Members Brief

An informational brief prepared by the LSC staff for members and staff of the Ohio General Assembly

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Choose Ohio First Scholarship Program

Created in 2007, the Choose Ohio First Scholarship Program (COF) provides scholarships to state universities and other eligible institutions to recruit Ohio residents as undergraduate students in science, technology, engineering, and mathematics. Scholarships generally range from $1,500 to no more than half of the tuition and fees of the most expensive state university, which is $9,081 for the 2024-2025 academic year. COF is supported by appropriations from the General Revenue Fund, and, if necessary, the COF Reserve Fund (Fund 5PV0).

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What is the Choose Ohio First Scholarship Program?

The Choose Ohio First Scholarship Program (COF) provides scholarships to state universities to recruit Ohio residents as undergraduate students. These entities may recruit Ohio residents in collaboration with other state institutions of higher education and private colleges and universities in Ohio. The scholarships are intended to recruit undergraduate and graduate students interested in careers in science (including health professions), technology, engineering, and mathematics (STEM) or STEM education.[1]

Ohio law requires all students who receive a COF scholarship to participate in "work-based learning," a term that includes experiences such as internships, co-ops, or laboratory work. Despite this requirement, the law permits state and private institutions to appeal to the

[1] R.C. 3333.61.

Chancellor of Higher Education for a waiver in cases where exceptional circumstances make placement of all students "impractical or significantly unachievable."[2]

Who is eligible?

Though COF pays scholarships to state universities, the law notes these are "student-centered grants" for students to use to attend college, and not for use by the state universities themselves. Private institutions may also apply for COF scholarships and the Chancellor may award them scholarships if they comply with all the same requirements as state universities.[3]

Students are eligible for scholarships based on criteria selected by each participating institution. State universities submit to the Chancellor proposed initiatives to recruit underrepresented populations in the STEM fields. In addition to how effectively the proposal will recruit such populations, the Chancellor must consider one or more of the following criteria:

1. The quality of the program and the extent to which additional resources will enhance its quality;
2. The extent to which the proposal aligns with the strengths of the regional economy;
3. The extent to which the proposal aligns with the university's or college's mission and does not displace existing resources already committed to the mission;
4. The extent to which the university or college has committed to or demonstrated an increase in total graduates in the STEM fields;
5. The extent to which the proposal meets a statewide educational need;
6. The extent to which the proposal facilitates the completion of an associate or a bachelor's degree in a cost-effective manner;
7. The extent to which the proposal encourages students to complete a certificate program at a state university or college.[4]

Although Ohio law requires the Chancellor to "endeavor" to enable students from all regions of Ohio to participate in COF, it does not require the Chancellor to actually meet this goal.[5]

How are scholarship amounts determined?

The scholarships must be at least $1,500 and no more than half "of the highest in-state undergraduate instructional and general fees charged by" a state university. For the 2023-2024 academic year, the upper scholarship limit was $8,904, and the average scholarship amount was $4,151 at a four-year institution and $2,619 at a two-year college. Despite the $1,500 minimum,

[2] R.C. 3333.64.

[3] R.C. 3333.61.

[4] R.C. 3333.62.

[5] R.C. 3333.64.

the Chancellor may permit a state university to award scholarships as low as $500 to students enrolled in certificate programs that are eligible to receive COF scholarships.[6]

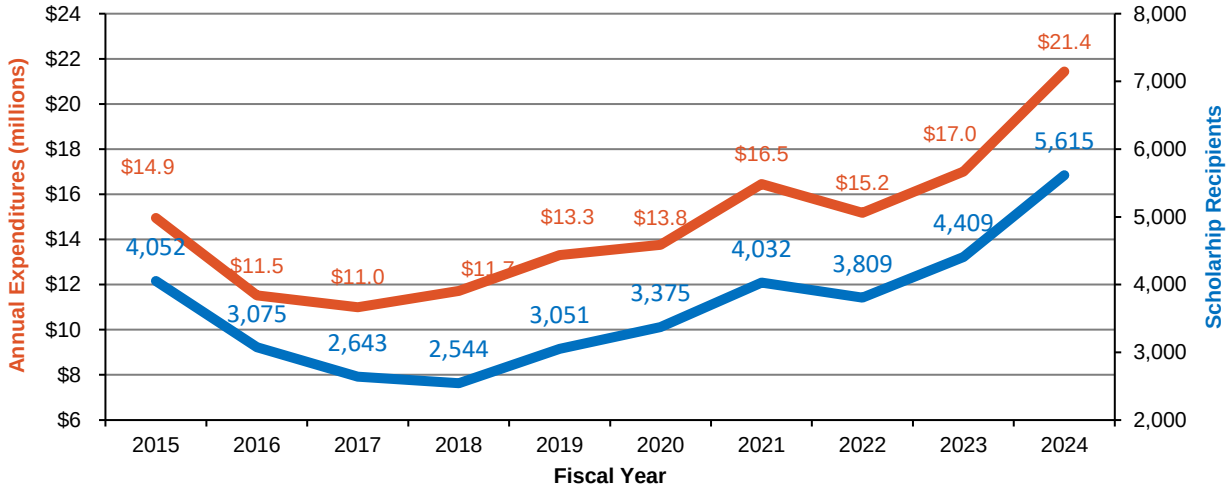
With the Controlling Board's approval, the Chancellor also may commit to giving a state university's proposal "preference for future awards," subject to continued appropriations to COF, the state university's adherence to the agreement it initially entered upon receiving the scholarships, and a demonstration of student scholarship recipients' satisfaction with the state universities selected. The Chancellor may not commit to giving preference to a state university for more than five fiscal years at a time, though the Chancellor may at the expiration of the commitment for future awards grant a one-time extension of up to four fiscal years.[7]

Once the awards are granted, the Chancellor must monitor each initiative funded by COF to ensure fiscal accountability, operating progress, and desired outcomes.[8]

How is COF funded?

COF awards are supported by the GRF in line item 235438, Choose Ohio First Scholarship, under the Ohio Department of Higher Education (ODHE) budget. The chart below shows the annual expenditures (the orange line) and number of scholarship recipients (the blue line) for COF over the last ten years. As the chart shows, COF expenditures were $14.9 million in FY 2015 and then decreased 26.4% to $11.0 million by FY 2017. Since then, COF exenditures have generally increased, including a 26.0% increase between FY 2023 and FY 2024 to reach $21.4 million.

COF Annual Expenditures (in millions) and Scholarship Recipients, FY 2015-FY 2024



The general trend of annual expenditures for COF from FY 2015 through FY 2024 corresponds with a somewhat similar one in the number of scholarship recipients. From FY 2015

[6] R.C. 3333.66; Choose Ohio First: 2023-2024 Annual Report (PDF), which is available through the Ohio Department of Higher Education's website at: highered.ohio.gov.

[7] R.C. 3333.68.

[8] R.C. 3333.69.

to FY 2018 the number of scholarship recipients declined each year. However, since FY 2019, that number has generally increased, including a 27.4% increase between FY 2023 and FY 2024 to reach 5,615 recipients. Overall, the number of recipients in FY 2024 was 38.6% higher than the number of recipients in FY 2015.

Why is there a large unused balance in COF's line item?

According to ODHE's guidelines for the program, COF is "a recruitment scholarship, and, as such, is not intended to be given to students who are current students at the institution." ODHE selects institutions each fiscal year to receive scholarship funds through a competitive grant process based on the institutions' STEM student recruitment and retention plans. Generally, ODHE notifies institutions of their award amounts for the upcoming academic year each October, which is intended to give the institutions sufficient lead time to recruit a new cohort to their institutions the following year and provides reimbursement to institutions at the end of each academic term for the scholarships awarded to eligible students. That is, scholarship disbursements lag the fiscal year in which the funds were appropriated by quite some time due to the nature of the program. For this reason, most of the current year appropriation in COF's line item 235438 is encumbered at the end of each fiscal year for future payments. For example, reimbursements for scholarships funded with the FY 2022 appropriation were not disbursed in earnest until FY 2024. Relatively small amounts of each year's appropriation are disbursed in the current year for ODHE's ongoing administrative costs related to the program.

What is the COF Reserve Fund?

In 2013, H.B. 59 of the 130th General Assembly created the Choose Ohio First Scholarship Reserve Fund (Fund 5PV0) to be used, if needed, to supplement GRF appropriations for the program. The revenue in Fund 5PV0 is from cash transfers from the GRF that are limited to the amount of GRF appropriations for COF that were not spent or encumbered by the end of each fiscal year.[9] In addition to these transferred funds, H.B. 110 of the 134th General Assembly extended the types of funds that Fund 5PV0 can receive to include federal sources. As of January 17, 2025, Fund 5PV0 had a cash balance of approximately $98,000.

[9] R.C. 3333.613.