



# BUILDING FOR OHIO'S NEXT GENERATION

BUDGET OF THE STATE OF OHIO • FISCAL YEARS 2018–2019

## **PROVIDING OHIOANS OF ALL AGES WITH WORLD-CLASS PREPARATION FOR CAREERS AND COLLEGE**

Continuous learning and workforce training are crucial in today's Knowledge Economy if we are to ensure Ohioans are prepared when technology creates profound changes for industries and their workforce needs. To make Ohio workers more competitive in today's global marketplace, we must continue to transform what in many ways have become outmoded and inflexible models for education and workforce training. Under the leadership of Governor John R. Kasich, our state has made solid progress in helping prepare Ohioans for careers and college, while better aligning our education and workforce efforts with in-demand occupations – and the state's new budget takes another strong step forward in this work.

### **HELPING OHIOANS PREPARE FOR A RAPIDLY CHANGING WORKFORCE**

Transforming Ohio's workforce-preparedness system has been a key priority for Gov. Kasich and an essential component of his efforts to create an economic environment that promotes job creation and opportunity for all Ohioans. This commitment includes working with job creators to determine what skills and workers their companies need – today and well into the future – in order to ensure that training programs to meet those needs are available across the full spectrum of Ohio's education and workforce systems. Members of the Governor's Executive Workforce Board, a group of business, labor, education and workforce stakeholders, serve as key advisors to help Ohio strengthen its workforce training efforts. A number of recommendations by this board are realized in the new state budget, including:

- **Addressing the Skills Gap, Making It Easier for Schools to Provide Work Experience:** While public schools have had flexibility in providing credit for internships and other work experience, that ability has often been underutilized. This budget requires districts to review and update their plans and policies to ensure that all students have the opportunity receive credit for appropriate work experience. And schools are now required to provide an *OhioMeansJobs* designation on high school diplomas of those students who demonstrate that they are job-ready.
- **Leveraging the Strength of Ohio's Public Library System:** The state budget positions Ohio public libraries as "continuous learning centers," and help adult learners access online programs to gain additional skills.
- **Strengthening Ohio's Investment in K-12 Education:** Despite a restrained overall budget, K-12 education remains a priority with an increase in base support to Ohio schools of more than \$166.25 million. As a result, under Gov. Kasich's leadership, Ohio will be spending more than \$1.5 billion more for K-12 education than in 2011 – the strongest level ever at nearly \$10.6 billion. The continuation of "Guarantee Funds" in this budget ensures that no district will receive less in formula state aid than it did in the current 2017 fiscal year, unless the district has lost more than five percent of its students over the past two years and would otherwise be funded for students that no longer exist. Schools where student populations have declined at rates greater than five percent will see their

state aid reduced by one percent for each additional percent below the 95 percent threshold, up to a maximum of five percent of state aid.

- Better Preparing Students with Expanded STEM Programs and New STEAM Education: Ohio has seen growth in educational opportunities for students in grades 6-12 who focus their studies on STEM classes (Science, Technology, Engineering, and Math education). The state budget enhances those programs with a new STEAM designation for all grade levels, adding an “A” for arts education. This recognizes the additional career opportunities and critical creative skills offered to Ohio’s students by exposing them to these increasingly important fields.
- Improving Ohio’s Popular College Credit Plus Program: In its first year, the College Credit Plus Program helped more than 52,000 Ohio students earn college credit while still in high school, without having to pay for tuition, books or fees – a total savings in college costs of more than \$120 million for those students and their families. The new state budget takes important steps to improve this popular program by better defining eligible courses and what it means for a student to be “college-ready.”
- Increasing Support for the State’s Commitment to Mentoring: Ohio’s Community Connectors mentorship effort has sparked much interest in communities across the state, bringing together parents, schools, communities, faith and value-based groups, and businesses. The budget invests \$8 million to support new community mentorship partnerships.
- Building Stronger Ties between Local Businesses and Educators: To increase collaboration between local businesses and educators, the budget requires greater accountability from Business Advisory Councils in Ohio communities, including the development of plans that better link business and education.

## **HELPING MORE OHIOANS ADVANCE THEIR EDUCATION AND PURSUE AN INDUSTRY CREDENTIAL OR COLLEGE DEGREE**

In a world where an educated workforce is the key to building a competitive, knowledge-focused economy, Gov. Kasich knows that a credential or a college degree is a gateway to prosperity and a fulfilling career for many Ohioans. That is why higher education reform has been among the governor’s foremost priorities as Ohio is working on many fronts to strengthen the state’s economy and provide a well-prepared, well-educated workforce to fill the new jobs being created here. Today, Ohio’s public colleges and universities are funded on a basis of how well they succeed at guiding students to complete their courses of study and get their degrees. While Ohio has been among the nation’s very best states at restraining tuition growth over the past six years, Gov. Kasich has been working on a more lasting solution by having state colleges and universities implement recommendations from a task force of business leaders on how those institutions can cut costs and pass savings along to students.

- Awarding Degrees and Certificates Based on Competency Instead of Just Classroom Time: Ohio’s community colleges joined a partnership with Western Governors University, a multi-state, nonprofit online institution that awards college credit and degrees based on a student’s demonstrated competencies instead of just the amount of time spent in the classroom. The university provides a flexible college option for working, adult learners to pursue a college degree in four career fields. To build upon that relationship, the budget authorizes Ohio to recognize Western Governors University.
- Offering Bachelor’s Degrees at Community Colleges Where There Is a Demand That Is Not Being Met: A new budget provision allows applied bachelor’s degree programs to be offered through Ohio’s community colleges in areas where Ohio’s universities do not offer specialized degree programs. The program must demonstrate employer demand and be a partnership between industry and the community college. This provides another low-cost pathway for students and strengthens Ohio’s ability to meet workforce demands in the Knowledge Economy.

- Strengthening Pathways to a Low-Cost Degree: The success of Ohio’s efforts to provide a seamless transition between community colleges and four-year universities has paved the way for expanded opportunities to allow students to complete three years of their coursework at a community college and finish their degree at a four-year university. While a number of schools have “3+1” pathways agreements, new budget provisions will help institutions interested in developing additional “3+1” pathways between Ohio’s two- and four-year institutions.
- Helping Universities Control Their Costs: Gov. Kasich’s Task Force on Affordability and Efficiency in Higher Education, a team that included business leaders who are experts at controlling costs and balancing the bottom line, recommended a number of ways for colleges and universities to reduce costs by sharing services, analyzing staff overhead expenses, monetizing assets, examining space utilization, reassessing low-enrollment courses and exploring new revenue streams. To continue this work, public colleges and universities are now required to provide annual reporting on the savings they are achieving through their plans and how they are passing those savings onto students.
- Maximizing Savings at Co-Located Campuses. To ensure that Ohio’s seven co-located campuses are maximizing efficiencies, these institutions will now include best practices that drive down costs as part of their annual affordability and efficiency report.
- Strengthening Efforts to See That More Ohioans Attain a Credential or Degree: To ensure a continuing strong effort toward the state’s goal of ensuring that 65 percent of adults attain either a credential or degree by 2025, the budget requires the Department of Higher Education to report annually on progress.
- Building Better Pathways to Careers in Advanced Technology and Cyber Security: The budget requires the Ohio Department of Education, Department of Higher Education and Office of Workforce Transformation to work directly with businesses to develop pathways in advanced technology and cyber security to ensure that more Ohioans are prepared to enter these in-demand careers.

**BOTTOM LINE**: Knowing that new technologies are rapidly bringing profound changes to business and industry – including the skills required for jobs of the 21st century – the new state budget helps strengthen Gov. Kasich’s ongoing commitment to keeping Ohio workers competitive in the evolving global marketplace. Budget initiatives continue the transformation of Ohio’s workforce training system by opening new pathways to college degrees and professional certification, while aligning Ohio’s education and workforce preparation systems with the most in-demand occupations of today – and tomorrow.

