

Maximizing Return on Investment in Community College Education

Scale Strategic Solutions
Education Strategy Group
February 28, 2024

Overview

- Introductions
- Why should we examine affordability and value?
- Affordability and Value in Ohio
 - Factors impacting affordability
 - Economic returns for training beyond high school
- Policy and Practice Recommendations for a Stronger Ohio
- Discussion

Our landscape analysis investigates the value and affordability of education and training beyond high school in **Ohio**.

The analysis focuses on these framing questions:

- What factors impact the affordability of education and training after high school?
- How do economic returns vary for pursuing education and training beyond high school?
- How and where can Ohio's public institutions improve economic upward mobility for all Ohioans?
- What policy and practice solutions are available for Ohio to ensure the affordability and value of postsecondary education and training?

Promoting High-Value Education

Beyond High School in Ohio

DECEMBER 13, 2023



BRIEF
Scale Strategic Solutions &
Education Strategy Group

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Strategy
Group

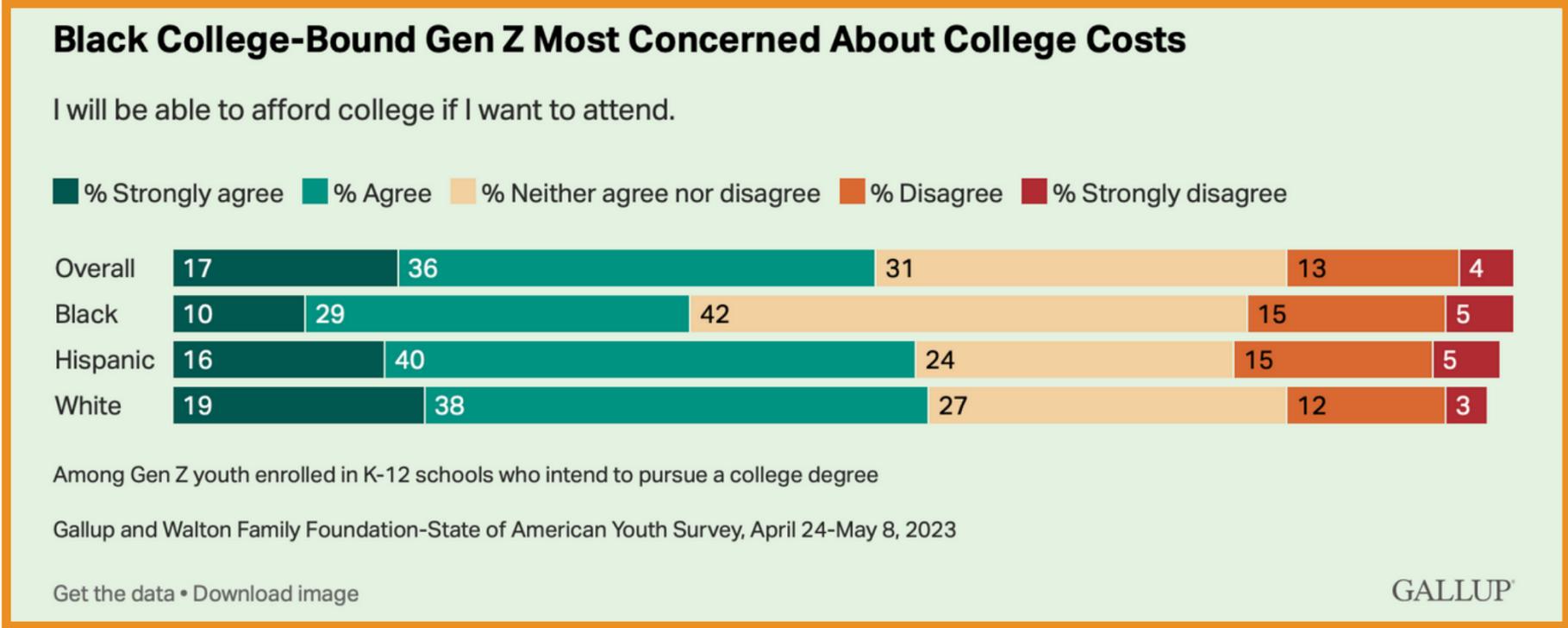
SCALE
STRATEGIC SOLUTIONS

What percentage of Gen Zers believe they can afford college?

Go to menti.com, Enter 2614 8139
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Students and their families are increasingly concerned about their ability to afford higher education.



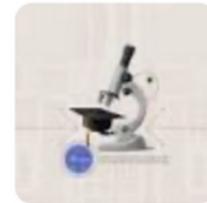
- Recent Gallup polling found that **83% of Gen Z believe that college is important**, but **only 53%** believe they could afford college.

And the same time, the public at large is questioning the value of postsecondary education.

 Deloitte

Is a degree worth it?

Many colleges and universities are no longer perceived to be the best source for the skills employers are seeking making learners wonder if...



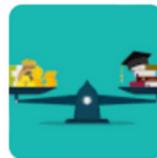
The Public's Growing Doubts About College 'Value'

Americans aren't questioning the importance of higher education, but they're concerned it is unaffordable and unavailable for too many people.

 Inside Higher Ed

Is college worth it? Recent analysis says yes

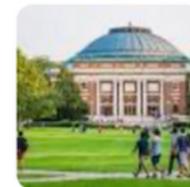
The analysis shows that about 80 percent of colleges provide a "minimum economic return" that makes an undergraduate degree worth the...



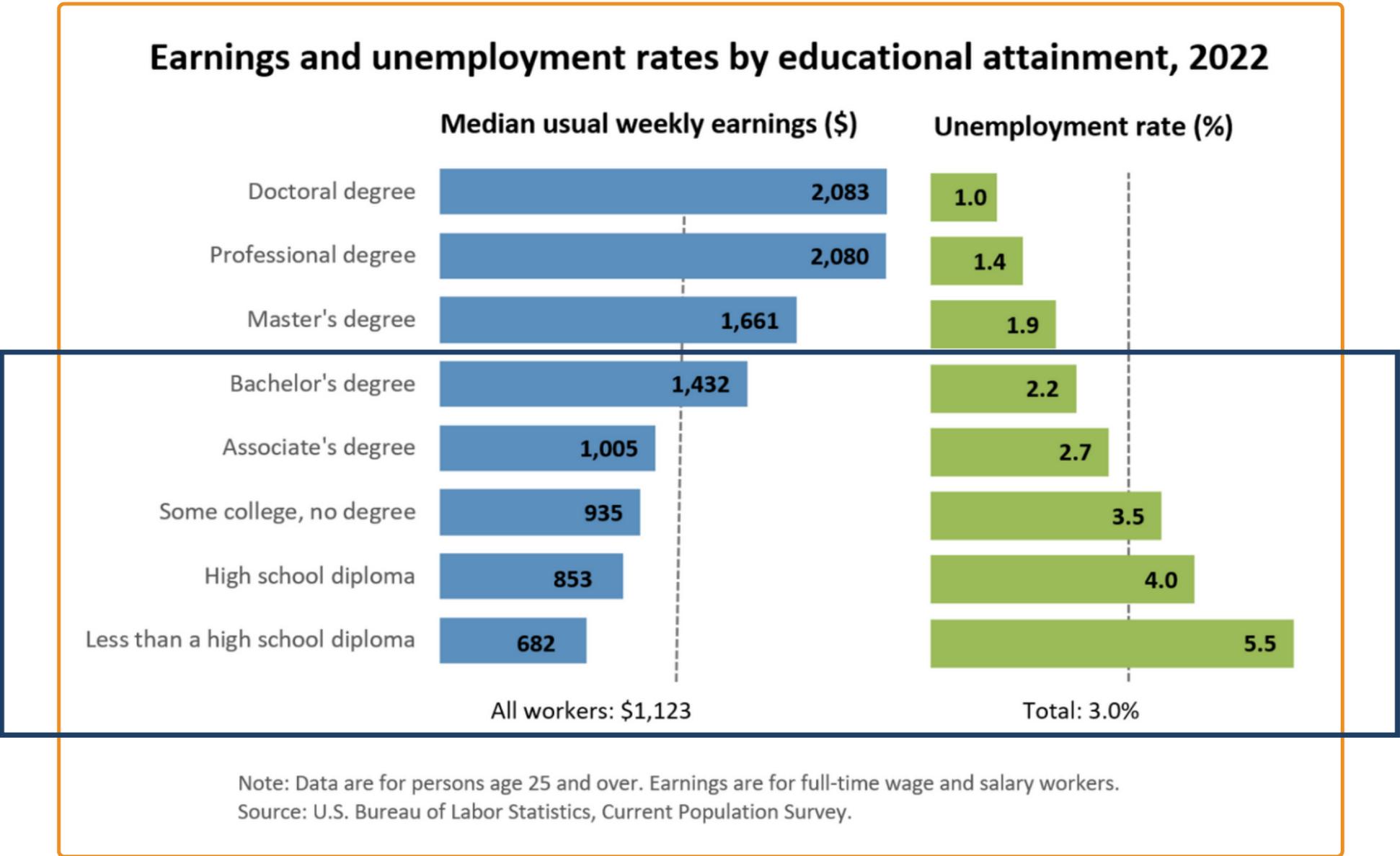
 Washington Monthly

What Is the Value of a College Degree?

A few years ago, the higher education staff at the Bill & Melinda Gates Foundation posed a simple-sounding question: What is the value of a...



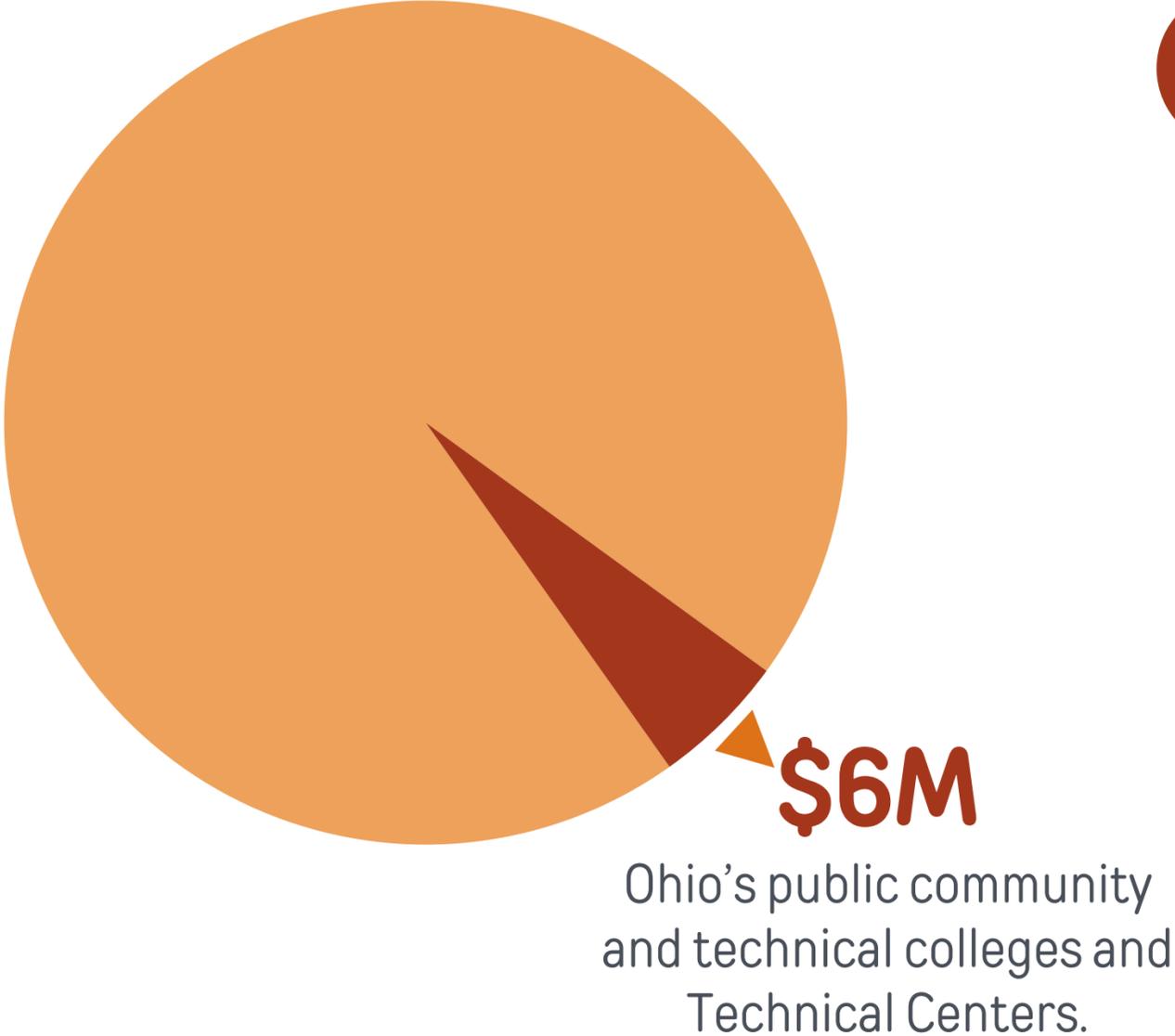
Despite concrete evidence showing that a postsecondary credential is a necessary currency to compete in our economy.



Factors Impacting Affordability in Ohio

What factors are impacting affordability?

\$110M

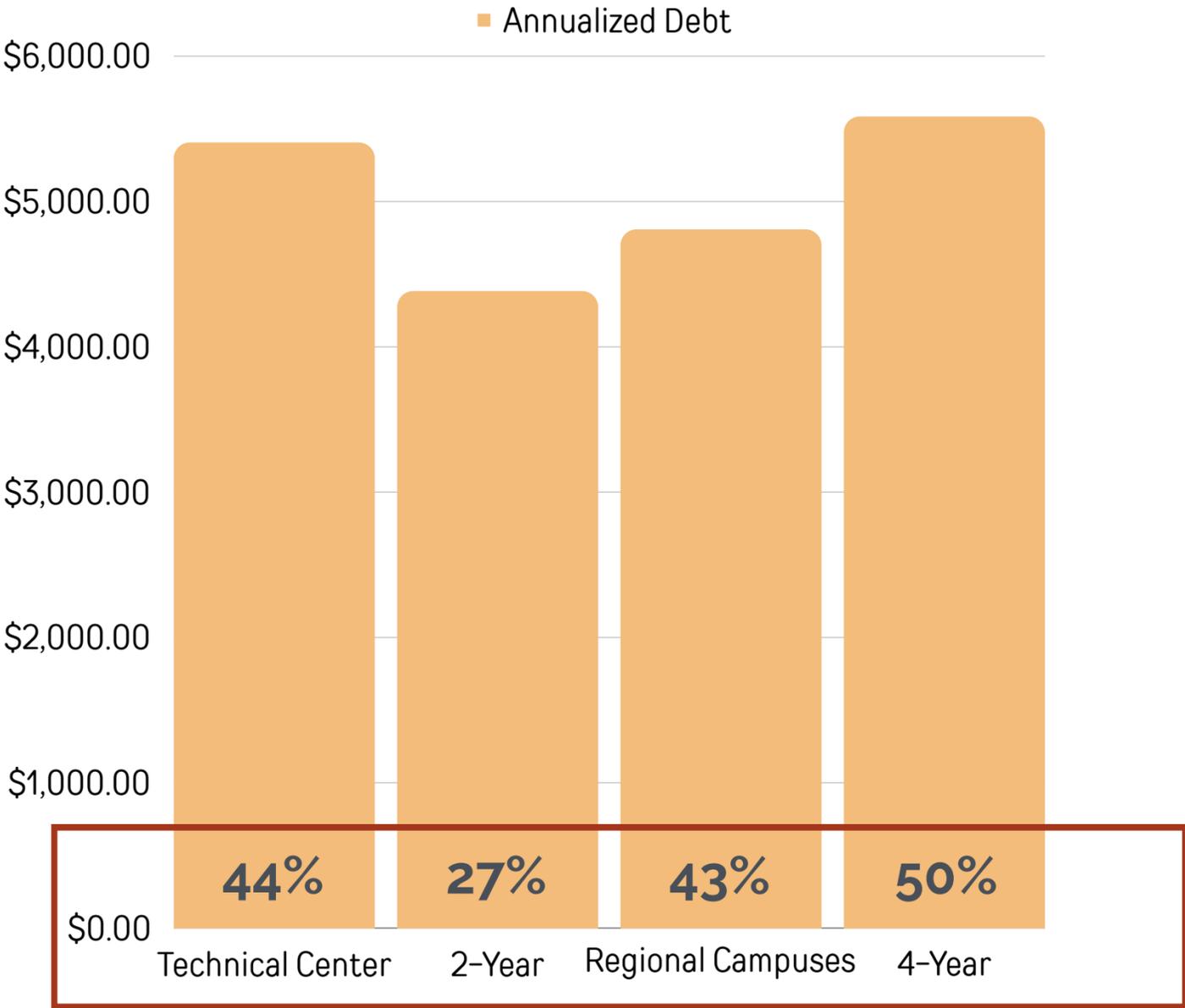


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State aid methodologies may not be fully incentivizing affordability and value.

While taxpayers spend \$110M on direct state aid to learners, **approximately \$6M** goes to those attending Ohio's public community and technical colleges and Ohio Technical Centers.

What factors are impacting affordability?



2 Learners at all institution types are burdened with student debt.

Across institution types, students are taking out similar levels of annualized debt to pursue education and training.

*Data comes from 2021-22 IPEDS reporting
*Reported data at OTCs appears to have several methodologies
*Percentage of students with federal student aid

What factors are impacting affordability?

\$119M+

Total Pell Grant Dollars Left on the Table



3

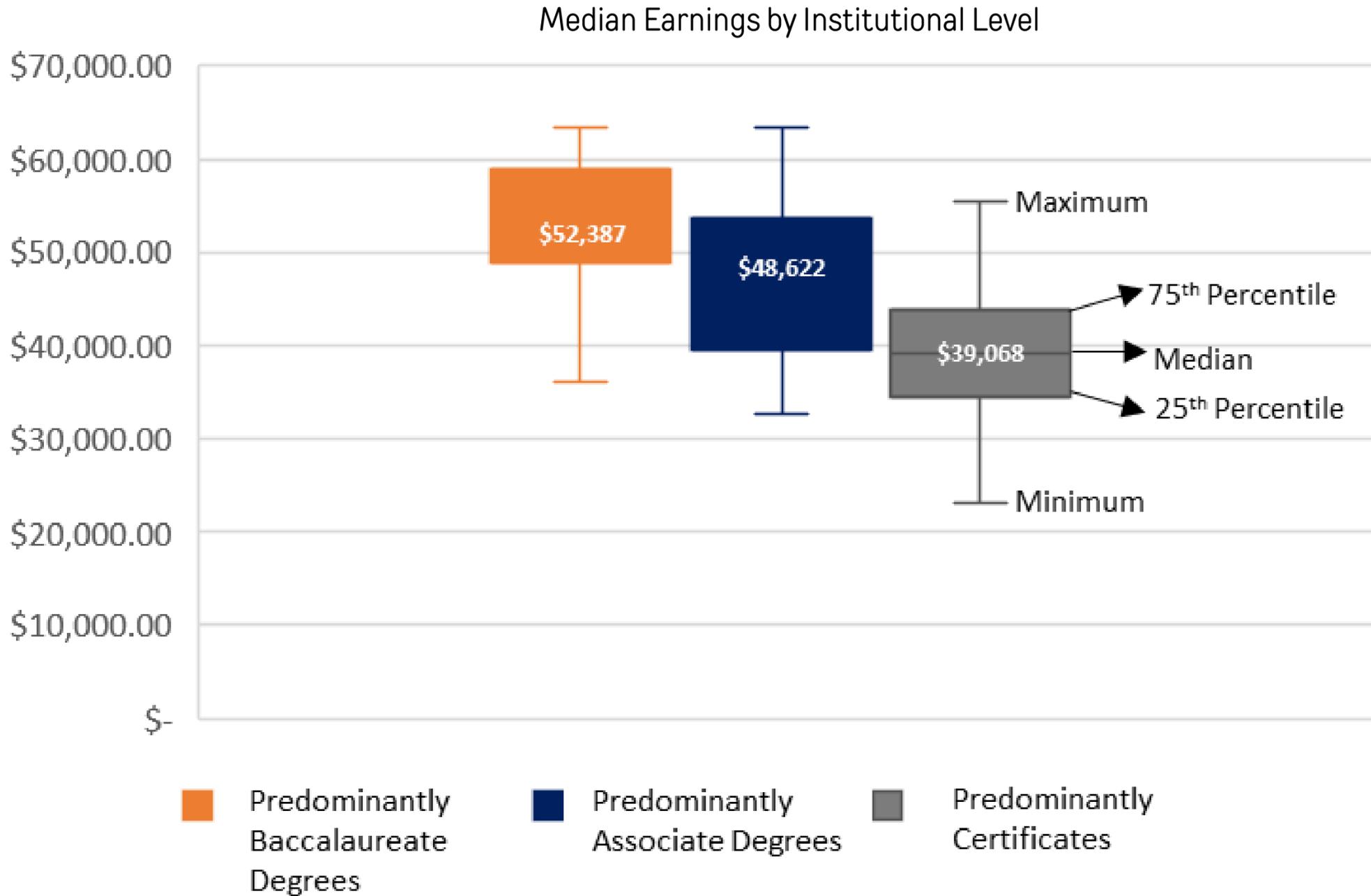
FAFSA Completion has Flat Lined

Ohio ranks 20th nationally for FAFSA completion, according to Form Your Future, and ranks 46th for year-over-year improvement, with a decline of .03% from 2022 to 2023.

FAFSA is the first step to unlocking federal, state, and institutional aid for learners.

Economic Return for Training in Ohio

Former students recoup their investment except for the bottom 25th percentile



Who Is Not Seeing a Return on Education Investment

Who May Be in Bottom Quartile of Earnings?

- Former students who started but did not complete
- Completers in lower wage fields or experiencing wage disparities



Top Jobs in Ohio by Typical Education Required, Ranked by Projected Annual Growth

Postsecondary Nondegree Award	Associate Degree	Bachelor's Degree
Median Earnings for Credential Level = \$31,070	Median Earnings for Credential Level = \$34,911	Median Earnings for Credential Level = \$46,380
Heavy & Tractor Trailer Truck Drivers (\$46K)	Physical Therapist Assistants (\$61K)	Registered Nurses (\$68K)
Medical Assistants (\$34K)	Respiratory Therapists (\$59K)	Software Developers, Applications (\$91K)
Licensed Practical/Vocational Nurses (\$46K)	Occupational Therapy Assistants (\$61K)	Market Research Analysts & Marketing Specialists (\$61K)
Nursing Assistants (\$28K)	Preschool Teachers (\$28K)	Management Analysts (\$83K)
Heating, Air Conditioning, & Refrigeration Mechanics & Installers (\$49K)	Veterinary Techs (\$36K)	Financial Managers (\$124K)

Representation & Economic Mobility

Black completers are well represented in certificate awards but underrepresented in degrees for Ohio's core industries

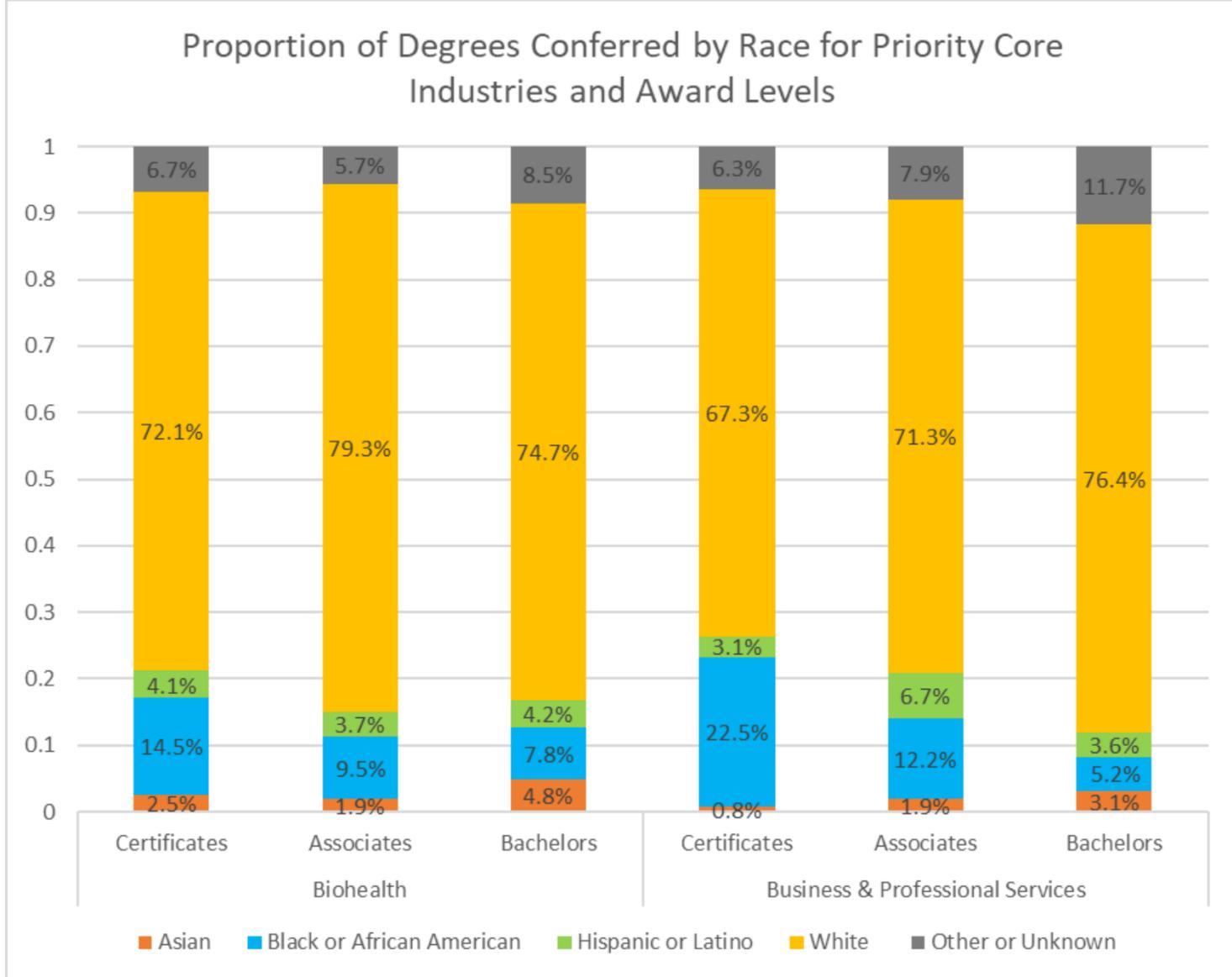


FIGURE 7. Proportion of Degrees Conferred by Race for Priority Core Industries and Award Levels, Ohio Public Institutions 2021

**How can we support
certificate completers in
economic mobility and
attaining degrees?**

Policy and Practice Recommendations

Recommendations for Policymakers



Expand need-based aid which students at all public institutions can utilize.



Maintain caps on tuition and fees and institutional efficiency requirements, coupled with increases to institutional operating support.



Create an additional targeted statewide effort to increase FAFSA completion among underrepresented populations.



Incentivize progression of degrees and credentials in high-demand fields.



Convene multi-stakeholder working group to explore parity of pay in relation to education level in high-demand, low-wage fields.



Connect median earnings data by institution to completion data.

Recommendations for Institutions



Create a cross-institutional working group to **maximize approaches to packaging and communicating student aid** that addresses the full cost of attendance and accounts for recent changes in federal policy.



Form a working group of **OTCs'** financial aid administrators and directors to develop common and **comparable approaches to calculate and report tuition and cost of attendance data.**



Target Free Application for Federal Student Aid (FAFSA) completion efforts to reach underrepresented populations at the institutional level.



Strengthen capacity to **adequately advise learners on borrowing.**



Raise awareness of high-value programs among learners and their families.



Evaluate academic support and career placement services to increase earnings and other post-school outcomes.

How would you prioritize institutional recommendations?

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Questions?

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