



Ohio Conference of the American Association of University Professors

137 East State Street, Columbus, OH 43215 · 614-545-6349, ext. 6349

What is a "Charter University?"

A "charter university" is a public college or university that opts to receive less in state subsidies in return for being deregulated by the state. University administrators claim that their hands are tied by regulations governing tuition caps, union rights, and construction projects, and that the charter university model would give them "flexibility" in managing the affairs of the institution. Charter universities are also called "entrepreneurial universities" and "pre-eminent enterprise universities."

What is going on with Charter Universities in Ohio?

House Bill 153, the State Budget Bill, contains a provision that charges the Chancellor of the Board of Regents (Jim Petro) to create and implement a system of charter universities in the State of Ohio. Below is the specific language found in the bill:

Sec. 3345.81. (A) The chancellor of the Ohio board of regents shall develop a plan for designating public institutions of higher education as charter universities. In developing the plan, the chancellor shall:

(1) Study the administrative and financial relationships between the state and its public institutions of higher education to determine the extent to which public colleges and universities can manage their operations more effectively when accorded flexibility through selected delegation of authority;

(2) Examine legal and other issues related to the feasibility and practicability of restructuring the administrative and financial relationships between the state and its public institutions of higher education;

(3) Consult with the presidents of the institutions of higher education of the university system of Ohio.

(B) The office of budget and management, the department of administrative services, and each state institution of higher education shall provide the chancellor, upon the chancellor's request, with research assistance, fiscal and policy analysis, and other services in conducting the study and developing the plan under this section. Each state agency shall provide the chancellor with any other assistance requested by the chancellor in conducting the study and developing the plan.

(C) The chancellor shall specify in the plan:

(1) The manner in which a state institution of higher education may become eligible for restructured financial and operational authority, and performance measures and criteria to determine eligibility. The performance measures and criteria shall address the institution's ability to manage successfully its administrative and financial operations without jeopardizing the financial integrity and stability of the institution.

(2) Specific areas of financial and operational authority that are subject to increased flexibility;

(3) The nature and term of the management agreement required between the state and an institution.

(D) Not later than August 15, 2011, the chancellor shall submit to the general assembly and the governor a report of findings and recommendations for use in developing policy, statutory, and administrative rule changes necessary to implement the plan. No institution shall be designated a charter university until the general assembly, after considering the chancellor's plan, has enacted legislation establishing a procedure for making the designation. The chancellor shall not adopt, amend, or rescind any rules with respect to designating institutions as charter universities until that legislation is enacted. The general assembly intends that the general assembly, governor, and chancellor will take actions necessary for implementation of the plan for charter universities to commence July 1, 2012.

Once the Chancellor has submitted his plan to the Ohio General Assembly, it is expected that legislators will initiate a separate bill to implement the plan.

What is wrong with the Charter University model?

Don't let the names fool you. Regardless of what they are called, charter universities undermine the whole concept of *public* universities – and instead make them semi-private institutions that still take taxpayer monies, but have little or no accountability to the public. This is an approach that will ultimately hurt Ohio's students and future economic growth.

Abandoning a commitment that has been made for generations...

For generations, Ohio's taxpayers and elected officials have made a commitment to providing a high-quality, affordable, and accessible public-college education to the next generation. In fact, our current Governor and at least 82 out of the 132 members of the current General Assembly have enjoyed the benefits of an Ohio public-university education. Now, under the pretext of the state's current revenue crisis and the purported need for "flexibility," the Governor is proposing that we all abandon this commitment and, in quite real terms, begin the process of dismantling Ohio's public university system.

Higher tuition costs...

One element frequently mentioned by proponents of "charter universities" is abandoning the Legislature's role in controlling the growth of tuition. The experience of "charter universities" in

Virginia has shown that, once the Legislature walks away from its role in safeguarding affordability, this, coupled with less state funding, is a sure recipe for exorbitant increases in tuition.

Don't take our word for it; look at what has happened elsewhere...

In Virginia, which made similar restructuring moves in recent years, tuition has increased by double-digit percentages. Virginia Commonwealth University alone increased its tuition by 24 percent this year. Additionally, the University of Virginia has increased its tuition by 50.5 percent over the last five years.

Burdening working families and hurting the economy...

In Ohio, this would make it even more difficult than it has already become for the average Ohio family to send their children to college. Students will either choose not to attend college or will graduate with an inordinate amount of debt — both of which will equate to less spending potential in our economy. It will also be a bar to adult Ohioans who wish to return to college to upgrade their skills and compete in new industries.

No accountability to the public...

Another element commonly cited by “charter university” proponents is the abandonment of open records rules and much of the reporting now required to bodies such as the Ohio Board of Regents. This inevitably means a lack of accountability and oversight. Taxpayer dollars would be spent, yet taxpayers would have no means of holding these institutions accountable. Citizens and the news media would have no means by which to shed light on decisions about how taxpayer money is being spent ---and who is really making those decisions and benefiting from them. Cronyism, favoritism, nepotism, and in some cases even corruption, all are likely to creep back into our University systems when no one has the right to ask questions and examine documents.

Another attack on union rights...

As noted by various press organizations, proponents of “charter universities” also clearly see them as union-free zones. This makes sense, since unions are often among the most vocal on-campus critics of administrative financial decisions and priorities. Without unions and without open records law requirements, who will be left to safeguard the taxpayers’ money?

We risk losing the best and brightest...

Furthermore, because there is a national market for university professors, who are among the most mobile members of the American work force, this attack on faculty collective bargaining may mean we will lose some of the best and brightest professors. AAUP contracts have been, for decades, one of the only mechanisms by which faculty can fight to ensure that salaries and benefits keep pace with national markets; without them, it will be all too easy for Administrations to continue to redirect funds toward ever-expanding administration apparatus and administrator salaries. As a result, we will not be giving our students the best education possible.

Take Action: Contact Your Legislator!

Our state legislators need to hear from us about this issue. Contact your legislators today to tell them you oppose the charter university provision in the state budget bill! You can locate your legislators by [clicking here](#).

Below is a sample letter to use when writing to your State Senator and State Representative about this issue.

Dear Senator/Representative X:

I am writing to you today to ask you to reconsider the entire "charter university" concept as now contained in House Bill 153. At best, the charter university idea is a Pandora's Box that you are being asked to endorse now, with details to come later. At worst, it is the first step toward semi-privatization of one of Ohio's most precious public assets, and a betrayal of this generation's access to an affordable college education – something that previous generations were able to count on.

I know that Ohio has a difficult budget situation due to a lack of revenue, but charter universities are not part of the solution. While this semi-privatization scheme may appear to save the state money in the short-term, it's really just a "back door tax" on Ohioans looking to further their education.

In other states that have experimented with charter universities, where Legislatures abandoned their responsibilities to fund higher education and their role managing tuition increases, the result was huge tuition increases. I am afraid that this same experiment here will "price out" many Ohio students, preventing them from attending college, or else saddle students who do attend with a tremendous debt burden. Neither of those will help rebuild Ohio's economy.

Additionally, I am concerned that charter universities would potentially not be subject to public records laws. If public dollars are being spent, the public should have a right to see and question how those dollars are being spent.

In short, charter universities are not a road that the State of Ohio and Ohio families can afford to go down. We have already seen how this is played out in other states, and the results are dismal. Please remove the charter university provision from the state budget bill.

Sincerely,

Your Name

Your City