

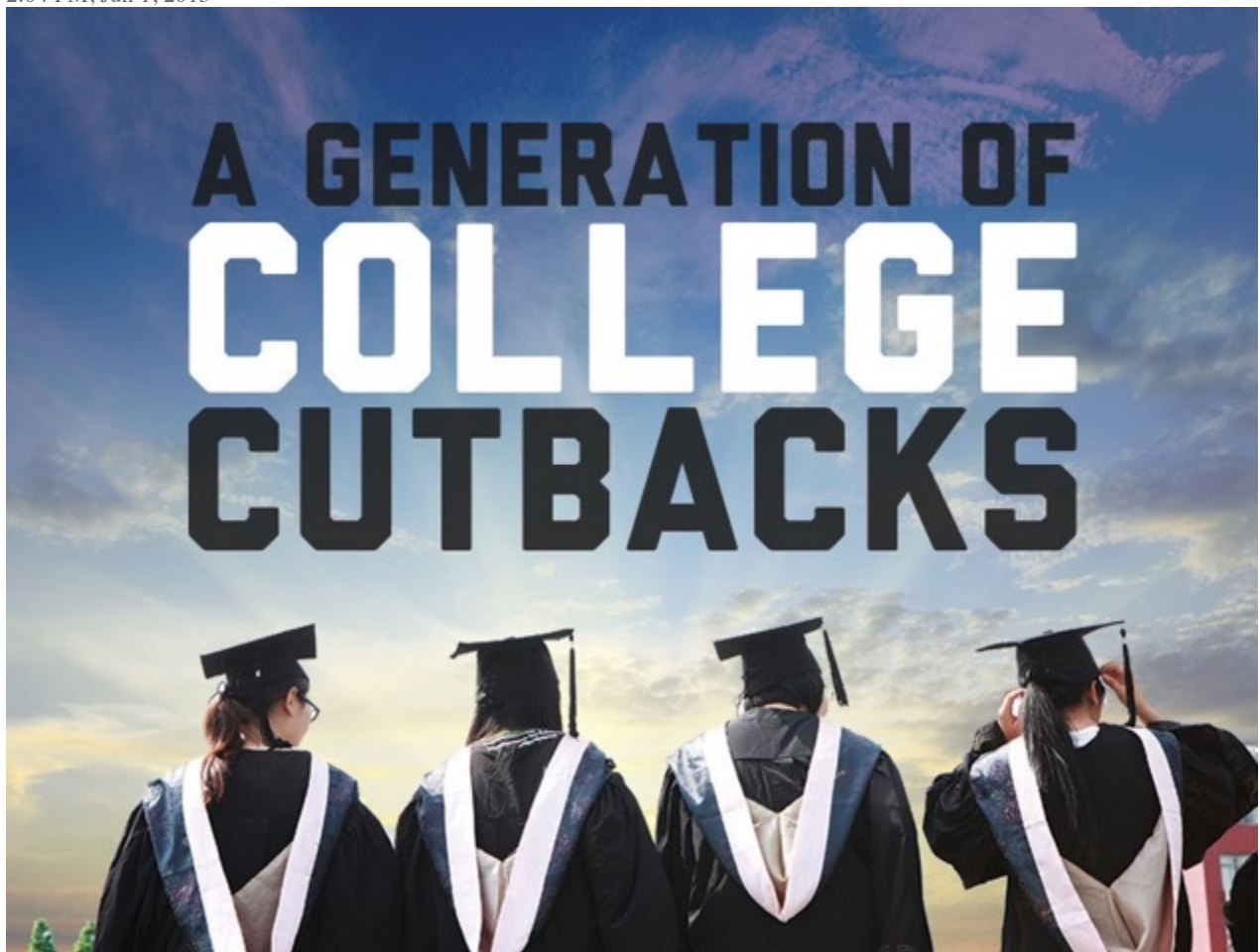
Over a generation, state funding of college has plummeted, and educators are sounding the alarm



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CINCINNATI – Just about every governor and state lawmaker around talks about how important an affordable path to college graduation is to our economic success and the success of our children.

But when it comes to paying for it, Ohio and Kentucky lawmakers have systematically slashed funding for public universities over the course of a generation.

As states cut funding, college support services that help keep first-generation students in school are dwindling. Middle-income students who a generation ago broadened their horizons through studying abroad for a semester may not have the same grants available to make it happen.

University leaders talk about the trend in ominous terms.

"I'm concerned not just about the future of our economy, but the future stability of our democracy," [Northern Kentucky University](#) President Geoffrey Mearns said. "That's not just as a university president but as the parent of five children."

WCPO analyzed college costs in Ohio and Kentucky from 1989-2014, and found a long decline in public spending.

- Adjusted into 2014 dollars, Ohio spent \$7,306 per student in 1989 while students paid \$4,471. That's almost exactly the opposite now: In 2014, Ohio spent \$4,434 per student, while the student share was paid \$7,548.
- Adjusted into 2014 dollars, Kentucky contributed \$7,527 per student in 1989 and students paid \$2,813. In 2014, Kentucky spent \$6,324 per student while students paid \$5,864.

The long-term trend of spending decreases grew much worse after the 2008 recession when states were faced with steep drops in revenue.

A threat to our future?

States have traditionally directly subsidized public colleges and universities as a means to make higher education affordable to residents and as an investment that generates

educated entrepreneurs, skilled workers and other graduates who contribute to the vibrancy of communities.

But defunding is taking place while business and government leaders lament the lack of trained workers to fill high-skilled manufacturing and technology jobs. But the lack of investment is an even bigger threat to our future, some say.



NKU President Geoffrey Mearns

But prospective college students are getting priced out and that comes at a steep price to our society, Mearns said.

"Our system of government, whether it's understanding our justice system or how our democracy works, depends on people making informed choices, people who understand our values and our sacrifices that got us where we are today.

"If we create a generation of people who are not informed about those values, I think we're at jeopardy of undermining the foundation of what has made our country strong and safe and economically vibrant," he said.

Kentucky goes backward

Kentucky's decline in college spending during the last 25 years isn't a straight slide downward. Following passage of the Kentucky Postsecondary Education Improvement Act of 1997, known as House Bill 1, lawmakers pumped up spending, and got results – while the money lasted.

Last decade, Kentucky ranked first in the nation in improving its six-year college graduation rate, according to the [*National Center for Higher Education Management Systems*](#).

"The congregation of those investments paid off," said [*Bob King, president of the Kentucky Council on Postsecondary Education, \(KCPE\)*](#), which oversees higher education in the state.

"We learned when the state is prepared to invest that we can make progress."



Bob King, president of the Kentucky Council on Postsecondary Education

But per-student spending, adjusted for inflation, peaked in 2000 at \$9,747 and has dropped every year since the 2008 recession and subsequent recovery. In 2014, funding dropped to its lowest level since the pre-reform 1996 budget, when adjusted into 2014 dollars.

Sure enough, Kentucky's rate of improvement plummeted in 2009-2013 from first to 41st in the nation, and the improvement rate in three-year graduation from community and technical colleges tanked from third in the nation during the last decade to 44th, according to KCPE.

Trailing the nation

Forty-one states have begun restoring higher education spending since the recovery has taken hold, but Kentucky is one of nine that continued to cut spending in 2015, according to a report done by the Center for the Study of Education Policy.

From 2014 to 2015, Kentucky cut spending per student 2.3 percent – tying it for dead last with West Virginia, according to the study. Ohio's spending inched up 1.1 percent, 33rd in the nation, just behind Alabama.

"The numbers speak for themselves," said [*Ed Hughes, president of Gateway Community and Technical College*](#). "When you look at the big numbers going down, the only way we've been able to do any kind of maintenance or growth is to grow enrollment."



G. Edward Hughes, Gateway president.

Demand for Gateway graduates with manufacturing training remains high, but Hughes can't hire enough faculty to train more students for good jobs, he said.

The average age of Gateway students is 28, and they often arrive with challenges like needing child care, juggling work with school and generally making ends meet. The school's formula for student success includes non-academic help to keep their students on track for their second- and third-chance return to school.

"We spend a good amount of our funds on instructional and student support," Hughes said. "If a student has trouble with transportation, if they lost their home, we try to connect them with a partner in the community who can help."

Non-academic support erodes

When it's time to cut the budgets, schools have tried to maintain teaching positions by cutting counselors and advisors to the detriment of first-generation, minority and other students who face longer odds of making it to graduation than students whose families may have more experience with the dos and don'ts of college and more money to get through.

"When I went to college, the majority of people who were choosing to go onto post-secondary education were from middle- and upper-middle-class families with strong academic records," King said.

Because the blue-collar jobs that high school graduates could depend on to support their families have declined, more students need at least a certificate or associate's degree to land a stable job.

Those students tend to need more non-academic support to manage money, time child care and other potential impediments to academic success.

"Many are coming from families with lesser income, often the first in family to go to college, who don't have the kind of family support or financial resources that traditional students have," he said. "And many are coming from high school not prepared. For these kids to be successful they need more support services – financial, emotional and career advising."

Cuts have been less severe north of the Ohio River but still steep.

Ohio's economy 'threatened'

Students in 1989 paid 38 percent of their college costs. By 2014, that had risen to 63 percent, according to statistics assembled by SHEEO.org.

The state subsidy to the University of Cincinnati has dropped from 34 percent of student costs in 1989 to only 17 percent in 2014, according to UC officials.

The additional costs take a toll on students, said Caroline Miller, UC's vice provost for enrollment management.



Caroline Miller, University of Cincinnati's vice provost for enrollment management.

"Twenty-five years ago, a student could work summer and holiday jobs and just about pay the tuition bill. Now students work increasing numbers of hours during the academic year to make ends meet, and that frequently causes students to carry minimum or part-time loads," Miller said. "And in the long run, that makes things cost even more."

She said that tighter budgets can lead to hidden losses to the college experience, including fewer advisors, larger class sizes, fewer faculty-student interactions and fewer small grant programs that make "life-changing experiences" possible like studying abroad or participating in non-paid internships.

"Think about lifeline support networks like counseling centers, career centers, resident hall advisors, math and writing labs where staffing levels do not adequately support demands," Miller said.

The choice to pay for other state priorities by cutting higher education spending threatens to undermine Ohio's future economy, said David Creamer, Miami University's vice president for finance.

"I'm afraid that the difficulty of state budgets is only going to get worse," he said. "We're an aging state that will face added pressures on state budgets paying for baby boomers, and we're taking a very short-term view in regard to what we're doing for higher education."

Creamer said higher percentages of workers will need college degrees to land good jobs and compete with trained workers around the globe for jobs.

The answer has to involve more money, he said, if we want to boost graduation rates and accessibility.

"Additional resources will be needed if our education resources are going to respond to what's needed. We're not anywhere close to what's needed in the future," he said.

Twenty-five years ago, Ohio paid for 40 percent of Miami's education and general programs expenses. In 2014, the state paid for only 15 percent. The university continues to defy downward enrollment trends by welcoming its largest class ever next fall, but the average family income of those freshmen will be higher, meaning fewer low-income students breaking into the college ranks.

Miami Provost Phyllis Callahan said the the university has had to invest heavily in technology and faculty to maintain quality despite a loss of state funding.

"We struggle to continue to offer excellent programs," she said.

Ground zero for job training

Like Gateway in Northern Kentucky, Cincinnati State is on the front lines of offering associates degrees and training certificates to students who in past generations might have landed good-paying jobs in manufacturing with just a high school diploma.

Students now pick up 60 percent of the cost of tuition and fees compared to 47 percent in 1997, the oldest data that Cincinnati State had available.

President O'dell Owens is trying to plant the seed in voters' minds for a local levy to supplement dwindling state funding, but he knows that dream won't be realized in the near future.

"When we jeopardize that funding model, we are jeopardizing our present and definitely the future," he said. "We need to fund education to meet the demands and skills that we don't even know about yet."

The trend hasn't been all grim for Ohio students. Lawmakers have limited tuition increases at state universities and colleges to a total of 2.8 percent 2008-2013, putting the Buckeye state second only to Maryland nationally in limiting tuition increases in that period, according to a Center for College Affordability and Productivity study. Kentucky was in the middle of the pack, having raised tuition 22.4 percent over that same period.

Ohio restores some funding

Ohio slashed higher education spending after the 2008 recession from \$5,937 in 2008 to \$4,115 in 2012, adjusted for 2014 dollars. But it has crept back up to \$4,434 per student in 2014, and the proposed two-year state budget – still being hashed out in Columbus – includes annual 2 percent increases in spending.

[*John Carey*](#), Ohio board of regents chancellor, said the state is working with colleges and universities to boost graduation rates to avoid the worst-case scenario of students taking out loans, dropping out and having no degree or certificate to boost their earning potential.

"Our approach is to hold down costs and try to reduce the cost of higher education in the future," Carey said. "I don't think in the foreseeable future there is going to be funding at those 1989 levels. The best we can hope for is to invest in higher education in a way that Ohio gets the most out of its investment."

Ohio continues to encourage alternative strategies to earn college credit, including dual high school-college credits earned at no cost to high school students through the College Credit Plus program. More partnerships are evolving between community and four-year colleges that allow students to attend community colleges for two years at lower costs before moving to four-year colleges with all their credit intact.

Returning to mediocre

Michael Mitchell, who co-authored the Center on Public Policy and Budget Priorities' recent study about college affordability, said that even states working to restore funding to 2008 levels weren't exactly offering easy paths to college.



Michael Mitchell, coauthor of a national report on college affordability.

"It's not like in 2008 low-income students were able to afford college period. Income has been stagnant or down since then," he told WCPO.

As a result, many low-income students don't even try to open the door to a better life. "Just the sticker price can deter some from even applying, and if they do, it's often to less selective universities," he said.

Mitchell said we're far from funding our schools at the level necessary to boost education levels to where they need to be for the United States – and the Tri-State – to compete against an ever-shrinking world.

"When we look out to 2020, we're going to need two-thirds of workers having associates degrees or higher, and we're not on pace to make that level," he said.

Hannah Halbert, a researcher at [Policy Matters Ohio](#), said Ohioans need to look at funding public institutions as "part of the public good."

"It's not just for the individual student, for their life and their livelihood but also to make the state competitive," she said. "Ultimately it harms our state's ability to have a competitive workforce and also to be innovative."

She argued that pumping up funding for higher education is not unreasonable. "We're not broke. We're talking about doing another round of tax cuts. Well, maybe we should to look at these sort of investments in our future instead."

Hughes, Gateway's first and only president, is sounding the alarm about the trend. "The hope of the [*Kentucky Community and Technical College System*](#), the dream when it was founded in '97, is at risk. We were state supported. We're at the point of being state assisted, and frankly, if things don't turn around, we're going to be (merely) state located."

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