

Draft Keynote Remarks for Kirk Cox
VBHEC Higher Ed Summit
October 11, 2017

- **Thank you, Paul Tribble, for that generous introduction.**
 - And thanks also for your service to our Commonwealth ... first in elective office ... and then, for 2 remarkable decades, leading the transformation of Christopher Newport into the excellent university it is today.
 - Thanks also for reminding us that, while our economy's future is closely tied to higher education, so, too, is the future of our Republic.
 - **There is no higher purpose for higher education than preparing young people to be good citizens and good leaders.**
 - And, having been a government teacher for my whole career, there's nothing I value more than the work that all of our schools and teachers—and so many of you—do to achieve that mission.

- **Speaking of our Republic, some of you know that, along with Sen. Norment, I am co-chairing the 2019 “American Evolution” commemoration.**
 - For those of us who grew up learning Virginia history in elementary school, 1619 is what our teachers called the “Red-Letter Year.” So, 2019 is the year we will be commemorating the—
 - 400th anniversary of representative government in the Americas
 - 400th anniversary of the beginning of the African-American story here
 - 400th anniversary of women's major contributions to the Colony; and
 - 400th anniversary of the first official Thanksgiving.
 - It's also a time to remember four centuries of innovation and entrepreneurship that began with America's original “startup”—at Jamestown.
 - Many of you and your institutions are already involved in major events and scholarly programs for this Commemoration, and I hope all of you will get involved in some way.

- The commemoration themes—democracy, diversity, and opportunity—go to the very core of what it means to be an American.
- And we see 2019 as a great opportunity to remind everyone, but especially our millennials, of the struggles and sacrifices through which these shared ideals have advanced over 4 centuries.
- That way, they’ll better appreciate why it’s now up to them to help continue this “American evolution” toward a more perfect union of liberty and justice for all.
- Now, I did not bring up the subject of 2019 and anniversaries just to put in that plug. It is also a good segue, because there are at least two other major anniversaries that year:
 - Of course, 2019 is UVA’s bicentennial, which is a very big deal for Virginia’s higher education system.
 - And it will also be the 25th anniversary of the group that is hosting us today, the Virginia Business Higher Education Council, and that’s a very big deal for Virginia’s higher education system, too.
- **I want to commend the three dedicated gentlemen who have chaired the Business Higher Education Council over those years—Til Hazel, Heywood Fralin, and now Gil Minor**
- **As well as the organization’s one and only president Don Finley, and all of the business leaders and college presidents who over these two-plus decades have contributed their time, talents, treasure, and vision to the Council’s vital work on behalf of higher education.**
 - My own legislative career has largely coincided with the Business Higher Ed Council’s quarter-century of existence, and over that time I have watched the group’s positive impact and have partnered with you on some very important projects.
 - In fact, it’s hard to imagine how any of the major higher education achievements and commitments of the last two decades would have happened without this crucial partnership between the business community, our higher ed leadership, and elected officials in both parties in state government.

- That list of achievements includes the major capital investments on our campuses, especially the more than \$5 billion that followed passage of the 2008 Putney bill, the late Lacey Putney’s crowning achievement.
 - It includes the 2005 Restructuring Act and the continuing work we are doing there to improve performance and outcomes.
 - It includes the Top Jobs Act of 2011, the 100,000-degree goal, and SCHEV’s plan to become the best educated state by 2030 – none of which would have passed, let alone passed unanimously, without the major push provided by your first Grow By Degrees campaign, and without Governor Bob McDonnell’s bipartisan commission that Tom Farrell and I were honored to lead and that included so many in this room.
 - In the last few years, we have worked hard to maximize higher education’s impact on the economy and job creation, and so we have had the chance to work closely together on initiatives like ... the GO Virginia push for regional collaboration, ... and the Virginia Research Investment Fund, ... and the workforce credentialing initiative.
- There is still a lot of work to be done—we are still struggling with slow economic growth and limited state revenues. But I personally am very proud of the fact that, for at least the last decade and a half, the House of Delegates has led the way with the largest investments in higher education and the most innovative reforms ... always in partnership with this dedicated group of business and higher ed leaders represented here.

- **Speaking of the work still to be done, I particularly want to applaud you all for launching the new “GROWTH FOR VIRGINIA” campaign this fall.**
- I have mentioned the role your Grow By Degrees program played in passing the Top Jobs legislation 6 years ago, and this latest campaign may be even more timely and important. Let me tell you why:
 - First, there is a lot of criticism coming higher ed’s way these days, and you cannot remind people too often that the future of this Virginia economy is closely tied to and depend on our higher education system.
 - Second, GROWTH FOR VIRGINIA is important because you are helping make sure that whoever becomes governor will be committed to higher education.
 - It is no small matter that both candidates for governor have been here this morning stressing their higher education plans.
 - It won’t surprise you that I am partial to Ed Gillespie’s plan—I think it is excellent and he will provide the leadership to get it done—but my point is that both candidates are here responding positively to your agenda, and that is encouraging. It will make our work in the Legislature much easier.
 - Third, and probably the most important thing about GROWTH FOR VIRGINIA, is the collaboration it reflects between our higher education institutions and the business community.
 - Business know-how and business voices bring enormous additional credibility to the discussion when the focus is growing the economy.
 - The policy agenda you have developed on talent, innovation, jobs and affordability will get more attention and support because it is the product of business leaders and college presidents working together.
 - It is very important that both our business and higher ed leaders engage all of the members of the General Assembly and bring them along with a full understanding of how higher ed is driving our economic future: our two- and four years schools, publics and privates, degrees and credentials, workforce development and research, business growth and job creation ... all of it.

- **We need much broader based legislative knowledge and support for higher education, and the business voices are a crucial part of achieving that.**
- **As we think about what comes next in higher education in Virginia, we have to keep foremost in mind that it will require a sustained long-term effort and a spirit of partnership between business, government, and our higher ed system.**
 - We in the General Assembly will keep working hard to make higher ed investment a priority.
 - But everyone knows there are not enough public resources now, and won't be enough anytime soon, to do everything we need and want to do in higher education.
 - So we have to do things differently—we have to be more creative; we have to collaborate more; and we all have to do our part to get this economy growing and producing more revenue.
 - I am convinced that a key reason our higher ed system gets top national results without top funding is because our schools have grown up entrepreneurially. They have had the flexibility to respond to the marketplace and develop top-ranked programs at reasonable cost. That flexibility is a key factor in your success, and we need to preserve it.
 - But, at the same time, it is a public system. The schools get billions of tax dollars for capital and operations, and so there has never been and won't ever be a blank check from the Commonwealth. We have to move forward as partners.
 - In a recent presentation to the Council of Presidents, I talked a lot about the need for a much stronger and broader partnership with business to improve job access for students: everything from better aligning curriculum so it meets employer needs, to providing more internships and experiential learning opportunities, to collaborating on research and startups.

Since much of today's program has been devoted to that topic, I'd like to shift my emphasis a bit and say a few words about affordability and access.

- If ever there was an area of shared responsibility requiring collective effort, this is it.
 - A lot of you have been frustrated by the populist finger-pointing that tends to occur in election years, when some politicians seem to place all the blame for high tuition and fees on the schools.
 - Frankly, a lot of us in state government who have worked hard for higher education over the years get tired of having the schools always pointing fingers at the State.
 - And the truth is, finger-pointing in either direction is a waste of energy. The responsibility for the cost of higher education is shared, and the solutions have to be shared. We have to work together.
- **On the schools' side of the equation, we need you to keep working on innovative ways to bend the cost curve -- because even in a comparatively efficient system like ours here in Virginia, there are opportunities for savings.**
- One area of opportunity is more voluntary collaboration between the schools on both instruction as well as administration. I know you've got another conference coming up on this very topic later this month, and I applaud your ongoing efforts to find efficiencies by working together.
 - That's the idea, by the way, behind our efforts to set up an authority to facilitate the online sharing of instructional resources across institutions. Technology opens the door to a lot of collaboration that was not possible even a few years ago.
 - Another area of opportunity is creating more affordable pathways to on-time degree completion. We need more dual enrollment, advanced placement, and transfer options.
 - And when students invest the time and resources to take advantage of those options, we need to make sure they are rewarded for the effort with transferrable credits, not discouraged by arbitrary restrictions.

- Another way to help schools bend the cost curve is to take the next logical step on both restructuring and the six-year planning process by working toward individualized performance agreements for all of the schools.
 - The goal should be to give schools more flexibility to manage and innovate while also making them more accountable for the institution-specific outcomes that are most important to students and to the Commonwealth ... outcomes like:
 - ✓ how many Virginians are enrolled
 - ✓ how many graduate on time
 - ✓ what kind of debt do they leave with
 - ✓ what are the internship opportunities
 - ✓ what is the success rate for landing jobs after graduation, and
 - ✓ how is the school going to take part in state and regional economic development and workforce initiatives.
 - The schools have different missions and situations, so a one-size-fits-all approach will not work. Plus, in a time of scarce resources, every school cannot be everything to everybody. **So a much greater focus on institution-specific outcomes is a reform whose time has come.**
- **On the state's side of the equation, we need to be better partners, too. We need to reinvest when we can and also make both funding and policy more stable and predictable.** How do we do that?
 - First, we need to take whatever opportunities we can find to reinvest and, in effect, buy down tuition. One idea that has worked before is to provide some optional additional funding that is tied to tuition restraint. This would be an incentive, not a mandate. The schools would not have to take the money, but if they did, they must use it to keep tuition increases down to certain stated levels.
 - Funding for financial aid is another important part of the affordability piece at the state level. It needs to be done smarter, and we have been working with you on that. We need to help both low and middle-income families.

- In terms of greater stability and reliability, we need to help you make long-range plans by keeping the annual gyrations in policy to a minimum. We need to create a more stable environment at the state level so the schools can manage efficiently and get the most from every dollar.
- A big part of that, of course, is making state funding more predictable. I don't have to tell you how hard this is right now: you know the challenges we face with a sagging state economy, federal budget sequestration and chaos, and unpredictable state revenues. But one thing that I hope we can begin to make some progress toward is reserving funds and avoiding the steep higher ed cuts and tuition spikes when there are economic downturns in the future.
 - I patroned the Top Jobs bill that included this idea, and I had a conversation with Bill Goodwin not too long ago that really put a fine point on why we need to move in this direction.
 - Bill made the statement that if there's one single, most important thing the State could do to improve efficiency and save money in higher education, it is stabilizing the state funding. He said all business people know uncertainty is one of the biggest cost drivers, and uncertainty about revenues is especially costly, because you are always hedging your bets and it keeps you from instituting longer term, sustained strategies to improve efficiency and reduce costs.
 - I have said how important business voices are, and this is one of those examples where my colleagues need to hear to what business leaders like Bill Goodwin are saying to us. At the same time, we need to be able count on the schools to be full partners in this effort by passing along the benefits of improved revenue stability and predictability to students and their families.

- **As the incoming Speaker, I am working with my leadership team and with members in both parties to take a fresh look at every aspect of how we function in Richmond. And I hope we can take a similar fresh look at higher education.**
 - We need to take this fresh look as sincere and committed partners, not only asking and expecting more of each other, but being willing to challenge our own assumptions and old ways of doing business, so that we can deliver more value and better results.
 - And as we cultivate this new spirit of partnership between business, higher education and state government, we all need to commit to partner more effectively with the students and families we serve.
 - Too many of them not only are paying too much and leaving campus with too much debt. They also have too few choices, and they get too little help making decisions that will affect them for their entire lives: choices about what school to attend, how much debt to take on, what degree or credential to seek, what courses they need, what options they have for getting credits, where the best internship and work-study options are, and so on.
 - If we want to turn around these polls showing people increasingly questioning the value of college, then I challenge all of us to focus on better serving students and families, making them better informed consumers, and expanding their options and choices. If we do so, more will view our **colleges, universities and community colleges as bridges to personal opportunity ... and everyone—from tuition-paying families to tax-paying voters—will enjoy a return on investment that is second to none.**
- Thank you for your time this morning. Thank you for all you do for our higher education system and to expand opportunity for all Virginians. I look forward to our continuing work together.