The Virginia Plan for Higher Education

Annual Report for 2017 to the General Assembly of Virginia
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Overview

Virginia faces a future in which higher education will play an increasingly important role. Virginians will need deeper and broader knowledge and skills to be engaged, productive participants in our evolving Commonwealth and its economy. At the same time, the demographics of the emerging generation are changing, as an increasing share of our youth will come from populations that historically have been underrepresented in both higher education and the highly educated sectors of our workforce. These changes transpire at a time when the cost of attending college has increased beyond the capacity of many Virginians.

The Virginia Plan for Higher Education is designed to identify trends that the Commonwealth must address if it is to prosper and succeed. Through input by higher-education partners, The Virginia Plan is intended to help guide a vision for Virginia’s future through a common framework. This framework is built on the premise that all partners in higher education must work together to help Virginia, its citizens and its regions.

The Value of Postsecondary Education

Achieving education beyond high school supports the prosperity of Virginia, its citizens and its regions. An educated population and well-trained workforce increase economic competitiveness, improve the lives of individuals and support community engagement.

Higher levels of education meet the skills needed by employers, as nearly all new jobs require more than a high-school degree.

Of the 11.5 million new jobs created since the great recession, 99% require workers with more than a high-school education. Only 80,000 jobs created since the recession required a high-school diploma or less.

Credentials and degrees add value to the Commonwealth. An educated population and well-trained workforce increase economic competitiveness, improve the lives of individuals and support greater community engagement.

Source: Georgetown Center on Education and the Workforce
According to the Georgetown Center on Education and the Workforce, 99% of the jobs (11.5 million) created since the great recession required workers with more than a high-school diploma. Only 80,000 jobs required a high-school diploma or less.

In addition to needing a postsecondary education to meet current job demands, individuals with an associate degree or greater are 38% more likely to have employer-sponsored health care than those with a high-school diploma. Communities and regions also prosper from higher levels of postsecondary education. Individuals with postsecondary education credentials are more likely to vote in elections and volunteer in their communities.

Individuals with higher levels of postsecondary education also provide a greater net benefit to taxpayers through increased tax revenues and reduced government expenditures through social security, Medicaid, Medicare and other services.

**Higher levels of education benefit the Commonwealth and its regions through greater tax revenues and lower government expenditures.**

<table>
<thead>
<tr>
<th>High School Diploma</th>
<th>Associate Degree</th>
<th>Bachelor Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tax Revenues</strong> $237,369</td>
<td><strong>Tax Revenues</strong> $333,373</td>
<td><strong>Tax Revenues</strong> $510,814</td>
</tr>
<tr>
<td><strong>Government Expenditures</strong> $211,431</td>
<td><strong>Government Expenditures</strong> $161,245</td>
<td><strong>Government Expenditures</strong> $129,762</td>
</tr>
<tr>
<td><strong>NET BENEFIT</strong> $25,938</td>
<td><strong>NET BENEFIT</strong> $172,128</td>
<td><strong>NET BENEFIT</strong> $381,051</td>
</tr>
</tbody>
</table>

Source: “It’s Not Just the Money,” Lumina Foundation

**Setting the Objective for Virginia to Be Best-educated State by 2030**

In the development of The Virginia Plan for Higher Education, the Council engaged stakeholders across Virginia to develop a long-term vision that supports the value postsecondary education offers its citizens, its regions and current and future businesses.

The vision focused on supporting higher education at all levels, including workforce credentials, such as industry certifications, state licensures, apprenticeships and certificates as well as traditional degrees. The objective was to ensure that 60% of working-age Virginians (ages 25-64) held a degree (associate or greater) and an additional 10% of the population held a workforce credential (postsecondary certificate, industry certification, state licensure or apprenticeship) based on U.S. Census data. In total, 70% of the population would hold some postsecondary credential by 2030; this,
based on current trends and estimates, would place the Commonwealth as the top state for educational attainment.

In addition to using the educational attainment rates to track Virginia’s best-educated state status, the rates by state also are used by many state ranking systems, such as those used to rank the best states for business, raising a family and making a living. Virginia scores in the top 10 for many of these other ranking systems. Also, the Commonwealth was ranked as the top state for public higher education in 2017 by Smart Asset based on its high graduation rate, low student-to-faculty ratios and high 20-year return on investment for graduates (see Appendix B, other indicators of economic prosperity for a full listing and trends).

**Virginia’s objective to be the best-educated state requires an increase in the percentage of working-age adults with a postsecondary credential to grow from 51% to 70% by 2030.**

While having a well-educated population is beneficial for Virginia, it also is important to ensure that additional credentials align with the talent needs of businesses and that the credentials earned are high-quality. In the coming years, through several state and national projects, Virginia will measure quality and assess how well credentials produced by educational institutions are meeting the demands of employers.

**Goals, Measures and Initiatives in Support of The Virginia Plan**

To meet this vision of becoming the best-educated state by 2030, the Council developed a framework for identifying key areas of focus, areas to measure progress and priorities for the coming years through goals, measures and initiatives. This included the following:
• **Goals (4):** Access and affordability, student success, investment and innovation, economic and cultural prosperity.

• **Measures and targets (6):** Awards, student success, affordability, research, price, economic prosperity.

• **Initiatives (6):** Developing and promoting of affordable pathways and pre-K-12 partnerships, seeking legislative changes to support sustainable public funding, recommending initiatives for further restructuring and shared services, measuring quality of undergraduate education, launching a communication strategy and promoting economic development through research.

This report provides an update on progress in each of these areas along with findings and recommendations.

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**Virginia’s Progress Toward Best-educated State Ranking by 2030**

Based on recent data produced by Lumina Foundation, about 51% of the working-age population ages 25-64 holds a degree or certificate — ranking Virginia sixth-highest among states in the percentage of those with a credential. While this percentage has increased over the last decade, other states also are increasing efforts to improve their education levels as part of state economic-development efforts.
Virginia ranks sixth in the nation for the educational-attainment rate of working-aged adults.

![Percentage of population ages 25-64 with a workforce credential, certificate, associate degree or higher](image)


Virginia is less competitive nationally (11th) for attainment rates of younger generations.

![Percentage of population ages 23-34 with an associate's degree or above*](image)

Note: Data do not include estimates for those with a workforce credential or certificate. These estimates are not available by age group. Source: American Community Survey, 2015 1-year Estimates, B15001.

While Virginia ranks high among its working-age population, additional analysis of individuals ages 25-34 with an associate degree or greater provides a potential indicator that this ranking could decline as the population ages: Virginia’s ranking slips to 11th when compared to other states for those with an associate degree or higher. Virginia’s educational-attainment rate of its 25-34 year old population is similar to the larger 25-to-64-year-old group with an associate degree or better (48%); however, other states such as Massachusetts, Minnesota and New York have much higher rates of attainment for their younger generation when compared with older populations.
The drop in this rate may be impacted by several factors, including four years of net out-migration of working age individuals compared to over a decade when Virginia experience net in-migration potentially due to the Commonwealth’s slower economic growth compared to other states and other states implementing strategies to improve their educational attainment rates to become more economically competitive.

**Virginia’s attainment rate varies by age.**

![Graph showing educational attainment rates by age](image)

The Commonwealth still remains regionally competitive, ranking first when compared to neighboring states — an important component to business attraction and expansion.

Attainment rates also vary by age in the Commonwealth. While 25-34 year olds have more postsecondary education than any other age group, these individuals also have the highest rate of *some college, no degree*. This could shift in the coming years as older adults earn degrees.

Although Virginia’s ranking in education attainment rates is high, gaps in education-attainment rates remain across the state by race and region. In rural areas of the state, only 27% of Virginians have an associate degree or higher. Only 31% of non-Asian minority Virginians hold an associate degree or higher — an estimated 20-percentage-point gap compared with the current total population of 51% with an associate degree or credential.
Gaps remain among rural areas of the state and minority populations when compared to the statewide attainment rate.

Sources: Lumina Foundation, Stronger Nation 2016; SCHEV staff analysis.

Progress on Measures and Targets

To track progress toward becoming the best-educated state, the Council developed six measures and targets that align with the goals and strategies of the plan. These measures serve as a baseline for future reports as data are available. The following table provides a brief overview of progress on each measure with further details provided for each measure in the sections after. Currently, only two measures are progressing toward their target by 2030; others are not progressing toward the 2030 target or are below their annual commitment.

<table>
<thead>
<tr>
<th>Measures and Targets</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targets for 2030</td>
<td></td>
</tr>
<tr>
<td>Awards: Degrees and workforce credentials</td>
<td>Progressing toward target</td>
</tr>
<tr>
<td>Success: Completion rates/gaps</td>
<td>Progressing toward target</td>
</tr>
<tr>
<td>Affordability: Cost of attendance as a percentage of family contribution and state and federal grant aid</td>
<td>Not progressing toward target</td>
</tr>
<tr>
<td>Research: Research expenditures</td>
<td>Not progressing toward target</td>
</tr>
<tr>
<td>Annual Commitments</td>
<td></td>
</tr>
<tr>
<td>Price: Undergraduate net tuition and fees as a percentage of family income</td>
<td>Below commitment</td>
</tr>
<tr>
<td>Economic Returns: Wages</td>
<td>Below commitment</td>
</tr>
</tbody>
</table>
Awards

Grant 1.5 million awards by 2030, including those that close the gap in unfilled jobs

Award completion is a primary measure to becoming the best-educated state. Current estimates include awards for associate degrees, bachelor’s degrees and certificates. Data are not included for private for-profit institutions as they are not collected by SCHEV.

In 2017, data for workforce credentials were added from data reported through the New Economy Workforce Credential Grant. SCHEV also continues to monitor graduate-level degree production and how that impacts the overall census data.

In 2016-17, Virginia’s public and private nonprofit institutions issued a total of 92,235 undergraduate degrees, certificates and workforce credentials. Including graduate degrees and certificates, the total awards for the same year was 121,902. SCHEV staff estimates Virginia will meet the target of 1.5 million by 2030 based on institution degree estimates (see chart, following). More information on awards is available through the SCHEV College Completion Scorecard: http://research.schev.edu/completions/completion_scorecard.asp.

Virginia remains on track to reach the 2030 target.
Success

Annually improve completion rates that close the gap between underrepresented populations and traditional students by 2030.

While Virginia ranks higher than average in public college graduation rates when compared to other states (based on the College Completion report published by The Chronicle of Higher Education), gaps remain in completion rates of underrepresented students and traditional students. Underrepresented students are those who are of minority race or ethnicity, receive Pell grant funding, are age 25 or older or represent regions of the state with lower education-attainment rates.

For Virginia to continue to produce the awards needed to be the best-educated state, a focus area must be to close the gaps in educational attainment. Currently, the gaps in completion using the SCHEV calculated student-success index among public four-year and two-year institutions are 9 percentage points and 13 percentage points, respectively. The student-index is a broader measure than traditional graduation rates as it includes all students, including full-time, part-time, transfer and first-time in college students. In addition, success is counted by students who either graduate at their institution or another institution or remain enrolled after the measurement time period.

Gaps in student success remain between underrepresented populations and non-underrepresented populations.

Completion/Success Index for Public Institutions

<table>
<thead>
<tr>
<th>Institution Type</th>
<th>Underrepresented Populations</th>
<th>Non-underrepresented Populations</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two-year public</td>
<td>28</td>
<td>41</td>
<td>13</td>
</tr>
<tr>
<td>Four-year public</td>
<td>65</td>
<td>76</td>
<td>9</td>
</tr>
</tbody>
</table>

Note: Underrepresented populations include those who are minority race/ethnicity, students ages 25 and older, low-income or from areas of the state in the lowest quintile for postsecondary attainment. Completion is measured by the student success index which includes students who graduate or remain enrolled at any Virginia institution within the measurement timeframe.

Source: [http://research.scheve.edu/gradrates/success_index.asp](http://research.scheve.edu/gradrates/success_index.asp) 2011-12 for 4-year/2013-14 for 2-year within 100% time frame
Over the past several years, the student-success and completion rates of both traditional and underrepresented students have increased. Success rates at four-year institutions increased 2 percentage points from 76% to 78%, while underrepresented students increased 4 percentage points from 67% to 71%; the gap between the rates decreased slightly from 8 percentage points to 7 percentage points.

Success rates at public two year institutions increased for several years, but recently declined. Economic growth and low-unemployment rates likely impacted success with the 2013-14 cohort. Enrollments and completions at two-year colleges are positively correlated with unemployment rates. Completion rates increase when unemployment is high as people seek postsecondary credentials to gain employment. When unemployment rates decline, individuals leave postsecondary education and return to work, often without a credential.

Both four- and two-year institutions are working to improve completion rates for students. This is signaled by increased retention rates. In addition, the community colleges recently launched a system-wide a student success effort using several national best-practice models.

Additional data by specific underrepresented populations (Pell status, age, and race) are available on the SCHEV research website:

http://research.schev.edu/enrollment/DistUnder_RepPop.asp
Student success rates have increased at public four-year institutions but gaps remain.

Completion/Success Index at Four-year Public Institutions

<table>
<thead>
<tr>
<th>Year</th>
<th>Underrepresented Populations</th>
<th>Non-underrepresented Populations</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>65</td>
<td>73</td>
<td>8</td>
</tr>
<tr>
<td>2009-10</td>
<td>63</td>
<td>72</td>
<td>9</td>
</tr>
<tr>
<td>2008-09</td>
<td>63</td>
<td>71</td>
<td>8</td>
</tr>
<tr>
<td>2007-08</td>
<td>63</td>
<td>71</td>
<td>8</td>
</tr>
<tr>
<td>2006-07</td>
<td>63</td>
<td>72</td>
<td>9</td>
</tr>
<tr>
<td>2005-06</td>
<td>63</td>
<td>70</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: [http://research.scheve.edu/gradrates/success_index.asp](http://research.scheve.edu/gradrates/success_index.asp)

Success rates at public two-year institutions have declined in recent years and gaps have grown.

Completion/Success Index at Two-year Public Institutions

<table>
<thead>
<tr>
<th>Year</th>
<th>Underrepresented Populations</th>
<th>Non-underrepresented Populations</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>28</td>
<td>41</td>
<td>13</td>
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<tr>
<td>2012-13</td>
<td>35</td>
<td>48</td>
<td>13</td>
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<tr>
<td>2011-12</td>
<td>35</td>
<td>47</td>
<td>12</td>
</tr>
<tr>
<td>2010-11</td>
<td>37</td>
<td>47</td>
<td>10</td>
</tr>
<tr>
<td>2009-10</td>
<td>37</td>
<td>47</td>
<td>10</td>
</tr>
<tr>
<td>2008-09</td>
<td>35</td>
<td>44</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: [http://research.scheve.edu/gradrates/Student_Success_bySubcohort.asp](http://research.scheve.edu/gradrates/Student_Success_bySubcohort.asp)
Affordability

Meet half of the cost of attendance for low- and middle-income students through expected family contribution and state and federal grant aid by 2030.

In order to maintain affordability and accessibility to higher education, the costs to attend college must be achievable — particularly for low- and middle-income students and families. The cost of attendance includes all related expenses including tuition and fees, room and board, books and supplies, transportation and personal costs.

Affordability is influenced by several interrelated factors including cost of attendance, state and federal financial aid, state support, and family financial circumstances. All parties — institutions, state and federal government and parents and students — contribute to making a college education affordable. The affordability measure attempts to include the many dimensions of affordability.

The Virginia Plan’s target is for that share to reach 50% by 2030. Over the last 15 years, the share has declined at both public two- and four-year institutions.

This decline is impacted by several factors, including:

- A decline in state funding to support the costs of higher education. In 2004, the state set a goal to meet 67% of the cost of education. This rate has continued to decline and currently state support is about 20 percentage points less at 47% of the cost of education. This has led to increases in tuition and fees for institutions to make up the difference in cost. In the last two budget cycles, when the state provided increases to higher education tuition increases were at their lowest in the last 15 years.

- Increases in non-education related fees. In addition to declining state funding, institution fees for non-education-related activities, including athletics, student services and transportation, also increased and led to higher costs to students. The growth rate of these increases has slowed in recent years. SCHEV recently recommended a reduction in the current cap in growth rate from 5% to 3%.

- Growth in the amount of financial need for students. The rising costs also impact the amount of financial need for low- and middle-income families. The state recently made one of the largest increases in state aid to support the growing gap in unmet need for students, which may help mitigate the decline in the most recent year.

The charts on the following page include data for 2015-16 and also include trends in the percentage of need met over the past 15 years.
Low- and middle-income families are below the 50% target of the percent of cost of attendance met through expected family contribution and state/federal grant aid.

### Percent of Cost of Attendance Met through Expected Family Contribution and State/Federal Grant Aid in 2015-16

<table>
<thead>
<tr>
<th></th>
<th>Two-year Average Cost of Attendance</th>
<th>Four-year Average Cost of Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-income</td>
<td>$15,180</td>
<td>$25,964</td>
</tr>
<tr>
<td>Middle-income</td>
<td>$16,250</td>
<td>$28,000</td>
</tr>
<tr>
<td>Target (50%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Percent of need met [http://research.schev.edu/fair/strategicplan3.asp](http://research.schev.edu/fair/strategicplan3.asp)
Cost of attendance calculations [http://research.schev.edu/fair/FA26_report.asp](http://research.schev.edu/fair/FA26_report.asp)

The percent of cost of attendance met through expected family contribution and state/federal grant aid has declined over the past 15 years.

Source: [http://research.schev.edu/fair/strategicplan3.asp](http://research.schev.edu/fair/strategicplan3.asp)

### Research

Increase Virginia’s research expenditures as a percentage of national totals by 30% by 2030.

Increases in academic research and development have meaningful consequences for the health and well-being of states’ citizens and economies. Public investment in research at colleges and universities spurs development of scientific and medical discoveries, new
medicines and treatments, and all types of innovations and inventions, which lead to patents, licenses and the commercialization of results.

While federal funding for research has remained relatively flat in recent years, this goal focuses on increasing the total share of research funding compared to other states. In federal fiscal year 2016, Virginia ranked 14th nationally in annual expenditures on research and development in higher education; this position has remained relatively unchanged since the mid-2000s even as the total dollar amount has doubled. The Commonwealth’s total share of expenditures compared to the national total was 2.04%. This marks a three year decline in the Commonwealth’s share of total expenditures since 2013. The target of this measure is to increase this share to 2.75% by 2030.

Recent efforts to establish the Virginia Research Investment Fund and Committee to strategically grow the Commonwealth’s research investments combined with institution strategies to increase their research may help this measure in the coming years.

The National Science Foundation annually updates data reported by institutions on all research expenditures (federal, state, private, institution, etc.). This information is available at [http://www.nsf.gov/statistics/herd/](http://www.nsf.gov/statistics/herd/).

**Virginia’s share of national research expenditures has declined the past three years despite growth in total research dollars.**
Price

Keep undergraduate net tuition and fees as a percentage of family income lower than the national average and less than 10% of low- and middle-income students.

Keeping undergraduate tuition and fees affordable for all families provides greater access to higher education. Measuring how Virginia compares as a percentage of the national average and based on low- and middle-income students allows the Commonwealth to track how tuition and fees may impact potential students and families. It also recognizes that Virginia families, on average, have higher incomes and can afford higher-than-average tuition and fees.

In 2016-17, Virginia’s percentage of family income for in-state undergraduate tuition and fees was 11% compared to the national average of 10.5%. The impact of tuition and fees is greater for individuals who are low-income. The percentage of family income needed for in-state tuition and fees net of Pell grants was 13.1% for low-income students and 10.3% for middle-income students — above the target of staying below 10%.

Virginia has continued to remain above the national average for the past three years. In addition, the tuition growth has had a greater impact on low- and middle-income students and families. From 2013-14 to 2016-17, the percentage grew from 10.1% to 13.1% for low-income students and 8.7% to 13.1% for middle-income families.

As mentioned in the affordability measure, this growth is impacted by declining state investment in public higher education (currently at 47% of the cost compared to the state’s goal of 67%) and rising costs in non-education-related fees at institutions, which result in higher tuition and fees for students and parents. In addition, Virginia continually ranks low compared to other states in state investment in higher education per student (41st at $5,139 per student) more than $1,800 below the national average of $6,954. States with low state support frequently have higher tuition and fees. As a result, Virginia ranks 11th in the nation in average tuition and fees per student.
Tuition and fees at Virginia four-year public institutions as a percentage of family income are higher than the national average and above the 10% target for low- and middle-income students.

Over the past three years, Virginia’s growth in tuition and fees has remained above the national average and had a greater impact on both low- and middle-income students and families. From 2013-14 the increase in tuition and fees as percentage of family income grew by 3 percentage points for low-income students and by 1.6 percentage points for middle-income students.

Tuition and fees as a percentage of family income have remained above the national average and increased for low- and middle-income students.
Economic Returns

Ensure that 75% of graduates earn sustainable wages three years after graduation.

While attaining a credential has been shown to improve an individual’s earning over his/her lifetime, an important aspect of higher education is to ensure that graduates earn sustainable wages. This amount currently is based on earnings at or above 200% of the federal poverty level. For a single-member household this is estimated to be $23,700 per year. Approximately 72% of graduates in 2012-13 earned sustainable wages in 2016 (three years after graduation). This estimate includes all graduates of associate and bachelor’s degree programs.

Virginia is below its annual commitment of ensuring 75% of graduates earn sustainable wages after three years.

While graduates from all degrees are impacted by the sustainable wages, the largest group falling below the 75% goal is associate-transfer. Associate-transfer degrees tend to have low wages in the first five years upon completion; however, at 10 years post-completion their earnings are equivalent to associate occupational/technical degrees and nearly equivalent to earnings of bachelor’s-degree holders 20 years post-graduation. Earnings also are impacted by major and not just degree: Some degree majors have a larger earnings premium than others.
Graduates with associate technical and bachelor’s degrees have earnings greater than the sustainable-wage target within three years.

Graduate Wages After Three years by Degree Type

<table>
<thead>
<tr>
<th>Degree Type</th>
<th>25th</th>
<th>Median</th>
<th>75th percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate Transfer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Associate Occupational/Technical</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bachelor’s</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sustainable wage*  
25th: $29,296  
Median: $41,095  
75th: $41,017

*Sustainable wage estimate based on individual earning 200% of poverty level or approximately $23,760 per year.  
Source: [http://research.schev.edu/EOM/EOM18_Report.asp](http://research.schev.edu/EOM/EOM18_Report.asp)

Findings and Recommendations

For the Commonwealth to remain economically competitive it must maintain a strong workforce and support the prosperity of its citizens. Virginia has a diverse higher-education system including public and private four- and two-year institutions. Investing in and supporting this system is critical to the competitiveness and growth of Virginia’s individuals, regions and businesses. This includes efforts that focus on attainment of workforce credentials, certificates and associate, bachelor’s and graduate degrees to meet employer demand.

For these reasons Virginia set an objective to become the best-educated state in the nation by 2030 as part of The Virginia Plan for Higher Education, the Commonwealth’s statewide strategic plan. To meet this objective, Virginia will need to increase the percentage of working-age individuals with a workforce credential, certificate or degree from 51% to 70%.

The current attainment rate of 51% places Virginia sixth-highest when compared to other states. While Virginia’s educational-attainment rates rank highly overall, large gaps remain for those who are underrepresented, including those who are of minority race/ethnicity, from rural areas of the state, or low-income.
In addition, Virginia is less competitive nationally (11th-highest) when comparing its attainment rates for its younger population. This is potentially a result of recent net out-migration of workers in the Commonwealth compared and other stats that are implementing efforts to improve their educational attainment rates to remain economically competitive.

Improving in this area will require a shared effort by the institutions, students and families, businesses, the Commonwealth and its regions.

Each year, the State Council of Higher Education for Virginia reviews progress on The Virginia Plan for Higher Education’s objectives, goals and measures. The following includes findings and recommendations to help reach Virginia’s best-educated state status. These are organized by The Virginia Plan’s goal areas.

**Provide affordable access for all**

**Implement a shared commitment to low tuition and fee growth.** While Virginia established a funding goal in 2004 of providing 67% of the cost of public higher education for in-state students, it has not been able to meet this commitment. For 2017-18, the estimated share of costs provided by the state is 47% — 20 points below the 2004 goal. Furthermore, a JLARC study of higher education found that increases in non-education-related fees such as those for athletics, transportation and student life significantly impacted the overall costs to students. Lower state funding combined with increases in non-education-related services means that more costs are passed to students and parents in the form of rising tuition and fees.

Keeping tuition and fee growth low requires a shared commitment by the state and institutions to:

- **Increase public investment in higher education.** For the past two years, tuition increases at public institutions have been the lowest in 15 years. This is largely due to increased state support to counter years of decline in the state-share goal from 67% to 47%. SCHEV annually provides budget recommendations for consideration and includes estimates based on the funding guidelines established by the state. This year SCHEV’s recommendations include support for basic operations, faculty recruitment and retention, maintenance of new buildings and investments in equipment.
- **Decrease costs at institutions.** To address the growth in non-education-related fees, SCHEV also recommends that institutions and the state support a reduction
in institutions’ annual increase of non-education-related fees from the current cap of 5% to 3% to reduce overall costs.

- **Meet the financial needs of students with less ability to pay:** While recent increases in state financial aid have helped close the gaps in financial need for students, the average percentage of need met is only 32% of the estimated cost. Meeting the gaps in need would help increase access and completion for students. SCHEV recommends an increase in state funding to address the growing gap in financial need.

**Increase alternative opportunities for students to attain an affordable credential.** Not all students will follow a direct path to a bachelor’s degree or are interested in achieving that level of education. Supporting affordable pathways includes a commitment to:

- **Improve the efficient use of transfer pathways.** A recent JLARC study found that students are not leveraging transfer credits from community colleges to four-year institutions efficiently. In 2018, SCHEV and institutions will work collaboratively to implement improved transfer pathways, as outlined in recent legislation and in alignment with SCHEV priorities.

- **Provide incentives to leverage transfer through increased funding for the two-year transfer-grant program.** SCHEV administers the transfer-grant program, which provides $1,000 annually for eligible students with an associate degree and an additional $1,000 for students who enroll in high-demand programs (engineering, mathematics, science, teaching and nursing) at a four-year institution. Students attending selected institutions are eligible for an additional $1,000. SCHEV recommends increased funding for this program to improve these pathways.

- **Support attainment of workforce credentials in high-demand areas.** In 2016, the General Assembly created the New Economy Workforce Credential grant. This program allows students to obtain an industry-based certification at two-thirds of the cost of the program. SCHEV recommends restoring funding for this program to meet employer demand.

**Drive partnerships between pre-K-12, institutions, economic development and business.** Studies indicate that college and career planning should begin in middle school to help better prepare and align coursework with students’ aspirations. In 2018, SCHEV and institutions will support career and college readiness efforts established through the new high school graduation and school accreditation requirements.

**Increase access and transparency of information to potential students.** To help students make more informed decisions on college and transfer options, in 2018, SCHEV will: (1) develop a college-transfer tool so students know what community-college courses will
transfer to a four-year institution; (2) facilitate the implementation of uniform financial-aid award letters, so all students know how much of the funds offered are through grants and scholarships versus loans; and (3) develop a student-focused site that provides information on Virginia-specific postsecondary options and the general steps to go to college that students, parents, counselors and college access providers can use.

**Optimize Student Success for Work and Life**

**Improve quality in higher education to meet student and employer expectations.** In 2018, SCHEV will monitor public institutions’ efforts to assess student learning in the core areas of critical thinking, written communication, quantitative reasoning and civic engagement as part of the implementation of the updated state policy on assessing student learning.

**Strengthen regulation of private-sector institutions to increase student protection.** In 2018, SCHEV will improve the process of revoking an institution’s certificate to operate for considerations of quality and protection of students and taxpayers through state code or regulation revisions.

**Identify and implement strategies that support student success and completion.** Many institutions have identified and implemented student access and success initiatives that support increased completion and lower dropout rates. SCHEV recommends state funding to support strategies at institutions. In addition, in 2018, SCHEV will leverage the newly formed Virginia College Completion team to identify and share state and institution strategies that support increased success rates for students.

**Drive Change and Improvement through Innovation and Investment**

**Support strategies that provide more stability in tuition and fees.** In 2018, SCHEV will work with policy makers to implement strategies developed by the Council that allow institutions to minimize tuition increases when limited state funding is available or a state budget cut occurs. This can include:

- Developing an institutional reserve fund.
- Allowing institutions to grow out-of-state student enrollments while maintaining in-state enrollment rates.
- Committing to a two-year budget to allow for a more stable and predictable planning cycle.
- Providing institutions with financial benefit commitments established in code as part of restructuring, such as interest on earnings and credit-card rebates.
**Foster collaboration and innovation through competitive grants.** In 2018, SCHEV will continue to issue competitive grants to institutions through the Fund for Excellence and Innovation that test innovative practices through one-time startup funding. The initial grants supported pathway programs that are expected to save first cohort of students $1,000 to $10,000 per credential received. SCHEV also recommends increased state funding for this program.

**Reduce textbook costs for students by offering more courses that use open educational resources.** With textbooks costs averaging between $600 and $1,100 per year, efforts to use free or low-cost textbook options can reduce education costs to students. In 2018, SCHEV will continue to support efforts through the Open Education Virginia Advisory Committee, the Virtual Library of Virginia (a multi-institution shared-services model) and other efforts to reduce textbook costs. In addition, SCHEV recently recommended increased funding to the Virtual Library of Virginia to support this effort.

**Advance the Economic and Cultural Prosperity of the Commonwealth and its Regions**

**Support collaborative research, development and commercialization.** Virginia’s public and private universities expended more than $1.46 billion in academic research in federal FY2016; however, the Commonwealth’s overall share of national expenditures has declined 4% in the last three years. These declines may affect Virginia’s ability to grow its economy in the coming years. In 2018, SCHEV will continue to provide support to the Virginia Research Investment Fund and Committee and will monitor implementation of the recently issued competitive grants that support research collaboration and commercialization.

**Identify key areas of research opportunity to strategically position Virginia as an economic leader.** In 2018, the Virginia Research Investment Council will implement strategies to guide Virginia’s research and innovation efforts. SCHEV recommends increased funding to improve state support in this area.

**Increase internships, work-based learning opportunities and support alignment of programs to meet worker shortages in high demand areas by growing partnerships with institutions, economic development and business.** Reported shortages in specific jobs and sectors such as IT and teaching, along with increasing expectations for students to have more work-based learning experiences, require increased efforts by the state and institutions to meet workforce demand. In 2018, SCHEV will support efforts by the
Virginia Chamber of Commerce, the Virginia Economic Development Partnership, Go Virginia and institutions to increase the alignment of education and workplace skills through efforts such as internships and project-based learning opportunities.

Details on items included in SCHEV’s budget recommendations for the 2018-20 biennium can be found here: Recommendations for the 2018-20 Biennium.
Appendix A: Updates on Initiatives and Activities from 2016

In an effort to prioritize approaches to improve educational attainment across the Commonwealth, the Council identified six priority initiatives for SCHEV staff to lead or coordinate in 2016. These areas focused on (1) pathways programs, (2) sustainable funding, (3) efficiencies and shared services, (4) quality in education, (5) communications and (6) research and economic development. The following is a summary of select activities related to the initiatives in 2016.

Pathways

Coordinate the development and implementation of programs that align resources from pre-K-12, colleges, universities and other public sources to ensure affordable, efficient and effective pathways for students in all parts of the state.

- Released recommendations for state, regional and local policymakers to improve enrollment in postsecondary education. SCHEV commissioned a report, “Landscape of Postsecondary Access Resources in Virginia” that included analysis of college-access resources across the state, identification of potential gaps in regions and suggested strategies to improve postsecondary access.
- Facilitated efforts to improve the transferability and quality of dual enrollment and general education courses at community colleges. Led by interests from the Governor’s office and the General Assembly (House Bill 1662 on Dual Enrollment General Education and Senate bill 1234 on Passport Credit), SCHEV staff formed an Advisory Committee on Dual and Enrollment and General Education Transfer to assist with the implementation of the two bills targeted towards improving the portability of community college coursework.
- Increased engagement with pre-K-12, higher education and college-access providers: In an effort to identify and support pathways to postsecondary education, SCHEV engaged with leaders at a state and regional level. This included presenting to the State Board of Education, meeting with secondary-school superintendents and serving on panels at the fall conference of the Virginia Association of School Superintendents and the annual meeting of the Virginia School Counselors Association and the Virginia College Access Network. In addition, SCHEV continued to hold state meetings with executive leaders on college access.
- Released recommendations to institutions for supporting students with disabilities as part of The Virginia Plan for Higher Education’s goal to provide student success for all. SCHEV staff released a report, “Examination of Access to Postsecondary Education for Students with Disabilities,” that assessed the challenges faced by students with disabilities in accessing and succeeding in postsecondary education. Staff are collaborating with the Virginia Board for People With Disabilities to create a state-level committee that will develop recommendations for improving the success of students with disabilities.

- Distributed funding and supported five affordable pathways grants to institutions. SCHEV staff continued to support grant recipients of the affordable pathways grants through the Fund for Excellence and Innovation. These grants are expected to save students $1,000 to $10,000 per completed credential. In June, SCHEV hosted a meeting with recipients to share practices and learn about trends in pathways form national speaker with the Lumina Foundation.

- Completed a report on teacher shortages in partnership with the Virginia Department of Education and submitted recommendations to the governor. Former Chair Gil Minor led the review with former State Board of Education President Billy Cannaday.

- Provided ongoing direct services to more than 18,000 underrepresented high school students. SCHEV staff continued efforts to underrepresented students at high schools across the state. This includes serving over 4,000 high school freshmen through the federally-funded GEAR UP program and 14,000 high-school juniors and seniors through the 1-2-3 Go! Initiative — Virginia’s three-steps-to-college program. This includes coordination with high schools to help students (1) prepare for college through College Nights activities in partnership with ECMC, (2) apply to college through College Application Week in November, (3) pay for college by applying for financial aid through the Super FAFSA project and celebrate college acceptance (Go!) through College Decision Day activities.

**Stable Funding**

Seek legislative changes that support stable and sustainable public funding for higher education, such as a constitutional amendment, a dedicated funding source, and a revenue-stabilization fund.
• Recommended strategies to support more stable funding through input from higher education stakeholders: SCHEV staff identified initial strategies beginning in March 2017 for Council. These strategies, grounded in further restructuring efforts as part of initiative three, were included in the SCHEV budget recommendations (see below). They included: allowing an institutional to maintain a reserve fund; growing enrollment of out-of-state students to allow for additional revenues; providing a refund to institutions of financial benefits established through restructuring; setting a two-year budget to allow for more predictable planning and reducing the allowable cap for annual increases in mandatory fees that are not related to educational programs.

• Issued budget recommendations aligned to priorities of Commonwealth based on goals of the Virginia Plan for Higher Education: SCHEV issued its annual recommendations to the General Assembly and the Governor in the areas of system wide operations, financial aid and capital outlay. The recommendations focus on efforts to improve access, student success, efficiencies and innovation, and economic and cultural prosperity.

Efficiencies

Review and recommend potential initiatives for further restructuring and shared services that enhance institutional and administrative flexibility and improve quality and efficiency.

• Identified and recommended options for further restructuring to the Governor and General Assembly: SCHEV staff worked with institutions to receive proposals for additional administrative and operating flexibility through the six-year planning process this summer. Staff found that many items identified could be handled administratively and worked with institutions to provide further clarification in these areas. The remaining policy-focused recommendations were presented through the SCHEV operating budget recommendations. This includes the recommendations identified above for sustainable funding and address inconsistencies in the certification process by removing the Level II education-related performance measures.

• Hosted more than 340 institution and state policy staff members at a conference on innovation and efficiency: In October, SCHEV partnered with institutions in a “Partnering for Progress” conference featuring more than 90 poster exhibits and talks to share innovations and efficiencies in the areas of student support services, academic best practices and administrative functions. All public institutions participated in the event.
- Evaluated options for additional shared service partnerships with institutions: Through the Fund for Excellence and Innovation, SCHEV provided funding to the Virginia Community College system to study options for expanding its shared-service facility to other higher-education partners.

Quality

Collaborate with institutions to measure the quality of undergraduate education, including civic engagement of graduates and relevance to demand occupations across regions of the state.

- Approved a policy and began implementation of an assessment of student learning and quality in undergraduate education. In July, the Council approved the assessment policy, based on the agreed-upon premise that “high-quality college education must promote students’ intellectual and personal growth in ways that equip them to succeed in work and life. Higher education seeks to impart learning that is broadly relevant, intellectual skills that are rigorous and widely adaptable, and dispositions and knowledge that contribute to a productive role in one’s personal and social relations.” Institutions will submit their plans in summer 2018 (the community colleges will submit in November 2018).

- Hosted a conference on civic engagement education and assessment: To support an added requirement assess to assess civic engagement in the assessment policy, SCHEV partnered with the College of William & Mary to host a meeting on how institutions can respond to the new expectation. More than 140 individuals representing 50 public and private two- and four-year institutions attended the one-day event.

- Completed implementation of SCHEV’s policy on course credit for Advanced Placement, Cambridge, College Level Examination Program and International Baccalaureate: Following Council’s approval of the Virginia Public Higher Education Policy on Course Credit for AP, Cambridge, CLEP and IB, in March 2016, SCHEV staff solicited implementation plans from institutions and reviewed them during the 2016-17 academic year. The review process has been completed and reported to the General Assembly.

- Developed draft regulatory changes to improve private sector regulation: SCHEV staff have developed language to improve the process of revoking an institution’s certificate to operate for considerations of quality. The proposed regulatory language has been shared with the Career College Advisory Board. Staff are currently engaged in developing a plan to gain approval through the regulatory process.
● **Developed a draft informational resource on private sector regulation:** SCHEV staff have created a statement on the nature and scope of certification to operate in Virginia. The statement will be presented for Council endorsement in January 2018. Following approval it will be posted, along with a suite of information resources related to quality and student protections.

● **Produced sample reports on wage and debt outcomes for Council consideration:** In July, SCHEV staff provided sample reports of wage and debt outcomes currently available and proposed the development of a data and policy strategic plan. Council has established a task force to work through 2018 on the plan.

**Communication**

Launch a communications strategy to address public knowledge and benefits of higher education, through Council reports, traditional media, social media and other means.

- **Increased media outreach of SCHEV initiatives and reports:** Professional (or “earned”) media reports about SCHEV initiatives reached an estimated 246 million impressions (opportunities for readers, listeners and viewers to learn about activities SCHEV led or supported in 2017), equivalent to paid advertising worth $2.3 million. Social-media posts by and about SCHEV reached 6.4 million impressions; SCHEV’s Twitter followers now number more than 1,000 (up from approximately 400 in 2016). The weekly Commonwealth of Education newsletter has 1,100 subscribers after its first year (from 80 subscribers at launch), with 94% satisfaction reported in a recent subscriber survey.

- **Presented The Virginia Plan for Higher Education to more than 870 individuals at 15 meetings and events:** Peter Blake and leadership staff continued to engage leaders from the business, pre-K-12 and higher education community regarding The Virginia Plan for Higher Education and the Commonwealth’s objective of becoming the best-educated state by 2030. This included meetings with local Chambers of Commerce, the Virginia Business Council, the Virginia Board of Education and other higher education stakeholders.

- **Initiated the development of a student-focused website and brand to increased awareness of postsecondary options:** Staff gathered input from community-access providers, SCHEV’s Executive Roundtable on College Access in Virginia and others to identify how to resent information to high school students about postsecondary options in Virginia. The resources gathered will be provided
through a student-centered website that is expected to be tested in spring 2018 with select high schools and access providers.

Research
Promote economic development for the Commonwealth by implementing a long-term plan that supports recruitment and retention of research faculty, provides matches to federal and private research grants and enhances commercialization of higher-education research.

- **Issued grants to two institutions to help bring research to market in the areas of life sciences and cyber-security:** Through the leadership of the Virginia Research Investment Committee, SCHEV staff developed a call for proposals and coordinated the review of applications through a panel of subject-matter experts and venture capitalists to serve as the external-review team.

- **Led assessment of a research-asset study:** SCHEV contracted with TEConomy Partners to create an assessment of the Commonwealth’s research assets in higher education, federal facilities and the private sector. These findings are intended to inform the Research and Technology Strategic Roadmap; the Research Investment Committee, the 2018 legislative session and the Council’s broader considerations of academic research.

- **Collaborated with the Virginia Economic Development Partnership and the Virginia Chamber of Commerce to align strategies for economic development with The Virginia Plan for Higher Education:** SCHEV staff worked with both partners in their strategic plan development to ensure alignment of their strategies with the goals of The Virginia Plan and the Commonwealth’s objective to become the best-educated state by 2030.
Appendix B: Related Indicators

In addition to the main measures and targets provided in the preceding section, SCHEV developed related leading indicators to further identify trends that may impact measures and targets and Virginia’s objective to be the best-educated state.

These indicators include:

1. Enrollments
2. Remediation
3. Persistence and retention
4. Average-time-degree
5. Student debt
6. Loan default rates
7. Other indicators of economic and cultural prosperity
8. Wages (long-term)

**Enrollments**

Changes in enrollment can identify potential barriers to access and impact award outcomes if other factors such as retention and completion remain constant. Since 2009 (the start of the great recession), the rate of growth slowed for all institutions and declined in more recent years for community colleges.
These data partly correlate to the low growth in the number of high-school graduates in a similar time period. This growth is expected to remain relatively flat over the next eight-10 years.
### High School Graduates in Virginia
**Actual and Estimated (2001-06 to 2021-22)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Grand Total</th>
<th>Private Schools</th>
<th>Public Schools</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>76,992</td>
<td>7,395</td>
<td>69,597</td>
<td></td>
</tr>
<tr>
<td>2006-07</td>
<td>80,910</td>
<td>6,913</td>
<td>73,997</td>
<td>5.1%</td>
</tr>
<tr>
<td>2007-08</td>
<td>84,625</td>
<td>7,256</td>
<td>77,369</td>
<td>4.6%</td>
</tr>
<tr>
<td>2008-09</td>
<td>86,162</td>
<td>6,511</td>
<td>79,651</td>
<td>1.8%</td>
</tr>
<tr>
<td>2009-10</td>
<td>88,003</td>
<td>6,492</td>
<td>81,511</td>
<td>2.1%</td>
</tr>
<tr>
<td>2010-11</td>
<td>89,297</td>
<td>6,402</td>
<td>82,895</td>
<td>1.5%</td>
</tr>
<tr>
<td>2011-12*</td>
<td>89,956</td>
<td>6,620</td>
<td>83,336</td>
<td>0.7%</td>
</tr>
<tr>
<td>2012-13*</td>
<td>89,890</td>
<td>6,611</td>
<td>83,279</td>
<td>-0.1%</td>
</tr>
<tr>
<td>2013-14*</td>
<td>88,589</td>
<td>6,099</td>
<td>82,490</td>
<td>-1.4%</td>
</tr>
<tr>
<td>2014-15*</td>
<td>87,856</td>
<td>5,935</td>
<td>81,921</td>
<td>-0.8%</td>
</tr>
<tr>
<td>2015-16*</td>
<td>88,707</td>
<td>5,848</td>
<td>82,859</td>
<td>1.0%</td>
</tr>
<tr>
<td>2016-17*</td>
<td>87,930</td>
<td>5,570</td>
<td>82,360</td>
<td>-0.9%</td>
</tr>
<tr>
<td>2017-18*</td>
<td>90,456</td>
<td>5,494</td>
<td>84,962</td>
<td>2.9%</td>
</tr>
<tr>
<td>2018-19*</td>
<td>90,213</td>
<td>5,203</td>
<td>85,010</td>
<td>-0.3%</td>
</tr>
<tr>
<td>2019-20*</td>
<td>89,790</td>
<td>4,935</td>
<td>84,855</td>
<td>-0.5%</td>
</tr>
<tr>
<td>2020-21*</td>
<td>89,657</td>
<td>4,772</td>
<td>84,885</td>
<td>-0.1%</td>
</tr>
<tr>
<td>2021-22*</td>
<td>91,059</td>
<td>4,595</td>
<td>86,465</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

*Estimated

Notes: School Year refers to the K-12 calendar running fall to spring and may include graduates from any point in that school year, including the summer after the year end. Private Schools Total includes schools not supported primarily by public funds, religious and nonsectarian, but not including homeschool students. See Appendix C Technical Information and Methodology at www.wiche.edu/knocking.


### Remediation

In Virginia, enrollment in remediation courses is primarily at the community-college level. Since 2009-10 the percent of first-time in college, in-state students enrolling directly from high school has decreased. Over a similar time period, Virginia’s community colleges have worked to reduce remediation rates through improved methods of testing and greater engagement with the high-school population through programs such as high-school coaches. In addition, high schools have worked to
improve the college readiness of individuals through adjustments in curriculum requirements, including changes to graduation requirements.

![Percentage of Students in at least One Remedial Course](image)

Source: [http://research.schev.edu/enrollment/r2_details.asp](http://research.schev.edu/enrollment/r2_details.asp)

**Persistence and Retention**

A leading indicator of completion and success rates is student persistence, primarily in the first to second year. Over the past six years, retention rates have increased but the gaps between the underrepresented student and traditional students (non-URP) persists, similar to gaps in completion rates.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public 4-year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under-represented Pop.</td>
<td>82%</td>
<td>82%</td>
<td>83%</td>
<td>84%</td>
<td>84%</td>
<td>84%</td>
</tr>
<tr>
<td>Traditional (non-URP)</td>
<td>87%</td>
<td>87%</td>
<td>88%</td>
<td>89%</td>
<td>89%</td>
<td>89%</td>
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<tr>
<td><strong>Public 2-year</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under-represented Pop.</td>
<td>52%</td>
<td>49%</td>
<td>53%</td>
<td>52%</td>
<td>49%</td>
<td>50%</td>
</tr>
<tr>
<td>Traditional (non-URP)</td>
<td>55%</td>
<td>53%</td>
<td>56%</td>
<td>56%</td>
<td>55%</td>
<td>57%</td>
</tr>
</tbody>
</table>

Note: Full-time, first-time in college and new transfer students
Source: [http://research.schev.edu/enrollment/DistUnder_RepPop.asp](http://research.schev.edu/enrollment/DistUnder_RepPop.asp)
Affordability for students can be impacted by how long it takes a student to receive a credential. Complete College America and institutions like VCU have calculated it can cost up to $50,000 for each additional year for an individual to attend college (beyond two years for an associate degree and beyond four years for a bachelor’s degree). This calculation is based on the added cost of attendance plus lost wages. Currently, the average time-to-degree for public institutions is greater than the expected years to complete but the rates for 2016-17 graduates are lower than graduates in 2015-16. Many institutions are working to reduce this average time and the average number of credits to complete a degree with strategies to help better guide students in course choices and majors to avoid needing to take additional courses to meet degree requirements.

### Average Time-to-Degree, Public Institutions Graduates 2016-17 and 2015-16

<table>
<thead>
<tr>
<th></th>
<th>2016-17 Ave. Time-to-Degree (Elapsed Years)</th>
<th>2015-16 Ave. Time-to-Degree (Elapsed Years)</th>
<th>2016-17 Ave. Credits-to-Degree</th>
<th>2016-17 Ave. Credits-to-Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public two-year colleges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTIC, Full-Time at Entry</td>
<td>3.6</td>
<td>3.9</td>
<td>78</td>
<td>112</td>
</tr>
<tr>
<td>FTIC, Part-Time at Entry</td>
<td>6.2</td>
<td>6.4</td>
<td>82</td>
<td>92</td>
</tr>
<tr>
<td>Public four-year colleges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTIC, Full-Time at Entry</td>
<td>4.5</td>
<td>4.5</td>
<td>128</td>
<td>135</td>
</tr>
<tr>
<td>FTIC, Part-Time at Entry</td>
<td>6.4</td>
<td>6.5</td>
<td>120</td>
<td>122</td>
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<tr>
<td>New Transfer, Full-Time at Entry</td>
<td>3.5</td>
<td>3.5</td>
<td>85</td>
<td>88</td>
</tr>
<tr>
<td>New Transfer, Part-Time at Entry</td>
<td>4.3</td>
<td>4.3</td>
<td>68</td>
<td>69</td>
</tr>
</tbody>
</table>

Source: [http://research.schev.edu/completions/completion_scorecard.asp](http://research.schev.edu/completions/completion_scorecard.asp)
**State Funding**

State funding for higher education has important role in helping to reduce the cost of education for students in the form of tuition and fees. Over the last two decades, state support for higher education has decreased from a low of 77% of the share of education provided by the state in 2001-02 to 47% of the share provided by the state in 2015-16 based on SCHEV staff analysis of tuition and fees (http://schev.edu/index/reports/schev-reports/2016-17-tuition-and-fees-report).

*The tuition policy required out-of-state students to pay 100% of cost, but had no cost-share requirement for in-state undergraduate students. Calculation based on the average appropriated cost of education.

**The goal of the tuition policy was for in-state undergraduate students to pay 25% of the cost. Calculation based on the average appropriated cost of education.

***The goal of the tuition policy is for students to pay 33% of the cost. Calculation based on average guideline calculated cost of education.
Student Debt

Similar to national trends, total debt and the number of borrowers in Virginia has increased steadily over the past 20 years. However, many students graduate with no debt at all — 59% of associate degree and 37% of bachelor’s degree students had no debt upon graduation. The amount of debt one borrows and the borrower’s ability to pay back the debt is dependent on wage earnings after college. Earnings can vary by program area.

![Virginia Student Debt, Associate Degree](chart)

![Virginia Student Debt, Bachelor's Degree](chart)

Student Loan Default Rates

In addition to student debt, monitoring default rates helps to ensure that students are able to repay their loans upon completion — or in some cases without completing. Currently, Virginia’s loan default rates are below the national average of 11.5%. In 2014, 10% of students were in default of their loans three years after entering repayment.

![2014 Student Loan Default Rates](chart)

Other Indicators of Economic and Cultural Prosperity

As mentioned, becoming the best-educated state will make the Commonwealth successful only if the economy and its citizens continue to grow and prosper. As a result, the council also set additional indicators to monitor to serve as leading indicators for the Commonwealth’s potential to meet its objective and as potential outcome indicators if the Virginia continues to grow its educational attainment rates.

<table>
<thead>
<tr>
<th>Other Indicators of Economic and Cultural Prosperity</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best State for Higher Education</td>
<td>Smart Asset</td>
<td>--</td>
<td>---</td>
<td>#2</td>
</tr>
<tr>
<td>Top States to Live in (Quality of Life Score)</td>
<td>CNBC</td>
<td>#22</td>
<td>#25</td>
<td>#16</td>
</tr>
<tr>
<td>Top States for Business</td>
<td>CNBC</td>
<td>#8</td>
<td>#12</td>
<td>#13</td>
</tr>
<tr>
<td>Best States to Make a Living</td>
<td>Money-rates.com</td>
<td>#7</td>
<td>#4</td>
<td>#3</td>
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<tr>
<td>Best States for Business</td>
<td>Forbes</td>
<td>#4</td>
<td>#7</td>
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<tr>
<td>Best States to Raise a Child</td>
<td>Child Well-Being (Kids Count, AECF)</td>
<td>#9</td>
<td>#14</td>
<td>#11</td>
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<tr>
<td>Chance for Success (EdWeek)</td>
<td>#9</td>
<td>#9</td>
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<tr>
<td>Quality Counts (EdWeek)</td>
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<td>#12</td>
<td>#12</td>
<td>#14</td>
</tr>
</tbody>
</table>

Sources:
https://smartasset.com/studentloans/beststatesforhighereducation2017
http://www.cnbc.com/id/101758236
https://www.forbes.com/beststatesforbusiness/list/
http://www.aecf.org/resources/2017kids-countdatabase/
Wages
After graduation, individuals with degrees experience better wage outcomes over time than those with high-school diplomas alone.

Median Wages, 10 Years Post-Graduation

$27,223
High School

$45,000
Associate (Transfer)

$45,571
Associate (Technical)

$54,554
Bachelor's

Sources: http://research.schev.edu/EQM/EQM18_Report.asp for degree wages, U.S. Census Personal Income tables.