

Higher education is Virginia's top competitive asset ...

INVEST IN TALENT AND AFFORDABILITY

For our young people ... for our economy ... for our future.

Join Us! Thousands of business, education, and community leaders and active citizens across our Commonwealth are working to grow our economy and create opportunity for all Virginians by investing in *talent* development and college *affordability*.

Building on Virginia's chief competitive advantage—our top-ranked higher education system—we're promoting new and expanded partnerships between Virginia employers, our public and private colleges, and local school systems to attract, develop, and retain top talent, and to make great education and employment opportunities affordable and accessible for *all Virginians*.

Now is the time to invest in talent and affordability— for our young people ... for our economy ... for our future.

OUR GOAL: AFFORDABLE PATHWAYS TO MARKETABLE DEGREES AND GOOD JOBS ... AT HOME IN VIRGINIA

The talent and affordability issues both come down to this: *Virginians need affordable access to high-quality degrees and industry-recognized credentials that lead to good jobs and resilient careers in a dynamic and growing innovation economy. Either we will provide those opportunities so talented young people stay here in the Commonwealth, or we will lose both talent and business investment to other states.*

As business, education, and community leaders, we see this as a key to our Commonwealth's future. That's why we're urging the Governor and General Assembly to meet these challenges head on by:

- Increasing the state's higher education investment with a focus on talent and affordability;
- Creating and expanding business-education partnerships that provide affordable pathways to excellent Virginia-based internship and employment opportunities; and
- Supporting innovative initiatives that align the distinctive strengths of our diverse higher education institutions with the talent needs and potential of Virginia employers.

8 WAYS WE KNOW HIGHER EDUCATION DRIVES VIRGINIA'S ECONOMY!

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smartasset™

TOP-RANKED HIGHER EDUCATION SYSTEM IN THE UNITED STATES

As with SmartAsset's #1 ranking for the past 3 years, Virginia's higher education system consistently earns top rankings for quality, value, and return on investment—branding Virginia as a talent leader.

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HQ2
amazon

WINNING AMAZON'S HQ2 INVESTMENT ... THE RIGHT WAY

Amazon and state officials credit Virginia's standout higher education system and resulting tech talent pipeline as the reason Virginia won the Amazon HQ2 investment despite offering less financial incentives than other states.



REGAINING TOP HONORS AS BEST STATE FOR BUSINESS

Our best-in-the-nation education system and workforce were the main reasons cited by CNBC for returning Virginia to the #1 spot as the Top State for Business in 2019.



MAJOR ECONOMIC GROWTH, JOBS, AND REVENUE IMPACTS

Virginia's public higher education institutions each year contribute more than \$36 billion in Gross State Product, account for more than 167,000 jobs, and generate more than \$3.2 billion in state tax revenues for the Commonwealth.



A HIGHER EDUCATION SYSTEM THAT MORE THAN PAYS FOR ITSELF IN STATE REVENUES

Each tax dollar invested in Virginia's public higher education system generates more than \$21 in Gross State Product and returns \$1.92 in revenue to the State Treasury.

THE TALENT AGENDA

OUR GOAL: *Aligning innovative higher education instructional programs and student experiences with expected job opportunities and workforce needs, so talent develops and stays in Virginia and employers have the well-prepared workforce needed for growth*

Talent development and recruitment/retention require a multifaceted strategy, including these higher education investments that will address workforce priorities, drive economic growth, and create better job opportunities for Virginians:

- ✓ **HIGH-DEMAND DEGREES.** Strategic investments in high-demand two- and four-year degrees and industry-recognized credentials
 - Technology and other high-growth sector initiatives (e.g. *Tech Talent Investment Program; Commonwealth Cybersecurity Initiative; life sciences and bio sciences*)
 - Programs to address identified workforce shortages and regional skills gaps (e.g. *teaching and healthcare positions; skilled trades*)
 - Initiatives to keep talented Virginians in state for education and employment, and to attract top talent from outside the Commonwealth, especially for high-growth, high-demand sectors
- ✓ **EXPERIENTIAL LEARNING.** Internships and work-based learning initiatives
 - Using the new Innovative Internship Fund to create a major state-supported collaboration (among employers and business groups, higher ed institutions, and K-12 school systems) to establish learning-to-earning pathways and significantly expand systemwide access to internships and other experiential-learning opportunities
 - Innovative initiatives that integrate experiential learning in liberal arts curriculum to prepare resilient, well-rounded graduates ready for workplace success and active citizenship
- ✓ **INSTITUTIONAL PARTNERSHIP AGREEMENTS.** Using the new Institutional Partnership Performance Agreement (IPPA) statute to develop institution-specific initiatives and business-education partnerships that capitalize on schools' distinctive strengths in addressing state and regional economic priorities
- ✓ **EXPANDING ACCESS.** Initiatives that increase access to talent development and employment pathways for first-generation and under-represented students, working adults with partial college credit, and veterans.
 - Enhanced online educational options, community college transfer programs, and other alternative pathways to marketable degrees and credentials
- ✓ **RESEARCH AND INNOVATION.** Strategic investments in university-based research and collaborative entrepreneurial ecosystems
- ✓ **TALENT FOR TALENT.** Increased state support for attracting and retaining key instructional and research faculty talent, especially to support talent development in high-demand, high-growth disciplines

THE AFFORDABILITY AGENDA

OUR GOAL: *Enhancing affordable access for low- and middle-income Virginians to marketable degrees and credentials and good Virginia-based jobs; making sustained progress in moving Virginia away from its current status as a low-state-support, high-tuition system*

No single strategy can make postsecondary education accessible for all Virginians; progress on college affordability will require investment and reform, including some or all of the following approaches:

- ✓ **STUDENT FINANCIAL ASSISTANCE.** Improve affordability for low- and middle-income Virginians by increasing state support for financial aid at public higher education institutions, tuition assistance (TAG) grants at nonprofit private colleges, and workforce credential grants through the community college system
 - Greater state resources devoted to student financial assistance also helps moderate tuition by reducing the need for higher ed institutions to pay for financial aid through tuition revenues
- ✓ **TUITION MODERATION INCENTIVES.** Provide increased base funding that institutions can access through discretionary tuition moderation actions by their governing boards
- ✓ **EXPANDING ACCESS.** Initiatives that increase affordable access for low-income, first-generation, and under-represented students through community colleges, minority-serving institutions, and other access-focused programs
- ✓ **INTERNSHIPS AND WORK-STUDY.** Using the new Innovative Internship Fund to leverage employer investment and significantly expand internships and other experiential-learning opportunities that help students defray the cost of college
- ✓ **INSTITUTIONAL PARTNERSHIPS AGREEMENTS.** Using the new Institutional Partnership Performance Agreement (IPPA) statute to support institution-specific initiatives that promise longer-term affordability and predictability actions in exchange for sustained financial and regulatory commitments from the Commonwealth
- ✓ **AFFORDABLE PATHWAYS.** Expanding alternative pathways to more affordable degree and credential attainment, including increased dual enrollment, advance placement, community college transfers, online programs, and streamlined courses of study that enable expedited completion
- ✓ **CONTROLLING COSTS.** Improving institutional performance through reforms that bend the cost curve, including increased institutional and business collaboration, upgrading systems using new technology, and state regulatory reforms that emphasize managerial autonomy and outcome-focused accountability
- ✓ **STATE SUPPORT STABILIZATION.** Preventing tuition spikes during economic downturns and state revenue shortfalls through state and institutional reserves and/or a dedicated and reliable state funding source for higher education
- ✓ **TRANSPARENCY AND CHOICE.** Empowering students and their families to make more informed choices through enhanced academic and career advising and improved data and transparency regarding net price, likely student debt levels, and the return on investment (ROI) of particular degree and credential programs



VIRGINIANS SEE OUR HIGHER EDUCATION SYSTEM AS A SOUND PLACE TO INVEST

Large majorities of Virginians in both parties say we should be proud of our top-performing higher education system. 88% say our higher education system is a “valuable asset” of the Commonwealth and describe it as “well run” and a “sound place to invest public dollars.”



VIRGINIA'S TOP GRADUATION RATES PRODUCE A STRONG RETURN ON INVESTMENT FOR STUDENTS

With the 2nd highest graduation rates in the nation (more than 70%), Virginia's higher education system delivers a strong ROI for students. *SmartAsset* puts the average 20-year ROI of a 4-year degree from Virginia's higher education system at \$413,544.



THIS YEAR'S ZERO TUITION INCREASE SHOWS THAT WHEN STATE LEADERS INVEST, STUDENTS BENEFIT

Virginia is among the bottom 15 states in state support for higher education and among the highest 15 states for tuition. So when state leaders step up and invest, it makes a big impact on affordability for students. This year, all of Virginia's public colleges voluntarily froze tuition in response to a \$58 million state investment.

VIRGINIA'S TOP-PERFORMING HIGHER EDUCATION SYSTEM BY THE NUMBERS

#1 - Virginia higher education system's national ranking by *SmartAsset* based on graduation rates and return on investment

\$21 - generated in the Virginia economy by every \$1 of state investment in higher education

\$1.92 - revenue returning to the State Treasury for every \$1 of state investment in higher education

167,000 - jobs the public higher education system supports

\$36 billion - the Virginia higher education system's annual contribution to Virginia's economic output

93% - Virginians who say we should be proud of our top-performing higher education system

87% - Virginians who believe higher education is a good investment because it leads to higher incomes and a stronger economy

88% - Virginians who say our colleges and universities "are well run" and "are a sound place to invest public dollars"

BOTTOM 15 & TOP 15 – among the 50 states, Virginia now ranks in the bottom 15 for state support of higher education. Virginia relies more heavily on tuition, ranking in the top 15 highest tuition states

JOIN US!



QUESTIONS OR COMMENTS?

Please contact Dr. Don Finley, VBHEC president, at djfinley@vbhec.com / (804) 249-2889.

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