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Read the report: http://www.policymattersohio.org/below_the_curve_2006.htm

Ohio lags in higher education investment
Compared to nation, students here have higher tuition, higher loans

Ohio invests less in higher education per student than all but five other states, spent 25 percent less on higher education as a percentage of its budget in 2005 than it did in 1985, and has tuitions that range from 28 percent higher than the national average at four-year campuses to 67 percent higher at two-year campuses, according to *Below the Curve: Higher Education Opportunity in Ohio.*

"Kids from working families have gotten the message that education beyond high school is essential in this economy," said Wendy Patton, report author. "But tuition continues to climb, making completing a BA ever harder for students from modest and even middle-class backgrounds."

The opportunity to complete college is constrained by income nationally and in Ohio. Nationally, three quarters of those from the top 25 percent of family income, one quarter from the next 25 percent and just 13 and 9 percent of 24-year olds from lower-middle and low-income families get their BA by age 24.

Other findings of *Below the Curve* include:

- State funding for higher education as a percent of personal income is very close to what it was 30 years ago, at .64 percent in 1975 and .66 percent in 2005.
- State appropriations for higher education fell from 15.3 percent of expenditures in 1985 to 11.6 percent in 2005, a decline of almost 25 percent.
- In 2005, state appropriations were $4,365 per college student, 65.7 percent of the national average of $5,833, ranking 45th among the fifty states.

Ohio higher education enrollment has grown dramatically, but graduation has not kept pace. We still need 287,865 more residents with an associate's degree or more to have a population with education comparable to national levels. While state support ebbs and tuition soars, an increasing share of too-limited state grant dollars are moving outside of public higher education.

- Enrollment grew eight percent between 1998 and 2004 on four-year university campuses; 24 percent at university two-year, branch campuses and 31 percent at technical and community colleges.
- Inflation-adjusted state appropriations fell four percent between 1998 and 2004.

- 2005-06 Ohio tuition was 66.6 percent on two-year campuses and 28.2 percent higher on four-year campuses than the national average.
- Ohio four-year public campuses are the second least affordable and two-year public campuses are the seventh least affordable, among the 50 states.
- Ohio four-year public universities served half the first-time, full-time students in 2004, but only 25 percent of state grant funds went to these students.
- The new Ohio College Opportunity grant program will provide $4,992 at a private not-for-profit university, $3,996 at a proprietary school and just $2,496 at a four-year public university.

Today's students have less access to grants that cover tuition and are more likely to need loans. Federal Pell Grants dropped to covering just 23 percent of charges at the average four-year public university in 2003-04, from 35 percent in 1980-81. Ohio's Instructional Grant (OIG) dropped to just 34 percent of tuition in 2005, down from 60 percent in the late 1980s. An Ohio student at a public, two-year campus is twice as likely to have a loan as a student nationally and Ohio four-year students are more likely to have loans, and the loans tend to be larger than in other states.

Below the Curve examines this complex system of higher education financing and emerges with three key recommendations:

- The state should invest higher education funds at a per-student level equal to the national average; in 2005, this would have taken an additional $559 million in state appropriations. Investment should be directed to fully funding enrollment and completing implementation of the new Ohio College Opportunity Grant.
- Tuition must be held to the growth in family income, although flexible controls must accommodate enrollment at those institutions with double digit growth. Increased state funding must be directed to affordability.
- Adequate funding for higher education opportunity should be provided by reversing the cut in tax rates on the top one percent of Ohio earners and if necessary reprogramming of subsidy to private colleges.

Policy Matters Ohio is a non-profit, non-partisan research institute. You can read the report here: http://www.policymattersohio.org/below_the_curve_2006.htm