



Members Brief

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

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Ohio College Opportunity Grant: Q&A

The Ohio College Opportunity Grant (OCOG) Program is the state’s sole need-based financial aid program for higher education students. State law qualifies Ohio residents pursuing undergraduate or nursing degrees in Ohio for OCOG awards if they have an expected family contribution (EFC) of \$3,750 or less and have a maximum household income of \$96,000. OCOG award amounts generally are determined based on the type of institution of higher education in which a student enrolls. However, most students enrolled at community colleges and university branch campuses do not receive OCOG awards due to the state’s “Pell-first” policy. OCOG is supported by appropriations from the General Revenue Fund, and, if necessary, the OCOG Reserve Fund (Fund 5PU0).

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What is the Ohio College Opportunity Grant Program?

The Ohio College Opportunity Grant (OCOG) Program provides need-based financial aid for higher education students based on their expected family contribution (EFC). EFC is calculated using the information that students provide when they fill out their Free Application for Federal Student Aid (FAFSA) form, and is the same method the federal government uses to determine federal need-based Pell grants. OCOG began in FY 2007 and completed its phase-in as the state’s sole need-based financial aid program in FY 2010, replacing the Ohio Instructional Grants (OIG) Program.¹

¹ H.B. 66 of the 126th General Assembly (effective September 29, 2005) established OCOG and began phasing out OIG.

Who is eligible for OCOG?

Ohio residents qualify for OCOG awards if they have an EFC of \$3,750 or less and have a maximum household income of \$96,000. They also must be enrolled in an undergraduate or nursing diploma program at a state institution of higher education,² a private, nonprofit college or university, or a private, for-profit career college and must be making appropriate academic progress toward that degree. Also, an Ohio resident with intellectual disabilities who meets the financial need requirements can qualify for an OCOG award by enrolling in a comprehensive transition and postsecondary program certified by the U.S. Department of Education.³

According to the Ohio Department of Higher Education (ODHE), nearly 45,500 students received an OCOG grant in FY 2023.⁴

How are OCOG award amounts determined?

State statutory law requires the Chancellor of Higher Education to determine the maximum per student OCOG award amount for each institutional sector by subtracting the sum of the maximum Pell grant award and maximum EFC amounts from the average tuition and fees charged by that sector.⁵ According to the Chancellor's website, the current combined Pell/EFC amount used to calculate OCOG in FY 2024 is \$7,395. In practice, the Chancellor groups Ohio's institutions of higher education into five main institutional sectors: (1) community colleges, (2) state university regional campuses, (3) state university main campuses, (4) private, nonprofits, and (5) private, for-profits.⁶

OCOG maximum award = "total state cost of attendance" minus (EFC + federal Pell grant award)

Customarily, though, the General Assembly has modified the maximum OCOG award amounts in the biennial budget act. For example, H.B. 33 of the 135th General Assembly specifies the following maximum awards for FY 2024 and FY 2025:⁷

Maximum OCOG Awards, FY 2024 and FY 2025		
Category	FY 2024	FY 2025
Students of state institutions	\$3,200	\$4,000

² A "state institution of higher education" is any of the 14 state universities, a community college, a state community college, a technical college, or a university branch campus.

³ R.C. 3333.122(B). See also Ohio Administrative Code (O.A.C.) 3333-1-09.1(C).

⁴ See ODHE's [Summary of Program Expenditures by Institution for Fiscal Year 2023 \(PDF\)](#), which is available on ODHE's website: higher.ed.ohio.gov/home.

⁵ R.C. 3333.122(D)(2).

⁶ See [Ohio College Opportunity Grant \(OCOG\)](#) on ODHE's website, which is also available at: higher.ed.ohio.gov/home.

⁷ Section 381.490(A)(2) of H.B. 33 of the 135th General Assembly.

Maximum OCOG Awards, FY 2024 and FY 2025		
Category	FY 2024	FY 2025
Students of private, nonprofit colleges and universities	\$4,700	\$5,000
Students of private, for-profit career colleges	\$1,850	\$2,000

For the preceding biennium, H.B. 110 of the 134th General Assembly authorized the Chancellor to create a distribution formula for FY 2022 and FY 2023 based on the formula used in FY 2021, if the program's appropriations were insufficient to provide grants to all eligible students in accordance with state statutory law.⁸

Once maximum OCOG award amounts are determined, the Chancellor distributes funds to the eligible institutions where students are enrolled, and the institutions provide a credit to the student in the awarded amount. The Chancellor must publish maximum OCOG award amounts on ODHE's website each fiscal year in an OCOG award table.⁹

However, students enrolled in certain institutions receive smaller awards than students enrolled in other institutions in the same institutional sector. With regard to state universities, the Chancellor treats Central State University and Shawnee State University as distinct from other main campuses. The Chancellor's website indicates that students at these institutions receive an adjusted OCOG award amount because their tuition levels and costs are lower than at other main university campuses.¹⁰

How does the “Pell-first” policy affect OCOG awards?

Generally, an OCOG award may not exceed a student's “state cost of attendance.” Under rules adopted by the Chancellor, the “state cost of attendance” is the average cost to a student when attending an institution of higher education in Ohio. The Chancellor may calculate the “state cost of attendance” using the average tuition and fees for all institutions or for each institutional sector. The Chancellor may include in the calculation the average cost to a student for books, transportation, housing costs, or living expenses. But the Chancellor's rules require that an OCOG award apply only to tuition and fees, unless the “state cost of attendance” in any given academic year includes additional items.¹¹

In addition to that requirement, the Chancellor's rules expressly require the institution in which a student enrolls to first apply the student's federal Pell grant and EFC to the student's

⁸ Section 381.360(A)(3) of H.B. 110 of the 134th General Assembly.

⁹ R.C. 3333.122(C)(2) and (D)(2).

¹⁰ See [Ohio College Opportunity Grant \(OCOG\)](https://higher.ed.ohio.gov/home) on ODHE's website, which is also available at: higher.ed.ohio.gov/home.

¹¹ R.C. 3333.122(D)(1) and O.A.C. 3333-1-09.1(B)(4) and (E)(2).

tuition and fees prior to applying an OCOG award.¹² As a result, students in community and technical colleges, and many branch campuses, usually do not receive OCOG awards, because their “state cost of attendance” is covered in full by their Pell grants and EFC. That is, the combined Pell/EFC amount generally exceeds the tuition and fees charged by each of these institutional sector-types in a fiscal year.

Nevertheless, there are exceptions to the “state cost of attendance” prohibition. For example, an OCOG award may exceed the “state cost of attendance” to cover housing costs for a student who is enrolled in a two-year institution of higher education and eligible for an Education and Training Voucher under the federal John H. Chafee Foster Care Independence Program.¹³ As another example, in addition to the “state cost of attendance,” a student may apply an OCOG award to housing costs and living expenses if the student is receiving federal veterans’ education benefits under the Montgomery G.I. Bill or the Post 9/11 G.I. Bill.¹⁴

Finally, a student who is enrolled for a semester or quarter in addition to the portion of the academic year covered by an OCOG award must receive an award amount that is a percentage of the maximum award amount. For a student enrolled for a fourth quarter, that amount must be one-third of the maximum amount. For a student enrolled for a third semester, it must be one-half of the maximum amount.¹⁵ As a result, as ODHE’s website indicates, a student enrolled in a community college, technical college, or a regional campus year-round, and who has exhausted their Pell grant for the year, may qualify for an OCOG award.¹⁶

¹² O.A.C. 3333-1-09.1(H)(2)(b).

¹³ R.C. 3333.122(D)(4). See also 42 United States Code (U.S.C.) 677.

¹⁴ R.C. 3333.122(D)(5). See also 38 U.S.C. 3001 *et seq.* and 38 U.S.C. 3301 *et seq.*

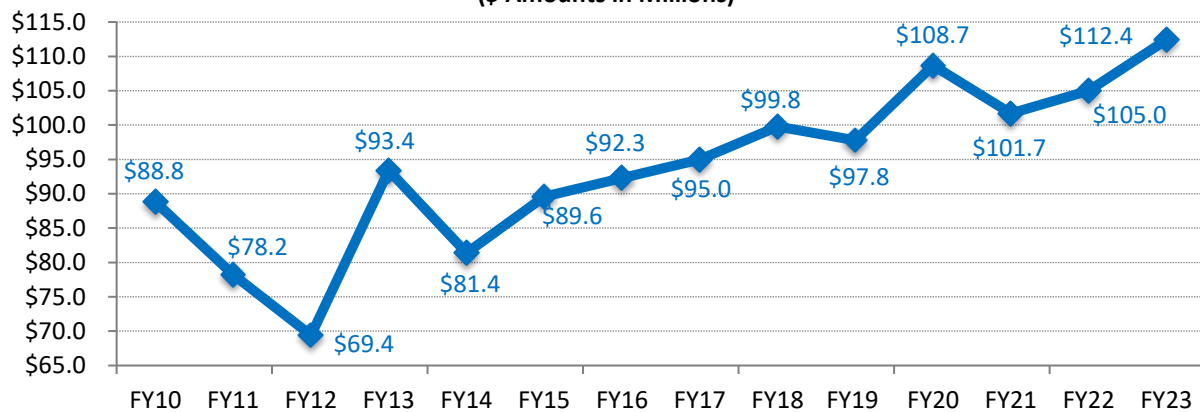
¹⁵ R.C. 3333.122(D)(3).

¹⁶ See [Ohio College Opportunity Grant \(OCOG\)](http://higher.ohio.gov/home) on ODHE’s website, which is also available at: higher.ohio.gov/home.

How is OCOG funded?

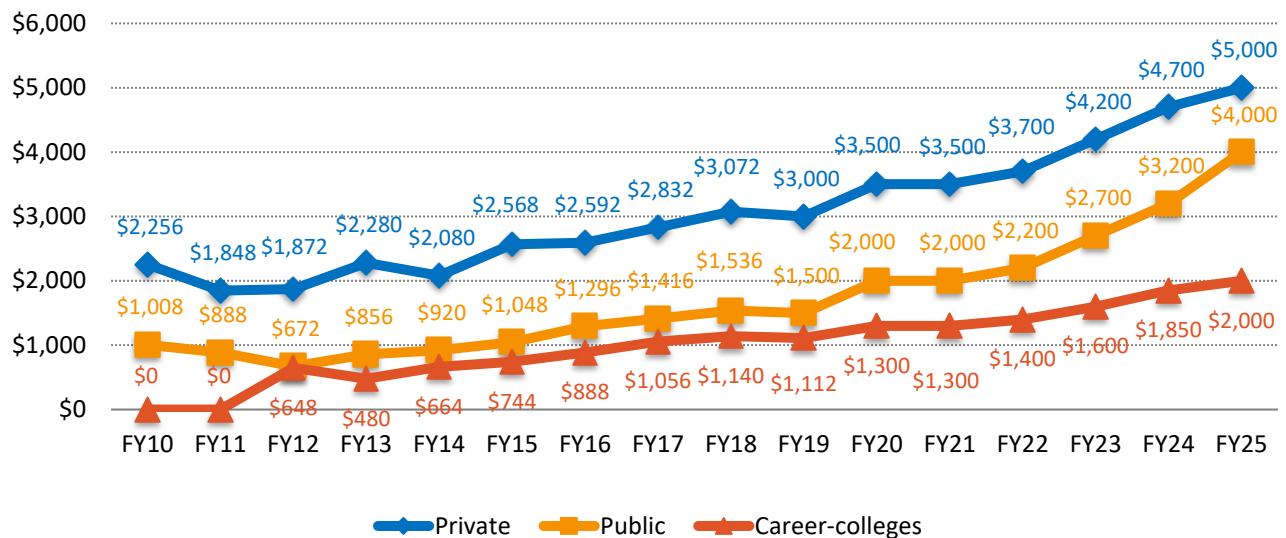
Chart 1 shows annual expenditures for OCOG since FY 2010, the year OCOG became the state's sole financial assistance program. Expenditures have generally increased each year since FY 2014. Exceptions are a 2.0% decrease between FY 2018 and FY 2019 and a 6.4% COVID-19 related decrease between FY 2020 and FY 2021. Expenditures increased 7.1% between FY 2022 and FY 2023. Spending for the program was \$112.4 million in FY 2023, 26.6% higher than spending of \$88.8 million in FY 2010. In each of FY 2024 and FY 2025, H.B. 33 appropriates \$200.0 million for the program. OCOG awards are supported through GRF line item 235563, Ohio College Opportunity Grant, under ODHE's budget. In FY 2012 and FY 2013, additional funding was provided from casino licensing revenue for OCOG grants for students enrolled at private, for-profit institutions through Fund 5JC0 line item 235667, OCOG-Proprietary. FY 2012 was the first year OCOG grants were awarded to students enrolled in these institutions.

Chart 1: OCOG Annual Expenditures – FY 2010-FY 2023
(\$ Amounts in Millions)



The general trend of annual expenditure increases for OCOG from FY 2014 through FY 2023 corresponded with similar trends in maximum awards over the same period of time. These trends can be seen in Chart 2, which shows the maximum awards for each sector from FY 2010 to FY 2025. As can be seen from the chart, after falling slightly in FY 2019, the maximum awards for all sectors have increased each year except for FY 2021 when they remained at the FY 2020 award levels due to executive-ordered budget reductions related to the COVID-19 pandemic. As mentioned above, maximum OCOG awards for FY 2024 and FY 2025 were established in H.B. 33. These awards represent significant increases. From FY 2023 to FY 2025, maximum awards increase by \$1,300 (48.1%) for an eligible student at a public institution of higher education; \$800 (19.0%) for an eligible student at a private nonprofit institution; and \$400 (25.0%) for an eligible student at a private career college.

Chart 2: OCOG Maximum Awards by Sector Type – FY 2010-FY 2025



What is the OCOG Reserve Fund?

In 2013, H.B. 59 of the 130th General Assembly created the Ohio College Opportunity Grant Program Reserve Fund (Fund 5PU0) to be used, if needed, to supplement GRF appropriations for the program. The revenue in Fund 5PU0 is from cash transfers from the GRF that are limited to the amount of GRF appropriations for OCOG that were not spent or encumbered by the end of each fiscal year.¹⁷ As of the end of September 2023, Fund 5PU0 had a balance of approximately \$18.7 million.

¹⁷ R.C. 3333.124.