



OHIO BOARD
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Higher Education Myth-Busters

In today's knowledge economy, education beyond high school is a necessity. This publication has been assembled to provide documented facts related to important higher education issues and to dispel some commonly held misconceptions.

For details, please see:
[www.regents.state.oh.us/
kea/Polymakers9-18.pdf](http://www.regents.state.oh.us/kea/Polymakers9-18.pdf)

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Ohio is losing its best and brightest people through 'brain drain.'

REALITY

Ohio does not lose any more college graduates to out-migration than the typical state.

However, we fail to attract as many college graduates to Ohio as the average state. Most states attract young, skilled workers with job opportunities, and those individuals stay.

Ohio's more limited "brain drain" problem has two forms: Many college graduates from rural areas and small towns migrate to Ohio's larger cities, and some graduates in high-demand fields such as science, technology, engineering and math leave the state for more lucrative job opportunities.

Between 1995-2000, Ohio had a net loss of nearly 25,000 college graduates 20-29 years old. This includes an average out-migration of about 75,000 people and a low in-migration of nearly 50,000.



U.S. Census Bureau, 2000
Decennial Census

Ohio operates too many public college and university campuses.

REALITY

Ohio is slightly below the national average in the number of college and university campuses per 100,000 people.

Given the fact that Ohio ranks 39th in the nation in the percent of its population with a bachelor's degree, it is fortunate that past policymakers built a solid infrastructure of campuses positioned around the state with convenient access to all of Ohio's citizens. Today, many of those campuses are filled to capacity with enrolled students. Ohio is using the Third Frontier Network, the Ohio Learning Network and various forms of distance learning to reach out to those who are place- and time-bound.

There are 1.20 public college and university campuses for every 100,000 people in the United States. Ohio has 1.14 public institutions of higher education per 100,000 individuals.



U.S. Census Bureau,
IPEDS, Fall 2000

Ohio's campuses are bloated and not trying to be more efficient.

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REALITY

The cost to educate a student on Ohio campuses is at about the national average.

Between 2001 and 2005, Ohio campuses realized nearly \$300 million in cost savings, offsetting most of more than \$340 million in cuts to appropriations – years during which enrollment reached capacity on many campuses. However, campus officials are always looking for constructive ideas to shift performance to a lower cost curve and demonstrate that Ohio is nationally recognized for the efficient delivery of quality higher education.

From 1996-2004, state expenditures rose 40.2% per enrolled K-12 student, rose 31.2% per corrections inmate, and rose more than 29.5% per nursing home resident, while state expenditures fell 14.0% per college student.



2005, Ohio Legislative Service Commission, ODE, ODRC, ODJFS, OBR and U.S. Census Bureau

Ohio college and university tuition is out of control.

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REALITY

Levels of state financial support for higher education in large part determine tuition levels.

The lower the level of state support, the higher campus officials are forced to raise tuition for students and their families and, conversely, the higher the level of state support, the more campus officials can restrain tuition. Per capita state support for higher education in Ohio has long ranked in the bottom 10 nationally. Colleges and universities are limited in the other ways in which they can generate revenue: restricted donations, grants and student fees.

STAT
Tuition at Ohio's public colleges and universities rose \$1,300 per full-time equivalent student from 2001-2005, while state support fell \$1,600 per full-time equivalent student over the same period.



Ohio Board of Regents Higher Education Information Systems

Colleges can and should use donated funds to limit tuition.

REALITY

Privately donated charitable financial gifts to colleges and universities typically are restricted to explicit purposes specified by the donors.

Donors often restrict gifts to scholarships or a particular field of study. Rarely is an endowed gift allowed to be used to reduce the level of tuition campus-wide. While a campus endowment fund may seem large, the interest earned on the endowment fund is a small fraction of the investment and the only expendable portion of the endowment. Few institutions nationally have endowments of significant size, taking many decades of fund-raising to reach that level.

STAT
In FY 2000, average endowment earnings represented only about 0.8 percent of total revenues at the Ohio public colleges and universities that reported endowment income.



Ohio Board of Regents Higher Education Information Systems

A New World Economy

BY PETE ENGARDIO

in *Business Week*

THE BALANCE OF POWER WILL SHIFT TO THE EAST AS CHINA AND INDIA EVOLVE:

“American business isn’t just shifting research work because Indian and Chinese brains are young, cheap, and plentiful. In many cases, these engineers combine skills – mastery of the latest software tools, a knack for complex mathematical algorithms, and fluency in new multimedia technologies – that often surpass those of their American counterparts. As Cisco’s [Daniel] Scheinman puts it: ‘We came to India for the costs, we stayed for the quality, and we’re now investing for the innovation.’”

A U T H O R

Pete Engardio is the Asia editor for Business Week, a three-time Overseas Press Club Award winner in foreign reporting and a George Polk Award in Journalism winner for business reporting.

August 22, 2005 article



Students are too coddled with fancy student unions and recreational facilities.

REALITY

Colleges and universities operate within a free market, and students choose a school for many reasons, some of which include social activities and facilities such as student unions and recreation centers.

Campuses work hard to provide quality academic and non-academic facilities to Ohio students who might consider out-of-state colleges. Campus facilities such as athletic venues, dormitories, parking garages, bookstores, dining halls and student unions are funded by user fees and private monies. These types of facilities receive no state funding.

Offering amenities is one of the few ways colleges feel they can compete. People are fooling themselves if they say a brand-new workout center won't turn the head of a high school senior ...

October 2005, Columbus Dispatch editorial, "Wanted: Higher efficiency"



Campuses claim poverty, but huge, new buildings are going up.

REALITY

Many university buildings were built in the 1960s and 1970s and now need new roofs, new heating and cooling systems and new wiring for the immense technology demanded of today's teaching and learning processes.

For some older buildings, it is more cost-effective to replace them than to rehabilitate them. Many campuses have reached capacity and must build new academic and residential facilities. Much of the construction is the result of flat state support and the ability of colleges and universities to find non-state resources: increased campus debt, alumni donations and/or medical and research funding.

From 1998 to 2004, campus debt has tripled to \$3 billion, while state capital support for higher education has dropped from nearly \$700 million each biennium to under \$500 million.



Ohio's professors and administrators make too much money.



REALITY

From 60 and 80 percent of university faculty across the country are better compensated than those in Ohio.

Ohio campuses simply can't compete for the best faculty or administrators when salaries aren't competitive. Campuses are, in fact, losing talented people to other states and businesses. Compensation for Ohio university presidents and senior administrators is in line with peer universities and far below what CEOs at similarly sized corporations make. As campus CEOs, presidents oversee multi-billion dollar enterprises.

Talented faculty follow competitive salaries and seek state-of-the-art research facilities. These things aren't possible without a funding commitment from the state.

February 2005, Columbus Dispatch editorial, "Higher education is hurting"



Campuses complain about funding, but don't appear to be hurting

REALITY

The surest way to turn potential students away from attending an Ohio college is to tell them how meager resources are on campus.

Colleges and universities compete for students within the state and across the country. Publicizing cuts in services or backlogs in maintenance would turn away most aspiring students and their parents. Campus officials will acknowledge when asked, though, that employees have been laid off, hiring has been frozen, programs have been cut and maintenance has been deferred.

It is ... competition that causes us to cut our costs, and frankly, often to cut them in ways that do not show on the surface to prospective students and their parents.

March 2003, Ohio Univ. Pres. Robert Glidden, Ohio House Finance and Appropriations Subcommittee, Higher Education



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**There is too much
duplication of programs
at Ohio universities.**

R E A L I T Y

The knowledge economy demands quality academic programs offered in every region of Ohio to educate as many of our citizens as possible.

Some duplication is necessary. Ohio's college attainment rates are currently too low to compete successfully with leading states and the world. The problem is more clearly defined as "unnecessary duplication." The Regents and campus officials review new and existing academic programs to ensure they are market responsive and cost-effective, Ohio has done a lot to reduce duplication and can do more.

STAT

The percentage of Ohioans with a bachelor's degree rose from 17% in 1990 to 21% in 2000 – a marked improvement. Nevertheless, Ohio ranked 39th in 1990 and 39th again in 2000!

U.S. Census Bureau, 2000
Decennial Census



The Brains Business

BY ADRIAN WOOLDRIDGE

in *The Economist*

Higher education is rapidly going the way of secondary education: it is becoming a universal aspiration.

The biggest problem is the role of the state. If more and more governments are embracing massification [of higher education], few of them are willing to draw the appropriate conclusion from their enthusiasm: that they should either provide the requisite funds or allow universities to charge realistic fees. Many governments have tried to square the circle through tighter management, but management cannot make up for lack of resources. ... The problem for policymakers is how to create a system of higher education that balances the twin demands of excellence and mass access

A U T H O R

Adrian Wooldridge is The Economist's Washington D.C. correspondent for politics and social policy, and co-authored "A Future Perfect: The Challenge and Hidden Promise of Globalization."

Sept.10, 2005 article

