** "Non-traditional students" are a significant untapped pool of learners in the state. These students are more likely to be deeply rooted in the state and thus represent an important target in meeting the goal of raising educational attainment.

2017 TARGET: Adult learners will represent the biggest portion of enrollment growth. In 2017, they will make up one half of the total enrollment of the University System of Ohio.

Source: HEI. Current level is based on Fall 2006 data.

4. **Total degrees awarded to first generation college students:** An increase in the success of this population would not only have an impact on the state's educational attainment, but would also represent a significant long-term return on the state's investment because college graduates are likely to make sure their children also go to college. This indicator includes associate, bachelor's, graduate, and professional degrees.

2017 TARGET: One third of all degrees will be awarded to first generation students.

Source: HEI cross tied with the Free Application for Federal Student Aid (FAFSA) data. Current level is based on July 06 - June 07 data. (The data source only includes students who filled out a FAFSA and completed the section regarding parents' education. About 76% of all students who earned an undergraduate degree in July 06 - June 07 filled out this portion of the FAFSA.)

5. **Percent of degrees awarded to Black and Hispanic students:** While the ethnic background of the University System of Ohio's enrollment currently reflects the make-up of the state's population, there remains a gap between the number of minority and non-minority students receiving degrees. The University System of Ohio must not only enroll minority students but ensure that they graduate, thereby increasing educational attainment overall and ensuring the development of a diverse workforce. This indicator includes associate, bachelor's, graduate, and professional degrees.

2017 TARGET: The percent of degrees awarded to these minorities should equal the percentage of the minorities in Ohio's population. Currently that percentage is 13.98%, representing a gap of over 5%.

Source: HEI (current level is from July 06 - June 07 data) and US Census, American Community Survey (current level is from 2006 data).²³

Quality: The University System of Ohio will be known for the excellence of the teaching and learning of its faculty and students and the reputation of its institutions.

6. **Improvement in actual graduation rate over expected graduation rate 2007-2017:** An expected graduation rate is a prediction based on characteristics of the student body population. The difference between the actual graduation rate and the expected graduation rate is an indicator of the value the system adds to its students' education. This metric uses the 2007 graduation rate as a base-line and will show the improvement over the next 10 years. More detail on this metric can be found in Appendix C.

2017 TARGET: Actual graduation rate exceeds expected rate by 10%.

Source: HEI.

7. **Number of first time enrollees in the top 20% SAT/ACT (at university main campuses):** This indicator measures the extent to which the University System of Ohio is a system of choice for top students both from within Ohio and outside the state. Data is limited to students at university main campuses.

2017 TARGET: Increase top students by 50%.

Source: Survey of public universities, fall 2007 freshman.

8. **Percent of facilities in satisfactory condition or needing only minor rehabilitation:** This measure of facility quality takes into account the condition of the building and whether it meets the technological and equipment needs of the classes it houses.

2017 TARGET: 70%

Source: HEI (current level based on Fall 2006 data).

9. **Total size of endowments and foundations per FTE:** Private giving represents an important resource that could play an integral role in lowering tuition and increasing financial aid. State rank data is not available.

2017 TARGET: Double current level

Source: Survey of all public universities and colleges. Current level is based on FY2006 data.

10. **Federally financed research spending per capita - national rank:** The most widely accepted measure of a research university's competitiveness is through grants awarded from the federal government. Research attracts top students, faculty, and jobs to Ohio. This indicator only takes into account public universities and therefore does not compare Ohio with other state's independent institutions or higher education research as a whole.

2017 TARGET: To be in the top 10 of all states in terms of federal dollars attracted to public universities.

Source: National Science Foundation. Current level based on 2006 data. National ranking based on states' public university research spending per capita.

Affordability and Efficiency:

The University System of Ohio will enable all Ohioans to afford the education and training they need to succeed.

11. **Average out of pocket cost:** An institution's true affordability is not its sticker price, but how much the student actually pays. In order to compete for both students and residents nationally, it is essential to make sure the student can afford a college education based on his family's income status. Unit record financial data is being collected for the first time this year. Data will be available in spring 2009.

2017 TARGET: TBD

Source: HEI.

12. **Tuition and fees of a combined associate and bachelor's degree offered on a community college or university regional campus-national rank:** Using the existing infrastructure of community colleges and university regional campuses, in 10 years the University System of Ohio will offer a low-cost, open access, combined associate and bachelor's degree within 30 miles of every Ohioan.

2017 TARGET: To be one of the lowest 10 states in price for a combined associate and bachelor's degree.

Source: This data is not currently collected in this form, but will be reported in the future.

13. **State Funding per FTE- relationship to the national average:** The state of Ohio represents the largest non-revenue source for the University System of Ohio, and is an important economic driver and industry for the state. This indicator measures the extent to which the state is supporting higher education compared to the national average of state spending on public higher education.

2017 TARGET: Above the national average.

Source: State Higher Education Executive Officers: State Higher Education Finance (SHEF), FY 2006 (http://www.sheeo.org/finance/shef/shef_data.htm). This metric compares only state, not local, support.

14. **Percentage of first time enrollees below age 21 with equivalent of one semester or more of college credit earned during high school:** Currently Ohio is below average in both early college and AP offerings. Through programs like PSEO and Seniors to Sophomores, students can earn college credit for free and be able to graduate from college in a more timely manner.

2017 TARGET: 20%

Source: HEI. Current level is based on Fall 2006 data.

15. **Percentage of bachelor's degree recipients with at least one year of credit from a community college:** Seamless transfer will allow more students to start their post-secondary education at a community college. Utilizing this option reduces cost to the student and the state.

2017 TARGET: 25%, a quarter of all bachelor's degree graduates.

Source: HEI. Current level is based on FY 2007 data.

Economic Leadership:

The University System of Ohio will provide the intellectual and organizational infrastructure to measurably improve the economic outlook for all Ohioans.

16. **Industrially financed research per capita - national rank:** Meeting the needs of Ohio's industries is a central goal of the University System of Ohio. Industrial research spending is a signal that businesses are choosing our universities to perform research that improves their bottom line, and signals our alignment with the needs of industry. Again, this research indicator only measures public university research dollars.

2017 TARGET: #1

Source: National Science Foundation, 2006 (National ranking based on states' public university research spending per capita)

17. **Total international students and Ohio students studying abroad:** The University System of Ohio must be a globalized system attracting students from other countries and encouraging our students to study abroad. Our students must be prepared for the demands and challenges of today's globalized economy.

2017 TARGET: International students to be 5% of total enrollment.
Study abroad to increase 10% per year.

Source: International Students: HEI. Current level is from July 06 - June 07. Study Abroad: Open Doors FY2006

18. **Invention Disclosures filed plus university start ups attracting more than \$1,000,000 of venture capital:** Invention disclosures lead to the establishment of new and cutting edge technologies which lead to the formation of start ups that establish successful businesses and attract talent and venture capital to the campus. This is a measure of both innovation and commercialization.

2017 TARGET: TBD

Source: Technology Transfer Offices. Due to survey timing, the number of university start ups attracting more than \$1,000,000 of venture capital will not be known until after the release of this report.

19. **Business Satisfaction – measured through survey:** A business satisfaction survey will be developed through the Ohio Business Roundtable and the Ohio Business Alliance for Higher Education and the Economy. See this report's *Relationship with the Business Community* section and Appendix B for more details.

2017 TARGET: TBD

20. **Number of students engaged in internships and co-ops:** Through building connections between businesses and our students, we will ensure that our institutions produce graduates with valuable work experience and give our graduates a connection to help them stay in Ohio.

2017 TARGET: 100,000: More than doubling the current amount.

Source: HEI. Current level is based on Fall 2006 students enrolled in internship or co-op programs anytime from July 06 - June 2007 (includes graduate and undergraduate students).

Note: Not all campuses currently collect this data accurately, so this may not include all co-ops and internships.

The Ohio College Portrait

Universities

In addition to the specific accountability measures that reflect Ohio's goals, there is a need for schools to provide the public with information to review the universities' performance on a wide range of measures and to compare that data to other schools across Ohio and the nation. While schools have expressed a willingness to measure and report such results, there has been little agreement over the years on the best method for doing so, and outright hostility to some of the ranking systems available from private vendors. Recognizing this problem, a consortium of public universities across the country joined together to develop the Voluntary System of Accountability (VSA). The VSA allows participating schools to report relevant information about their costs and performance in a standardized format that enables valid comparisons to be made between schools.

KEY STRATEGY:

All universities will join the **Voluntary System of Accountability**, making data available regarding price, financial aid, degree programs, retention and graduation rates, campus safety, student satisfaction, and student learning outcomes. All universities will administer and report on the National Survey of Student Engagement (NSSE).

Schools participating in the VSA agree to administer two important assessments, one that measures the quality of student engagement (or satisfaction) at the school, and one that measures learning outcomes. Schools are given a choice of assessment tools to use in each area. In the area of student satisfaction, the National Survey of Student Engagement (NSSE) has received wide acceptance, and should therefore be used by all schools in the University System of Ohio. The measurements of learning outcomes, which focus on critical thinking, communication and problem-solving skills, are still under development. Schools have requested continued flexibility in working with these tools, and, in the near

term, this is appropriate. The Chancellor will work with the institutions to review the state of knowledge of these assessments and to move towards a common assessment of learning outcomes across the system.

The results of these assessments will be incorporated with the other financial and student data called for by the VSA into an Ohio College Portrait, which will be available for every University System of Ohio school. This Portrait will include a six-page, web-based template organized into three areas:

- Student and parent information that includes data about costs of attendance, degree offerings, living arrangements, graduate placement, student characteristics, graduation rates, transfer rates, and data about student progress.
- Student experiences and attitudes that offer a portrait of student learning experiences, activities and satisfaction, and their perceptions of a university's commitment to student success, determined by the results of student surveys.
- Student learning outcomes in critical thinking and written communication across all academic disciplines.

The Ohio College Portrait will provide easily accessible and understandable information for prospective students about the qualities and outcomes of the participating campuses, allowing users to compare apples to apples. Through standardized graphs, pie charts and hyperlinks in a common format, students and parents can browse the site for information regarding price, financial aid, degree programs, success, retention, campus safety, future plans of graduates, student satisfaction, student learning outcomes and community engagement.

The Ohio College Portrait will serve not only students and parents, but also policymakers, faculty and staff. The program responds to requests often made by policymakers for accessible, transparent, and comparable data by

requiring each institution to collect and present the data in a way that will demonstrate the impact of the state's investment on student learning and higher education. In addition, the section of the Ohio College Portrait on student engagement and learning outcomes will allow faculty and staff to gain additional knowledge about how students are learning by measuring progress in the key cognitive skill areas of critical thinking, analytic reasoning, and written communication.

The Ohio College Portrait requires measurement of community engagement, an important dimension of university activity. Community engagement is the practice of collaborating with the larger community for the mutual benefit of the citizens and the university. Faculty and student engagement in community-based service or research creates educationally enriching experiences for students and helps communities address problems and improve the quality of life of their citizens by utilizing the university's intellectual and human resources.

Adopting the Ohio College Portrait will allow University System of Ohio member institutions to:

- Improve performances by carefully and rigorously measuring teaching, learning, and

student engagement in educationally purposeful activities, particularly in science, technology, engineering, mathematics, and medicine fields.

- Demonstrate aspirations to national and international recognition.
- Identify effective educational practices by measuring educational outcomes.
- Demonstrate efficient, cost-conscious stewardship of taxpayer dollars.
- Demonstrate national leadership in working to improve the quality, innovation, access and cost of undergraduate educational programs.
- Demonstrate achievement in institutional missions and preserving diversity.

The Ohio College Portrait will report information on student success and progress rates, institutional characteristics, and various costs in a way that clearly demonstrates greater institutional accountability for student learning and development. Stakeholders will be able to see the contributions made by higher education to the communities in which institutions are located and the state's economy as a whole.

Community Colleges

Ohio's network of community colleges is committed to implementing an accountability system parallel to the version being adopted by Ohio's public universities. The community colleges' accountability system will:

- 1) Measure and report student engagement by utilizing the CCSSE as its survey tool.
- 2) Assess general education outcomes through the development of a common template, which will be used to report general education outcomes, measurements used and results, and share information on how the results will be used to make improvements.
- 3) Assess learning outcomes within technical programs by developing a similar template for the reporting of technical program outcomes, measurements used and results, and how the results will be used to make improvements.

The accountability metrics will be periodically reviewed for their appropriateness to encourage a continuous improvement process.

KEY STRATEGY:

All community colleges will adopt a nationally benchmarked, **transparent system of accountability** similar to the Voluntary System of Accountability. All community colleges will administer the Community College Survey of Student Engagement (CCSSE).



**A Partnership With Ohio's
Private Colleges and
Universities**

A Partnership With Ohio's Private Colleges and Universities

Both nonprofit and for-profit private colleges and universities in Ohio (also referred to as “independent institutions”) play an important role in determining our state’s educational attainment levels. Their contribution to this goal will help determine the success of this plan. Just like the public institutions, contributing to the goal of increasing Ohio’s educational attainment level will require the institutions that choose to do so to focus on graduating more students, keeping those graduates in the state, and attracting more talent to Ohio. The Board of Regents hopes to work with Ohio’s wide variety of private institutions toward a unified goal of rejuvenating Ohio’s economy through raising the state’s educational attainment.

Ohio’s private colleges and universities have indicated individually and through their association, the Association of Independent Colleges and Universities of Ohio, a desire to contribute to the public good in the state and to support the goals described in this strategic plan. Private institutions bring longstanding traditions of service and nimble innovation, such as developing the state’s first broad-scale articulation agreements, leading the state’s academic and enrollment internationalization, and serving as the economic and cultural anchors of dozens of Ohio communities. Through all of these actions, Ohio private colleges are significant contributors to the economic prosperity of the state and the quality of life of its citizens.

Currently awarding more than one-third of the state's bachelor's degrees and educating more than one-fourth of its students²⁴, private colleges and universities will continue to make numerous contributions to the achievement of the state's higher education goals in the coming decade.

Research

The State of Ohio has long benefitted from and actively supported the world-class research performed at private colleges and universities. This is especially true of the state's relationships with Case Western Reserve University and the University of Dayton, both of which are nationally-recognized research institutions. Both Case Western Reserve University and University of Dayton have received funds from the state's Third Frontier, Research Challenge, *Choose Ohio First*, and other research incentive programs. Both Case Western Reserve University and University of Dayton participated in the coalition that formed the *Ohio Research Scholars Program* this year, agreeing to contribute funds that would have otherwise been distributed by formula to a competitive grant process. The state will do everything possible to encourage the growth of these research centers, as well as the STEM and STEM education programs at all private colleges and universities.

The Chancellor will work with the private institutions to ensure that state policy focuses on leveraging the capacity and expertise of all colleges and universities in Ohio where research takes place, without regard to their status as public or private institutions.

Credit Transfer

Our state's ability to increase its level of educational attainment will be linked to the success of students who attend more than one institution of higher education. Private institutions have extensive credit transfer arrangements with public two-year and four-year institutions. As noted earlier in this report, the Board of Regents, at the direction of the General Assembly, has created an articulation and transfer clearinghouse that enables students to know in advance whether the course they are taking at one University System of Ohio school will be accepted throughout the system.

It would be to the benefit of all students in Ohio if they could freely move back and forth between public and private institutions. The best way to accomplish this is to have private institutions participate in the state's articulation and transfer system. The Chancellor will work with the private colleges to create appropriate administrative arrangements to make this possible, and once this is accomplished, will include participation in this system as one of the metrics considered in establishing formulas governing state support for private schools and their students.

Partnerships in "Two Plus Two" Programs

This report seeks to dramatically expand the number of campuses on which students can achieve both an associate and bachelor's degree. Many community college campuses already feature "University Center" models that enable students to choose between completing the bachelor's degree on site from either a public or private institution. These choices expand the range of options for students and will continue to be encouraged.

Reforming Program Approval

Ohio's authorization of private and public college programs, and of private institutions themselves, is a competitive strength to our state, but the existing systems authorizing new programs and reauthorizing existing ones should be reformed to encourage the development of innovative programs. This is particularly true in the case of encouraging adult learners, where the ability to flexibly respond to the needs of the student for new programs and methods of teaching is critical to success.

H.B. 2 gave the Chancellor the authority to revise the program approval process, and to submit new rules to the Joint Committee on Agency Rule Review. The Chancellor's goal will be to develop guiding principles and clear standards for the program approval and authorization process for Ohio private colleges and universities which are responsive to both the Regents' standards and the need for institutional flexibility in developing new academic programs and serving emerging populations. The Chancellor will seek to eliminate unnecessary barriers, redesign the program

submission process to address the revised guiding principles and clarified standards, and revise relevant statutes and rules. The resulting product should:

- Articulate and clarify the purpose of the program approval and authorization process.
- Define guidelines for the review and authorization of institutions to offer degrees including the development of clear and consistent expectations for degree programs at all levels (associate degree, bachelor's degree, graduate degree) and through all sources (public and private colleges and universities and for-profit schools).
- Articulate the relationship between Ohio's authorization process and accreditation from the Higher Learning Commission or other nationally recognized accrediting associations.
- Address issues of continued authorization for existing Ohio institutions (reauthorization and program changes) and the development of new programs and sites (graduate, undergraduate, "two plus two" programs and other collaborations).
- Clarify guidelines in areas such as institutional mission, academic governance and control of curriculum, expectations for faculty, general education expectations, access and use of library resources and technology.
- Develop best practice models for faculty, student outcomes and assessment.
- Identify statutes, rules, process and documents for institutional and program authorization needed to be revised.
- Develop a Web-based system of submission of new proposals and update of existing authorizations.

Adult Learners

Private colleges have been innovators in the field of adult education, an area critical to the success of this plan. The Board of Regents and private colleges and universities want to partner together

to spread best practices.

This report has already addressed one strategy incorporating private schools in the state's transfer and articulation system. In addition, the Chancellor and the private institutions will explore:

- Providing seed funding for those institutions that are exemplary in working with adult learners, creating a "best practices" model that is transferable to other colleges and universities.
- Ways to identify the role of adult learners in grant opportunities that may have previously targeted only traditional-aged students or partnerships that eliminate participation by private colleges and universities.
- Partnering in a statewide adult learning summit or series of conferences with private and public higher education to elevate the "adult learner IQ" of all providers.

Finally, financial aid practices must be reformed for public and private institutions to support part-time students.

Incentive Funding

The Chancellor will work with private colleges and policymakers to evaluate Ohio's student aid programs and identify ways those and other resources can be used most effectively to achieve the strategic goals for the state. In particular, the Chancellor intends to work with private colleges and policymakers to develop consensus reforms for the Ohio Student Choice Grant program that can be implemented by the FY10-11 budget. These reforms should identify ways in which the program can be used to support those schools that are making particular strides to achieve the state's goals of increasing enrollment, keeping students here, and attracting talent from other states.



Next Steps

Next Steps

Though many elements of this plan are already being implemented, the release of the formal document begins a new phase in the process of transforming Ohio's higher education landscape. The Chancellor and the Board of Regents staff will be dedicated full-time to the implementation of this plan. Several of the key next steps identified in this report deserve to be reiterated:

- The Chancellor will convene a funding consultation to develop recommended changes in the state subsidy for higher education that will support the outcome of the plan. The consultation, which will conclude its work by September 30, 2008, will involve a wide range of stakeholders.
- The Chancellor will, in consultation with the institutions, develop templates for the documents to be submitted by the institutions identifying Centers of Excellence, institution specific accountability measures, and good faith budget estimates.
- The Chancellor will make any organizational changes within his authority that are necessary to support the implementation of the plan, and will work with the General Assembly on elements of the plan that require legislative action.
- The Chancellor will lead a public effort to explain the main elements of the plan and to build support for its implementation.
- The Chancellor will begin a feasibility study leading to the creation of the University System of Ohio Foundation.
- The Board of Regents and the Business Alliance for Higher Education and the Economy will complete the survey of business satisfaction with higher education and begin implementing the compact between business and higher education.

No plan is perfect. Any plan can be slowed by changed circumstances, or improved by new opportunities that were not present when it was drafted. That is certainly true of this plan, which makes it, in a sense, a work in progress.

This plan is the result of hundreds of hours of consultation with students, faculty, administrators, legislators and business leaders throughout Ohio, and with higher education experts across the country. It was guided by a firm belief that higher education is the driver of Ohio's future economic prosperity. Some of the strategies described here were apparent early in the process, others developed later, and still others represent compromises between what would be ideal and what is doable today.

Some of the strategies recommended here will likely cause controversy when implemented. That was certainly not a goal, though the potential for controversy was not allowed to be a disqualifying factor if the benefits appeared to outweigh the risks.

There is no "big bang" – the one big idea that will change everything. No such thing exists. The road to success, as it is usually is, is marked by hard work and focus, and a willingness to walk our own path.

The process of putting this plan together made clear that Ohioans hunger for change, and that they appreciate the role of higher education in bringing that change about. This plan commits the state to a course of action that, with patience and dedication, will fulfill these expectations.



Acknowledgments

Acknowledgments

This report was first mandated by legislation passed in May 2007. However, work truly got underway in earnest after the passage of the FY008-09 state budget and the issuance of Governor Strickland's Executive Directive creating the University System of Ohio on August 2, 2007. Since that time, I have been deeply fortunate to have the assistance of people and organizations across the state and nation too numerous to list. I would surely leave someone out if I tried. I hope that those who care enough to read this page and who had a hand in the ideas contained in this report will know how much I appreciate their help - and their patience.

Throughout the process, I said that I would seek ideas from every source. Yet in the final analysis, I would decide what to recommend to Governor Strickland for inclusion in the report. Therefore, I wish to give credit to others for ideas that were not mine, but take responsibility for the final version as presented.

Governor Strickland's support has been exceptional throughout the preparation of this report. He has set a clear direction for higher education, and welcomed ideas that help fill out that vision. He has also assembled an extraordinary staff and Cabinet, many of whom were deeply involved in the preparation of this report.

Members of the Ohio General Assembly have been supportive and helpful both publicly and privately. The educational opportunities that present themselves in Ohio today are the result of their hard work this past year. I must particularly thank the leadership of Speaker Husted, Senate President Harris, Minority Leaders Beatty, Miller and former Leader Fedor, and their staffs, for the countless hours they have spent on this project.

I am grateful for the advice and support of the presidents of our public institutions, both individ-

ually and through their associations, the Inter-University Council of Ohio and the Ohio Association of Community Colleges. They have shouldered the added burden of explaining these emerging conversations to their campus constituencies. Ohio is fortunate to have such talented leaders. The same is true of Ohio's adult workforce leaders, who have become a part of the University System of Ohio, and who will play an important role in the implementation and success of this plan.

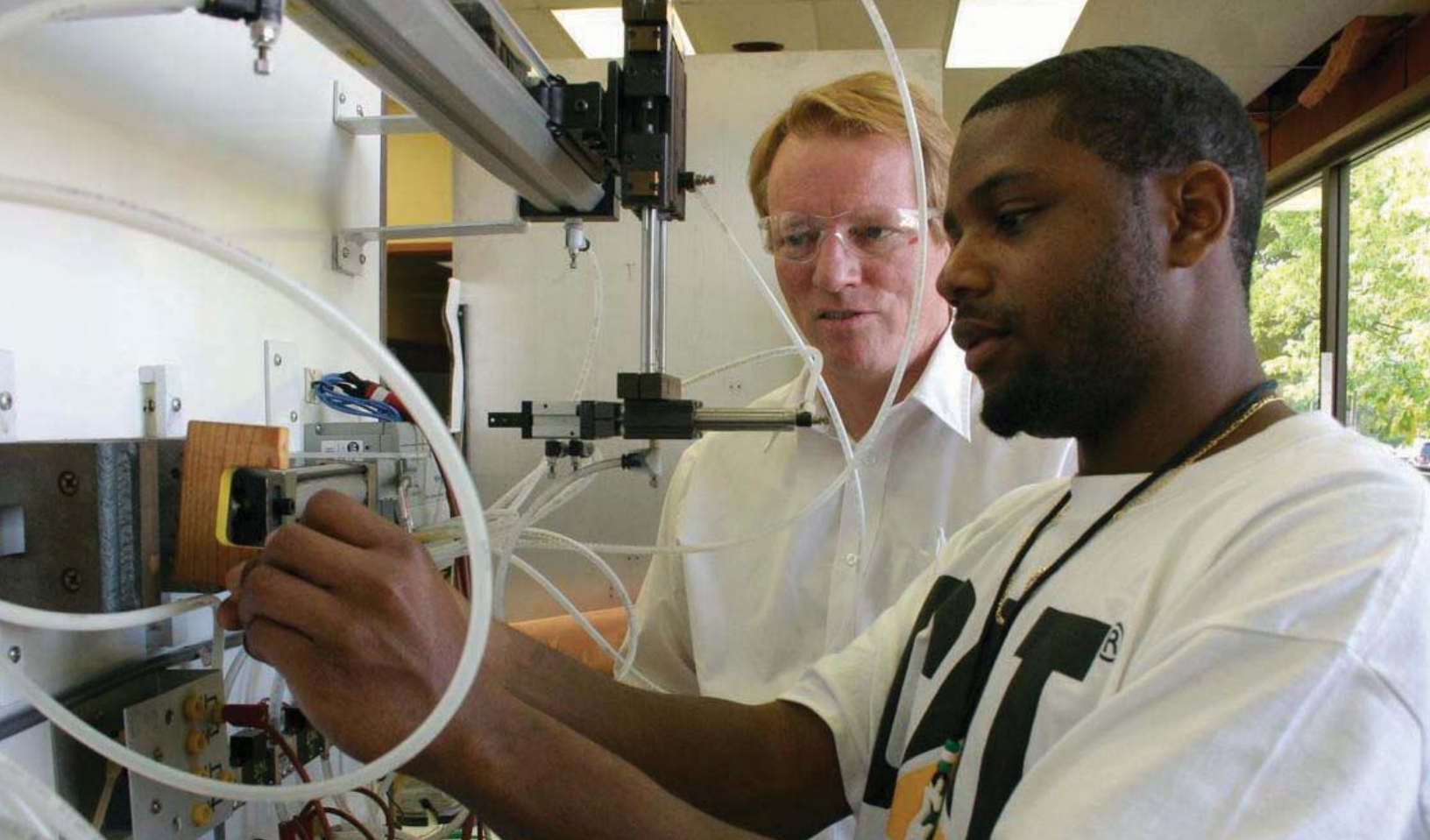
I have also been fortunate to work with many of the presidents and other leaders of Ohio's private institutions and the Association of Independent Colleges and Universities of Ohio. I look forward to continuing the constructive dialogue we have established.

Faculty and staff of both public and private colleges and universities, individually and through their associations, have contributed to our thinking. Many of the best ideas in this report came from them.

The business community played a significant role in developing elements of this report. I am particularly grateful to the Business Alliance for Higher Education and the Economy for its commitment to this project.

Finally, the Ohio Board of Regents, both members and staff, deserve credit for much of the work reflected here. This report will accelerate the implementation of existing efforts as well as introduce fresh ideas to further the direction of Governor Strickland and the General Assembly in meeting the educational needs of the state. I am privileged to work with them all.

Eric Fingerhut



Appendices

APPENDIX A: Legislative and Executive Mandates

APPENDIX B: BAHEE / BRT Letter

APPENDIX C: Expected versus Actual Graduation Rates

Legislative and Executive Mandates

Amended Substitute House Bill Number 119 of the 127th General Assembly

Section 375.30.25(C)

(C) In consultation with the Department of Development, the Chancellor of the Board of Regents shall commission a study on the needs of the business community relative to higher education in the state. The study shall include all of the following:

- (1) Determine the needs of Ohio's business community;
- (2) Determine whether state-supported institutions of higher education are meeting those needs;
- (3) Identify how state-supported institutions of higher education can improve to meet those needs;
- (4) Identify the necessary skills and talents required by the business community that Ohio's college graduates must have in order to perform in the workplace; and
- (5) Make any necessary recommendations as to how state-supported institutions of higher education can better meet the needs of the business community.

Not later than December 31, 2007, the Chancellor of the Board of Regents shall report the findings of the study to the Governor, the Speaker and the Minority Leader of the House of Representatives, and the President and the Minority Leader of the Senate.

(D) In consultation with state-supported institutions of higher education, the Chancellor of the Board of Regents shall develop a plan that includes all of the following:

- (1) A plan to achieve the access goal of increasing the number of Ohioans enrolled in college by 230,000 by 2017;
- (2) A plan to achieve the success goal of increasing the graduation rate of those who first enroll in college on or after the effective date of this section by twenty per cent by 2017;
- (3) A plan to achieve affordability through tuition restraint and additional state support for higher education; such a plan shall include goals for establishing and implementing funding policies that provide for sufficient state funding support to reach tuition that matches or is lower than the national average and state support that matches or exceeds the national average;

- (4) A plan to enhance the state's competitiveness for attracting federal and other support for research and development at public research universities; such a plan shall include goals for reaching or exceeding the national average level of support, on a per capita basis, for research and development;
- (5) A plan to promote higher education throughout the state through the coordinated leadership efforts of the Governor, the Chancellor of the Board of Regents, and other stakeholders; such a plan shall include goals for using various media and other partnerships to raise awareness of college opportunities, to increase public awareness about the value of a college education, and to create a shared vision that a higher education is attainable by all Ohioans.

Each of these plans shall include key outcome measures and other appropriate indicators to allow for monitoring of progress made in meeting the established goals. Each state-supported institution of higher education shall provide any student and institutional outcome data in any program areas requested by the Chancellor of the Board of Regents, including program efficiency and utilization of state resources. Each state-supported institution of higher education shall also commit to increasing inter-institution collaborations and partnerships and enhancing efficiencies with the goal of achieving measurable increases in savings.

In consultation with state-supported institutions of higher education, the Chancellor of the Board of Regents shall study the feasibility of establishing and implementing a tuition flexibility plan that may allow state-supported institutions of higher education to charge per-credit-hour-based tuition or differential tuition.

Not later than March 31, 2008, the Chancellor of the Board of Regents shall report the plan and the tuition flexibility feasibility study to the Governor, the Speaker and the Minority Leader of the House of Representatives, and the President and the Minority Leader of the Senate.



TED STRICKLAND
GOVERNOR
STATE OF OHIO

Directive to the Board of Regents

August 2, 2007

Establishing the University System of Ohio

1. **Ohio Has a Great Higher Education Tradition.** The State of Ohio currently supports thirteen public universities, twenty-three public two-year colleges, and numerous adult career centers. The state's biennial budget for Fiscal Year 2008-2009 increases funding for these schools, providing funds which will, among other things, enable them to freeze tuition for two years. For these schools to best serve the needs of all Ohioans, it is imperative that these funding increases be matched by increases in quality, productivity and sustained improvements in affordability.
2. **Collaborative Efforts will Improve Higher Education in Ohio.** The best state systems of public higher education across the nation are more than just a collection of institutions. They work together in a rational, coherent way that creates sums worth well more than the individual institutions themselves. The power of unifying resources and making sure each maximizes its potential allows the best public university systems to shine in seas of mediocrity. We need to build such a system here in Ohio.
3. **Establishing "The University System of Ohio".** In order to realize the benefits of collaborative and coordinated activity between Ohio's institutions of higher education, I direct the Chancellor of the Board of Regents to refer to those institutions, collectively, as The University System of Ohio. Further, I direct the Chancellor to manage the state's investments in higher education to build The University System of Ohio so that it ensures affordable, high quality higher education opportunities for all Ohioans.

4. **Planning for the Future.** In order to maximize the quality and affordability of higher education for all Ohioans, I further direct the Chancellor to prepare a ten-year plan for The University System of Ohio that sets clear goals for the System and provides a timeline for accomplishing those goals.




Ted Strickland, Governor



Ohio Business Alliance for
Higher Education and the Economy

March 28, 2008

The Honorable Eric D. Fingerhut
Chancellor
Ohio Board of Regents
30 East Broad St., 36th Floor
Columbus OH 43215

Re: University System of Ohio Master Plan

Dear Chancellor Fingerhut:

Thank you for the opportunity to review and provide feedback on the draft master plan for the University System of Ohio, as requested in your December 10, 2007 letter to Richard Stoff. At the outset, we applaud you, Governor Strickland, and legislative leaders for undertaking this thoughtful and far-reaching planning process – with an eye toward increasing the level of educational attainment in our state.

In response to your letter, we organized a series of dialogue sessions between you and a cross-section of the state's business leadership generating constructive ideas we believe will strengthen the final master plan. Included among the dialogue sessions were meetings with Board members of the Business Alliance for Higher Education and the Economy (BAHEE) and a series of CEO breakfasts in Toledo, Cleveland, Columbus and Cincinnati. In addition, we worked with higher education policy and financial experts and researched the higher education strategic plans of California, Kentucky, Massachusetts, and North Carolina. The suggestions below reflect our synthesis of all of this information.

We recognize, of course, that the master plan is a work-in-progress and your office is still fleshing out strategies and metrics. Once fully developed, we would be happy to review an updated draft of the plan so that we can assess whether the metrics align with the strategies and whether additional or different metrics might work better with the particular strategies adopted.

One core theme we suggest for these strategies, though, emerges from our conversation with Nationwide CEO Jerry Jurgensen, who serves both as BRT Vice Chairman and a BAHEE Board Member. You may recall that, during our meeting, Mr. Jurgensen emphasized that one skill he looks for most in college graduates – the distinguishing skill set he believes is increasingly needed for maintaining competitiveness – is, as he put it, *“the ability to solve problems never seen before.”* This theme of developing superior problem-solving and critical thinking skills repeated itself during your discussion with the BAHEE Board and in our CEO breakfasts around the state. It is a key part of a larger philosophy articulated in BAHEE's Statement of Beliefs – adopted unanimously by BAHEE's Board of Directors:

We believe in the inherent value of “the educated person” who has learned how to acquire, analyze, synthesize, evaluate, understand, and communicate knowledge and information from across a wide range of disciplines, from the humanities, literature, social sciences, and the arts to the natural and physical sciences and mathematics – the international “language” of innovation. Ohio's colleges and universities must be encouraged and held accountable for advancing this goal.

With this belief in mind, and using the latest draft of the master plan, we have organized our comments around six areas: (1) directional feedback provided by business leaders, (2) the master plan's principal themes, (3) dashboard statistics, (4) “business satisfaction” accountability measure, (5) other accountability measures, and (6) business-higher education compact.

GENERAL DIRECTIONAL FEEDBACK

Attached as Appendix A is a summary of the ideas and feedback shared by various business leaders at the December 19 BAHEE Board meeting and the CEO/key business leader breakfasts we hosted in Cleveland, Cincinnati, Columbus, and Toledo. Consistent themes that emerged are incorporated later in our analysis of the other topic areas. Appendix B is a list of business leader participants who contributed to this response.

THEMES OF THE MASTER PLAN

We received some feedback regarding the vision statement at the beginning of the master plan. While the plan states that the System will increase the state's economic competitiveness in the nation and the world and enrich the lives of Ohioans, we believe the vision could be stated even more boldly. Increase to what degree? In what measurable way? The accountability measures lend clarity to these questions, but the vision could better incorporate clear goals for improvement and should strive to incorporate and unite all four main goal areas. This may be easier to accomplish after the proposed strategies for achieving the master plan's goals are supplied.

The plan's four general themes and goal areas – (1) improving access, (2) improving quality, (3) improving affordability and efficiency, and (4) enhancing economic leadership – are each worthy goals. But we have a few recommendations for improving upon these categories that we hope you will consider.

With respect to quality, student engagement and support services are likely a very critical determinant of college quality and student success, but data collection is currently insufficient. Institutions themselves collect some of these data, but generally not in a systematic way that would allow comparisons with national averages or peer institution results. The most promising sources of standardized data that could be used to construct *institutional* student support variables are the National Survey of Student Engagement (NSSE) and the Community College Survey of Student Engagement (CSSE). It is our understanding that your office is considering mandating participation in these surveys by Ohio institutions, and we strongly endorse this idea. Indeed, we would take this a step further: NSSE/CSSE data could supplant many of the quality and other accountability measures in the master plan.¹ Several states, including Kentucky, have incorporated NSSE survey results into statewide higher education accountability systems and, indeed, based on our review of state accountability systems, we believe Kentucky's use of this data is particularly well-done and should be modeled in Ohio.

At risk of adding complexity to the master plan – and understanding that several business leaders cautioned that we should reduce, not add, accountability measures because they believe the master plan could prove unwieldy – we join others (such as the University of Cincinnati) who have encouraged adding a fifth theme and goal area: enhancing local communities. This is a key advantage of the geographic scope of Ohio's higher education institutions, yet local leaders sometimes question the actual impact and involvement of these institutions on and in their communities. We note that the Carnegie Foundation has added an elective research classification of "Community Engagement." The Carnegie classifications are national benchmarks used widely by those who conduct higher education research.

¹ Indeed, these surveys would capture some of the graduate satisfaction data and other institution-to-institution comparison data that Mr. Jurgensen encouraged us to collect during our meeting with him in February. A comprehensive graduate tracking system would be ideal, but we understand there are several cost, technical, and privacy issues that prevent such a system from being implemented at this time. In moving toward such a system, we believe it may be useful to gather development officers from across Ohio's four-year higher education institutions to compare and contrast the type of data they are currently gathering to determine if their databases could provide a "leaping off point" for a broader graduate tracking system.

Specifically, the Community Engagement classification considers an institution's efforts to collaborate with the community in the development of curriculum and external partnerships.

COMMENTS ON THE DASHBOARD

Everyone we have consulted who has commented on the dashboard has universally praised your efforts to benchmark progress not only against other states, but also internationally. Doing so recognizes that Ohio competes not only domestically, but also globally. We also support using those states and countries that the Ohio Department of Development has determined are our most significant competitors. This does not sacrifice quality among comparators: the identified states include some states that are recognized as world leaders in higher education (e.g., California, Massachusetts, North Carolina). Our understanding is that you are considering adding Illinois and Texas to the dashboard. We believe this would be a positive development.

ACCOUNTABILITY MEASURE: BUSINESS SATISFACTION

The Business Satisfaction measurement of success strives to gauge “the extent to which certificates and degrees awarded match industry needs.” For this measure, we believe a careful survey and study – conducted together, as a public-private partnership between business leaders and educators – will be needed to yield solid skill and field gap data that could be used by institutions to modify their curricular and pedagogical focus and emphasis. The precise contours of this survey and study would need to be worked out by experienced survey practitioners, but we would like to partner with the Board of Regents to help fund and implement a two-part annual survey and study that compares business needs to education supply. While this may sound complicated to yield only one metric, we believe this is one of the most important metrics in the master plan's accountability measures. Accordingly, we believe the extra investment is well worth the time, energy, and cost associated with the action plan outlined below.

Process

We recommend first assembling a planning team composed of four business leaders (drawn from funding partners but selected largely on the basis of hiring and human resources expertise) and four educators (some with expertise in study and survey design, some with expertise in curriculum design). This team would be responsible for planning the contours of the survey and study elements, for refining the intervals at which the survey and study should be repeated, and for monitoring the survey and study to determine whether either should be changed over the course of the master plan's 10-year implementation period. Our initial recommendation is to repeat the survey every year to obtain longitudinal data; if the study portion is too costly to do yearly, that aspect could be repeated on a less frequent interval (such as every two or three years).

Survey

To find out whether certificates and degrees produced match business needs, we should ask the people that do the hiring. The precise wording and format of survey questions should be left to the planning team (who should, in turn, consult with HR and educator focus groups initially to determine the best way to formulate questions so they yield answers that educators can use in redesigning curricula), but in general the survey should reach a scientifically valid sample size across a diverse group of small, medium, and large businesses. CEOs of those *Fortune 1000* companies which are surveyed will be asked to channel the survey instrument to the appropriate HR officers within their organizations

The survey should ascertain:

- (1) Business leaders' overall satisfaction level (perhaps on a scale of 1 to 10) with the quality and types of graduates produced by Ohio higher education institutions (subdivided by four-year, two-year, and other higher education institutions).
- (2) (For the longitudinal aspect of the survey): Overall, is the University System of Ohio preparing students better or worse than it was one year ago?
- (3) Which *skills* are lacking among recent graduates hired by the surveyed employer from Ohio higher education institutions (enumerated answer choices should be provided based on focus group feedback);
 - a. For each skill indicated, how important is the skill, and to what extent does the business leader believe that Ohio's higher education system is responsible for imparting the skill?
- (4) What degree and certificate *fields* are not being adequately produced by Ohio's higher education institutions (enumerated answer choices should be provided based on focus group feedback);
 - a. For each field indicated, how important is the field to the business being surveyed?
- (5) Projecting forward three years, how will business leaders' hiring needs change? For each of the enumerated skills and fields selected by the planning team, does the survey respondent foresee that the need for that skill or field, relative to present demand, will increase or decrease? What jobs do you see available and what do you believe your greatest workforce shortage areas will be?

For each question, data would be reported both in the aggregate and in subdivided categories capturing all private Ohio colleges and all public Ohio higher education institutions separately. Moreover, data would be subdivided by region and, for survey questions 1 and 2, by the three categories of four-year, two-year, and other adult higher education programs.

Because of the timeframe for providing you with our suggestions, we have not yet explored whether this survey can be combined into the so-called "sixth page" of the Voluntary Standards of Accountability that the Regents will be requiring all schools to adopt. We would support such a move, especially if it results in other states conducting similar surveys – thus allowing the collection of comparative data. We will endeavor to explore this possibility further in the next few weeks.

If an overall, one or two-data point metric is desired for this measurement of success, we recommend reporting the overall results for survey question no. 1.

Study

While we believe there is significant value in a business leader survey as generally outlined above, we encourage the Board of Regents to supplement the survey with objective data points to validate or, potentially, invalidate the survey response data. More specifically, our understanding is that the new Skills Bank will be analyzing data from the Bureau of Labor Statistics and other sources that will allow them to determine – with a high degree of precision – which high-paying jobs are going unfilled and in what amounts. The Skills Bank also expects to be able to break this data down across 12 different Ohio regions. This data can and should be used both to check the validity of responses to survey question no. 4 above as well as to provide the depth and clarity of data that educators will need before making curriculum-changing decisions.

Ultimately, our understanding is that the Skills Bank intends to ask business leaders to select, region-by-region, the four most important field/skill gap areas to address – and then measure progress toward reducing gaps in these areas. These progress measurements, for all four gap areas in all 12 regions, can provide additional metrics worthy of tracking as subparts of the University System of Ohio's effort to improve its score on the business satisfaction survey measure.

In short, the Skills Bank data collection effort offers a promising method for verifying and adding context to the survey of business leaders that we are proposing for this measurement of success. We recommend both the survey and the study be adopted hand-in-hand as a coordinated strategy for ensuring that the University System of Ohio is responsive to business needs as they develop over the 10-year life of the master plan. In our survey of other states' master plans, very few have thoughtfully designed tools to measure higher education's responsiveness to business needs, and we believe if the process outlined above is followed and the data is used to flexibly adjust curricula, the process will be positively transformative. We stand ready to assist the State of Ohio in and partially funding implementing the annual survey, including through direct solicitation of our members not only for financial support, but also to serve on the planning team and on question-design focus groups.

Combined, the survey and study address a core belief that we hold close: we in business have a special responsibility to be clear about what jobs are available now and in the future for college graduates and the knowledge and skills, attitudes and beliefs, and motivation and behaviors that are necessary to succeed in those jobs.

OTHER ACCOUNTABILITY MEASURES

The Master Plan contains fully 20 accountability measures and, while you asked us to focus attention on one in particular – the “business satisfaction” metric – we were pleased to work with you and your staff these past several months to help hone and strengthen the other metrics as well. It is apparent from our review of the latest master plan draft that many of our suggestions have been incorporated.

Over the next ten years, Ohio's higher education and workforce development needs will inevitably evolve. But what we know now – from study after study of Ohio business needs – is that we have critical shortages in science, technology, engineering, and math disciplines (STEM), as most recently evidenced in the BRT and BAHEE's *“Talent Challenge”* publication. Immediately after passage of the Ohio Core curriculum, the Ohio General Assembly and the Governor both identified and delivered STEM education as one of Ohio's most compelling long-term education priorities – and, of course, you now chair the STEM sub-committee of the Partnership for Continued Learning. Emerging from all this work is the new Ohio STEM Learning Network, managed by Battelle and supported by the world's largest philanthropy, the Bill & Melinda Gates Foundation, with the objective of doubling STEM baccalaureate degree production in Ohio by 2015. Given this clear policy direction, we are especially pleased that you have added Ohio's STEM degree production progress as a dashboard accountability measure, both in absolute terms and relative to other states and countries.

As a related accountability measure, we should consider the efficiency or yield of STEM degrees for students already enrolled in those disciplines. BAHEE's groundbreaking research effort to track STEM “persistence and retention” patterns among Ohio colleges and universities will be released soon, but some findings are worth noting now. While BAHEE's study focuses on STEM majors, who have higher retention rates than non-STEM majors, a clear pattern emerges that becomes visible only by using cohorts and tracking each student through his/her college career. The sample profiles in the study suggest the following may well be better measures of the *efficiency* of instructional effort: (1) percentage of freshmen still enrolled in second year, and (2) percentage of freshmen who graduate in four years (cohort measure). Following release of our study, we will look forward to working with you to refine the master plan's efficiency measures, as appropriate.

BUSINESS-HIGHER EDUCATION COMPACT

We view a “compact” as an interdependent agreement that takes equal commitment from each partner involved. Accordingly, we approach the compact with a focused goal of increasing college participation in Ohio through the following critical public-private initiatives that are specially designed to “enroll, engage, and employ” more Ohio learners:

Co-ops and Internships

Dramatically expanding student access to co-ops and internships accomplishes several important objectives: (1) it ties classroom learning to real world application, (2) it makes college more affordable, (3) it provides students with job opportunities upon graduation, and (4) it helps employers fill critical shortage needs. Taken together, this aligns impressively with your and Governor Strickland’s aspiration to raise the level of educational attainment as a means to move Ohio’s economy forward. There is considerable support among business leaders to expand and scale high-quality co-op and internship programs statewide. As a first step, we will partner with Ohio’s flagship and the nation’s oldest co-op institution – the University of Cincinnati. Together with you and President Zimpher, we will assemble the best minds across this state to create a bold public-private collaborative that will engage every public and private four-year and two-year institution, enroll many new business partners, and extend the co-op and internship experience to tens of thousands additional college students.

Increase Incumbent Workers Enrolled in Credentialing Programs

Adult learners are key to meeting the master plan’s educational attainment goals. Today, many businesses invest substantial resources in on-the-job training programs that do not result in degrees, certificates, or other transferable credentials. How can the University System of Ohio encourage employers to use Ohio’s community colleges and other institutions to confer needed training in a way that not only promotes degree/certificate attainment, but that also promotes cost savings for employers? To some extent, this happens now in an ad hoc fashion between a few progressive community colleges and key employers in their area. We propose a public-private planning team made up of employer delegates and higher education representatives to research and develop a publicized, transparent process that would (1) allow businesses to participate in designing courses that meet their training needs (but that also satisfy individual institutions’ academic standards), (2) offer businesses discounts or other incentives to enroll their employees in these customized courses, and (3) allow students in these courses to earn credit toward degrees or recognized certificates.

Marketing Partnership

A marketing component is critical to enrolling more prospective students and adult learners into the University System of Ohio – and to increasing the awareness of Ohio’s higher education successes among business leaders in and outside of Ohio. We have a keen interest in pursuing a thoughtful, comprehensive, and sustained public-private higher education marketing campaign. To that end, the Ohio Business Development Coalition (OBDC) would be an ideal synergistic partner for coordinating an overall marketing strategy tied to the master plan. In addition to its strong collaborative working relationship with Lt. Governor Fisher and the Ohio Department of Development (ODOD), the OBDC is housed in the same office space as the BRT and BAHEE, and the BRT President, Richard Stoff, serves as an officer of the OBDC board. Because of the alignment of our missions, our organizations can provide a unique synergy, i.e., the BRT and BAHEE work directly with state officials to create the “product improvements” and OBDC in cooperation with the ODOD then markets those improvements to the world to increase education attainment and stimulate Ohio economic growth.

As Ohio's level of educational attainment grows over the ten-year duration of the master plan, OBDC could, with appropriate funding, incorporate the System's successes into its overall "State of Perfect Balance" branding campaign in ways that build Ohio's brand and enhance Ohio's image internationally. Coordinated and sustained marketing across the University System of Ohio – within and outside Ohio – may also help to avoid some duplicative, inefficient, and inconsistent marketing efforts by individual institutions (although we are by no means suggesting that central marketing efforts would replace or supplant local marketing efforts that account for mission differentiation among various institutions – indeed OBDC enjoys a track record of supporting local business development and marketing efforts through its existing regional matching grant program). We recommend that this type of marketing be included among the strategies identified in the master plan, and the best group to coordinate this effort (and ensure brand consistency) would be the OBDC.

* * *

Thank you again for providing us the opportunity to review the proposed master plan. We hope you will find our comments and suggestions to be helpful and constructive. We look forward to continue partnering with your office to help you further develop, implement, and continuously improve upon the master plan as it unfolds in the coming year.

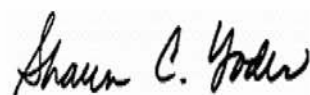
Very truly yours,



Richard A. Stoff
President
Ohio Business Roundtable



Robert W. Edmund
Director of Policy and
External Relations
Ohio Business Roundtable



Shaun C. Yoder
Executive Director, Ohio Business
Alliance for Higher Education
and the Economy

Copy: Executive Committee, Ohio Business Roundtable
Board of Directors, Ohio Business Alliance for Higher Education and the Economy

Appendix A

General comments offered by members of the BAHEE Board of Directors and other key Ohio business leaders participating in the Cincinnati, Cleveland, Columbus, and Toledo breakfasts in February:

- Several leaders stated we should specifically track high-demand but low-supply fields in the accountability measures, and engineering and several technology fields were mentioned as the highest need areas.
- Several leaders endorsed the concept of developing area centers of excellence, rather than encouraging schools to maintain the broadest possible curriculum offerings.
- Several leaders commented on “pipeline failures” – including preparation failures at the K-12 level and the lack of integration between the K-12 system and the state’s university system. Many leaders stressed the need to develop metrics that “look back” to and integrate with the K-12 system.
- At least one chamber of commerce (Columbus) is developing a way to foster development of internships through web-based matchmaking. A better strategy for fostering internships and co-ops across the state – partnering with business groups like the chambers of commerce – could be critical for improving Ohio’s graduation and retention rates. Many business leaders stressed that, for their money, internships and coops are the best higher education investment because of the prospect for retaining trained graduates as future employees.
- Many endorsed the idea of moving away from open admissions at key 4-year degree institutions, allowing for more selective admissions and ultimately helping these institutions improve their reputation for quality – while maintaining open admissions in 2+2 and other programs widely accessible across the state.
- Many business leaders stressed the need for more effective marketing of the system and schools within it.
- Some leaders cited scholarship programs – like Georgia’s Hope Scholarship aimed at top talent, regardless of financial need – for improving attraction and retention of top students. At the same time, other leaders noted the potentially high cost of these programs relative to value received (though many acknowledged the broader effect on reputation can be substantial).
- Leaders expressed generally favorable reaction to the Seniors-to-Sophomores idea, although some warned it would be critical to ensure that only qualified seniors be eligible for the program.
- Many leaders commented that we need better data tracking students through school and post-graduation. What jobs do they get? In what fields? Earning what money? Where? Ideally, we could track learners and graduates (rather than just graduates).
- One business leader suggested that metrics should be divided into age groups (especially import/export data); more leaders made the point that aggregating data across the state may not be ideal – rather, regional/city data might be more useful since businesses typically decide the business relocation by comparing cities, not by comparing states.

- One business leader suggested focusing on specific industry strengths in Ohio, and promoting/tracking degrees related to success in those fields (such as aviation, energy, biotech.)
- One business leader expressed concern that market-improving consolidations, such as the recent combination of the Medical University of Ohio and the University of Toledo, have not been adequately supported with merger-specific support from state government.
- One leader commented on problems caused by universities that succeed in securing private grants to support schools where they do not have a particular reputation for excellence (whereas a neighboring school might have a reputation for excellence in this area).
- Several leaders expressed questions regarding what strategies would be employed – including what funding formula revisions, if any, would be used – to encourage institutions to try to improve the metrics reflected in the draft master plan.
- Several leaders commented that there are too many metrics, and the system should focus on a much narrower range of data in an effort to substantially “move the needle.”
- Several leaders expressed concern that, in general, the metrics seemed to be mostly “internally” focused; some suggested that more important metrics that should be considered are “external” measures such as the satisfaction levels of graduates, employers, community leaders, and taxpayers.
- A few business leaders told us that they desire and need to hire qualified minorities to improve their diversity, and some believe the University System of Ohio is not producing qualified minority graduates in sufficient numbers to meet their demand. They offered praise for accountability measure No. 5, which tracks the percentage of total degrees awarded to minority students.
- One business leader noted that several graduates have expressed concern to her regarding the quality of colleges’ career placement offices; if Ohio could improve its institutions’ career development offices, this might improve retention and attraction.
- Regarding talent input from abroad, one business leader suggested that schools take on a more active and coordinated role in assisting students who need to obtain visas to go to school.

Three business leaders encouraged development of a comprehensive on-line system for delivering higher education certificates and degrees.

Appendix B

Business leaders who contributed to this response as BAHEE board members or as participants in the February 2008 master plan review breakfasts”

1. Dick Anderson, Chairman, The Andersons, Inc.
2. C. Francis Barrett, Member, Barrett & Weber
3. Ed Campbell, Chairman & CEO, Nordson Corporation
4. George Chapman, Chairman & CEO, Health Care REIT, Inc.
5. Katrina Cheema, President, Grand Aire, Inc.
6. Phillip Cox, Chairman, Cincinnati Bell *
7. Rob Edmund, Director of Policy and External Relations, Ohio Business Roundtable
8. Jim Ellerhorst, Managing Partner, Deloitte Cincinnati Office
9. Gary R. Heminger, President, Marathon Petroleum Company, LLC *
10. Ford Huffman, Managing Partner, Jones Day, Columbus office
11. David Johnson, Chairman & CEO, Summitville Tiles, Inc. *
12. Jerry Jurgensen, CEO, Nationwide *
13. Jack Kessler, Chairman, The New Albany Company
14. Gary Lindgren, President, The Cincinnati Business Committee
15. Robert Mahoney, Chairman Emeritus, Diebold, Inc. *
16. Lynn Marmer, Group VP, Corporate Affairs, The Kroger Co.
17. Ty Marsh, President & CEO, Columbus Chamber of Commerce
18. Henry Meyer, Chairman & CEO, KeyCorp
19. Bob Millen, COO, OhioHealth
20. Stephen Mooney, President, Health, Education & Research, ProMedica Health System
21. Fred Nance, Managing Partner, Squire, Sanders & Dempsey
22. Tim Paige, VP of Administration, Libbey, Inc.
23. Jack Partridge, President, Columbia Gas of Ohio
24. Sandra Pianalto, President & CEO, Federal Reserve Bank of Cleveland *
25. Richard W. Pogue, Advisor, Jones Day *
26. Maribeth Rahe, President & CEO, Fort Washington Investment Advisors, Inc.
27. Peter Raskind, Chairman & CEO, National City Corporation
28. John Roebel, Senior VP of Construction & Design, Duke Energy
29. Joe Roman, President & CEO, Greater Cleveland Partnership
30. Dan Rosenthal, Office of the Chairman, NetJets Inc.
31. Jim Schwab, Cincinnati Market President, U.S. Bank
32. Rajesh Soin, Founder, Chairman & CEO, Soin International, LLC *
33. Sharon Speyer, President, Huntington Bank – Northwest Ohio Region
34. Richard Stoff, President, Ohio Business Roundtable *
35. Ellen van der Horst, President, Cincinnati USA Regional Chamber
36. Thomas Waltermire, CEO, TeamNEO *
37. John F. Wolfe, Chairman & CEO, The Dispatch Printing Company *
38. Shaun Yoder, Director, Ohio Business Alliance for Higher Education & the Economy
39. Tom Zenty, President & CEO, University Hospitals Health System
40. Pat Zerbe, Manager, Community & Government Relations, GE Aviation

* BAHEE Board Member

Expected versus Actual Graduation Rates

One of the ways that Ohio will evaluate the success of its public university system in graduating students is to compare the actual system-wide six-year bachelor's degree completion rate (currently 60%) to a "predicted" graduation rate. The prediction method estimates the graduation probabilities of students with various characteristics. This allows a determination of whether the system is doing a good job promoting the success of all students, not just the students who have financial and academic advantages.

The student characteristics in the prediction model include remedial course enrollment, age, race/ethnicity, residency status, gender, ACT composite scores, and eligibility for Ohio's state need-based grant program. The statistical method estimates a graduation probability for every student in the freshman cohort. Summing all of the probabilities yields the number of expected graduates from a cohort, and the expected graduation rate equals the number of expected graduates divided by the number of students in the cohort. In the baseline year, the predicted rate will be the same as the actual rate.

In subsequent years, changes in the predicted graduation rate for future cohorts will provide a measure of the academic and financial advantages possessed by those students. Outreach activities that increase the number of disadvantaged students enrolling in college to pursue bachelor's degrees will probably reduce the expected graduation rate. A positive gap between the actual rate and the predicted rate (actual exceeding predicted) will indicate that the universities in the system are doing a better job promoting the success of the students who enroll, regardless of their initial disadvantages.

This approach to predicting graduation rates differs from other approaches that have been taken (the U.S. News and World Report method, for example). We use student-level data from all Ohio public universities to estimate individual probabilities of graduating. The expected number of graduates from a group of students is the total of their individual graduation probabilities. For example, if all 100 students in a group have a 50% chance of graduating, we expect 50 graduates out of that group. Also, because we can track students across schools, we count as graduates those students who start at one school and finish at another Ohio public university. Other approaches use data from all U.S. colleges and universities, but they are limited by the use of institutional average data, and they use an incomplete graduation rate measure which counts only "same institution" graduates.

This method does not easily translate into a formula, although details on the method and the resulting formula are available. However, the results of the estimation method can best be shown by presenting the graduation rate impacts of changes in various student characteristics for students who have "average" graduation probabilities.

**Summary of Graduation Rate Prediction Model Results, Fall 2000
Full-Time, First-Time Bachelor's Degree-Seeking Freshmen**

Baseline Probability: 60%

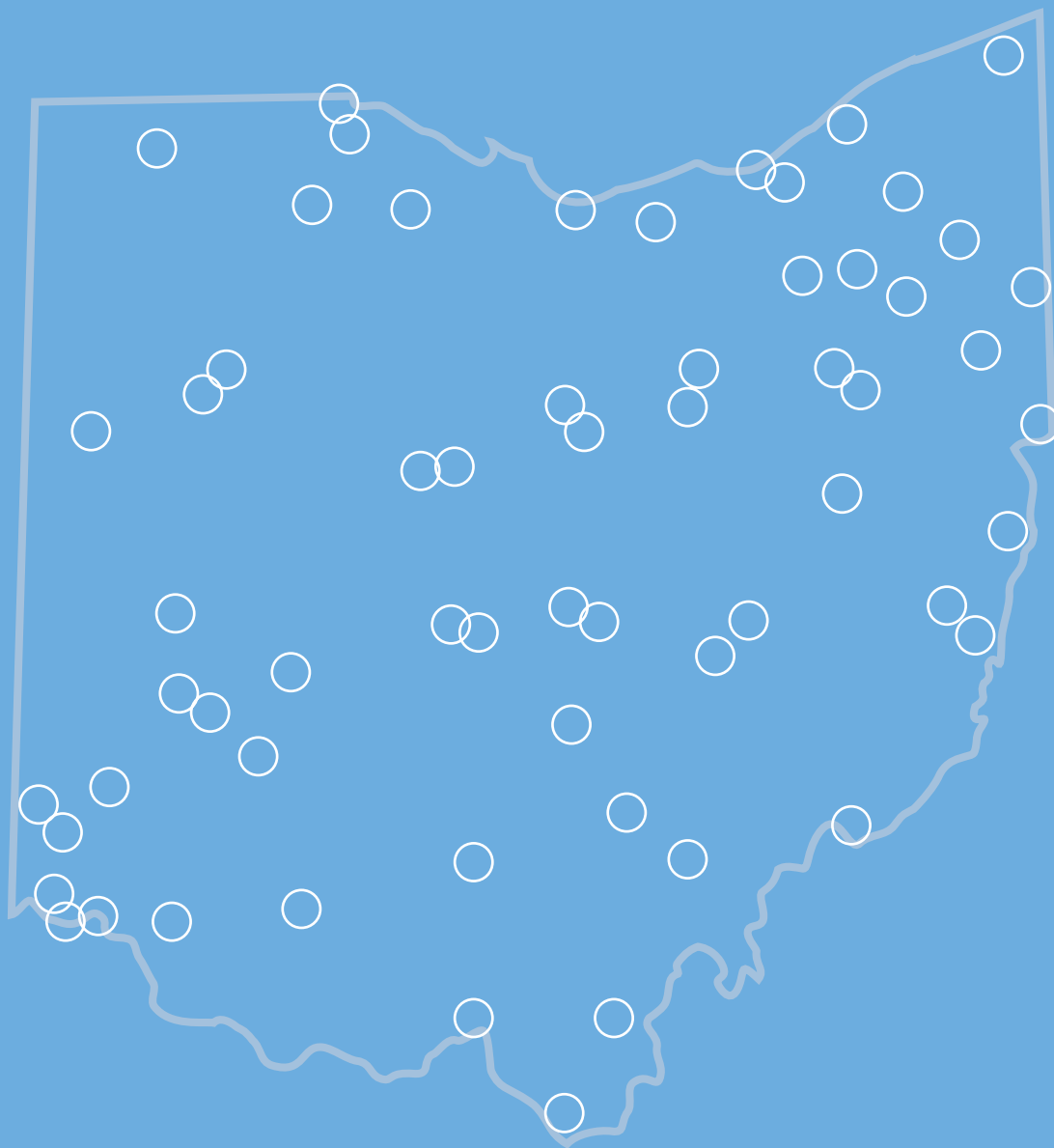
Characteristic	New Graduation Rate Probability	Probability Impact of the Characteristic
Remedial Math Only ¹	45%	-15%
Remedial English Only ¹	46%	-14%
Both Remedial Math and Remedial English ¹	37%	-23%
Age ²	60%	-0.3%
Black ³	53%	-7%
Hispanic ³	53%	-7%
Asian ³	66%	6%
Non Resident Alien ³	57%	-3%
American Indian ³	49%	-11%
Ohio Resident ⁴	65%	5%
International Student ⁴	52%	-8%
Female ⁵	71%	11%
ACT Composite Score ⁶	63%	3%
State Need-Based Grant Recipient ⁷	43%	-17%

1. Comparison group is students who do not take any remedial coursework.
2. Effect of one year increase in age.
3. Comparison group is Whites.
4. Comparison group is U.S., non-Ohio residents.
5. Comparison group is Males.
6. Effect of one unit increase in ACT Composite score.
7. Comparison group is students who were never eligible for the state need-based grant program.



End Notes

- ¹ *Ohio: The History of a People*, Andrew R. L. Cayton, 2002.
- ² Knepper, George W. *Ohio and Its People*, George Knepper, 1998
- ³ *Higher Education and the State of Ohio*, John Millet, 1962
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- ⁵ Higher Education's "Accountability" Imperative: How the University System of Maryland Responded, William Kirwan, *Change*, March/April 2007: 21-25
- ⁶ Millett
- ⁷ *Digest of Education Statistics*
- ⁸ All research statistics in this section are from: *Academic Research and Development Expenditures: Fiscal Year 2006*. The National Science Foundation, November, 2007
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- ¹¹ Colleges Cost Reduction and Access Act of 2007, Public Law No: 110-84, September 27th,
- ¹² Colleges and Universities Expand Efforts to Improve Access and Affordability, American Council on Education, 2008
- ¹³ HEI, Ohio Board of Regents, FY2007
- ¹⁴ Why the \$41 trillion Wealth Transfer Estimate is Still Valid: A Review of Challenges and Questions, John J. Havens and Paul G. Schervish, Boston College Social Welfare Research Institute, 2003
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- ¹⁷ Building on Knowledge, Investing in People: Higher Education and the Future of Ohio's Economy, Governor's Commission on Higher Education and the Economy, 2004
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- ²¹ Who We Are, The National Center for Academic Transformation, <http://www.center.rpi.edu/whoweare.html>
- ²² State Higher Education Finance Report (SHEF) FY2006 report, State Higher Education Executive Officers (SHEEO), 2007 (Local support has been removed to compare only state support)
- ²³ Ohio's Black and Hispanic population percentage is estimated from percent that are Black or African American Alone and percent that are of Hispanic origin but not Black or African American Alone.
- ²⁴ HEI, Board of Regents, FY2007



Ohio

Board of Regents

Ted Strickland, Governor
Eric D. Fingerhut, Chancellor

University System of Ohio