

Senate Testimony on OCOG Grant Aid

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Senators, thank you for the invitation to testify before you this morning. My name is David Livingston and I am the president of Lourdes University in Sylvania, Ohio. The Ohio College Opportunity Grant program impacts the lives of our students in a profound way.

Lourdes is a university of approximately 1,750 students, 300 of which are graduate students and two thirds are Ohioans. Approximately forty percent of our students come from Northwest Ohio, though we have students from virtually every county in the state. We serve a diverse and economically challenged population. Twenty six percent of our students are minority students and 55 percent are first generation students. Fifty-two percent of our students are Pell eligible and nearly a third have a 0 EFC.

Nearly all Lourdes student have to work while going to school. This is not a problem in and of itself, but the numbers of hours that a student has to work is something we believe has an impact on their likelihood of success. During the last academic year 34% Lourdes University students qualified for an OCOG grant and the total amount of grant dollars used by these students was just over \$1 million. These grant dollars make a difference for many students on whether they can attend a university or not, and more importantly, while they attend, how much time they can devote to their education. These critical grant funds combined with the \$5.5 million Lourdes offers our students in institutional aid results in more study time and better outcomes because they do not have to obtain a second job. The OCOG grant dollars, \$2,568 a year, represent 317 hours at minimum wage. This is the equivalent of 10 hours per week at \$8.10/hour for the thirty weeks of the academic year. These dollars allow these students the freedom to work only 15 to 20 hours a week instead of 25 to 30 hours a week. Because of this program, Lourdes students can pursue an unpaid internship, be a student athlete, or gain leadership skills while serving on student government, while also excelling in the classroom. Additionally, these leadership experiences are often what makes a difference in the likelihood of being hired after graduation.

As you are aware, the percentage of jobs in the economy that require a bachelor degree continues to increase every year. According to the Georgetown Center on Education and the Workforce¹ between 1973 and 2018 the percentage of jobs needing more than a high school diploma will shift from 28% to 62%. If we as a country and as a state expect to compete in the global economy, we must have an educated workforce. Providing at least an associate degree to 50% of those graduating from high school is a challenging task that higher education is willing to take

¹ Carnevale, Anthony P., Smith, Nicole, and Strohl, Jeff, "Help Wanted: Projections of Jobs and Education Requirements through 2018," Georgetown University Center on Education and the Workforce (2010): Fig. 2.2 p. 14.

on, but an investment from Ohio is necessary. We are trying to achieve a level of upward mobility in the state, to allow first generation students the opportunity to become professionals with a college degree. This benefits everyone in the state.

Ohio's private colleges offer excellent opportunities to students. Lourdes University's tuition next year will be just under \$20,000. We offer an affordable education and our students receive needed personal attention and small class sizes. Though many families and members of the general public often believe that a private education is beyond their reach financially, this is not true. Lourdes, like Otterbein and Findlay, serve many low income students. After graduation, these students earn on average \$1million more than their peers with just a high school diploma over their entire career, according to the Federal Reserve's 2013 study.² Though the OCOG grants are only a part of the way these students pay for their education, the investment that the citizens of Ohio make in these students of \$10,272 is a small price to pay to increase their earnings by \$1 million dollars over their careers. And if these students reside in Ohio throughout their careers, they will be taxed on that \$1 million dollars of income at a rate of 3%. This \$30,000 of tax revenue represents a 300% return on the state's investment.

I ask that you invest in those students who are seeking a better life and who will give back to the state and the country. Invest in these students through the OCOG program. This money means well educated teachers, social workers, nurses, probation officers and accountants. These students are front line service providers in our communities. These students serve our citizens when they are at their most vulnerable with a professionalism and a set of values that they learn at institutions like Lourdes. Ohio and her citizens are better off for their being in these professions.

Thank you for your kind attention and I would be happy to answer any questions you may have.

² Abel, Jaison R. and Deitz, Richard, "Do the Benefits of College Still Outweigh the Costs?" *Current Issues in Economics and Finance*, 20. 3 (2014): 4.