

**TESTIMONY BEFORE THE
SENATE HIGHER EDUCATION COMMITTEE
WEDNESDAY, MAY 8, 2019**

**SUBMITTED BY
WESTERN GOVERNORS UNIVERSITY
Chancellor Rebecca Watts, Ph. D.**

Thank you, Chairwoman Kunze, Vice Chair Gavarone, Ranking Member Williams, and members of the Senate Higher Education Committee for the opportunity to speak with you today. I am Rebecca Watts, and I serve as Chancellor of Western Governors University (WGU) Ohio. My colleagues and I are honored to be a part of Ohio's work to successfully compete for business investment and jobs, by increasing the number of its citizens holding trusted postsecondary education credentials and relevant skills for employment in the 21st century workplace.

As a not-for-profit, accredited, online, competency-based university, WGU Ohio's programs help address the state's workforce needs in nursing, business, K-12 education, and information technology. Since our launch in June 2018, WGU Ohio's enrollment has grown to 3,141 students. WGU has produced more than 3,374 graduates in the state since the university's founding in 1997. Because WGU students can begin at the first of any month and graduate as soon as they have completed their program requirements, our enrollment and graduate numbers grow monthly. For WGU Ohio, 77 percent of our students work full-time and 71 percent come from underserved populations. Nearly half of our Ohio students are first-generation college students.

WGU Ohio is the result of language included in HB 49 of the 132nd General Assembly which allowed the Ohio Chancellor of Higher Education to recognize or endorse a regionally accredited, private, not for profit institution of higher education that was created by the governors of several states as an eligible institution of higher education for the purposes of providing competency-based education in the state. The Chancellor's recognition does not provide any public operating or capital assistance, a prohibition that was negotiated and agreed to by WGU, the Inter-University Council (IUC), and the Association of Independent Colleges and Universities of Ohio (AICUO). Pursuant to this agreement and prohibition, WGU Ohio does not receive state support or subsidies in any amount, including the State Share of Instruction (SSI).

Our programs complement the higher-education opportunities offered through Ohio's excellent public and private colleges and universities by providing an additional option for motivated

students who want to advance in their careers. Through expanded opportunities for affordable, accredited, high quality postsecondary education, more Ohioans will attain postsecondary credentials of value that enhance their career pathways and strengthen their abilities to support themselves and their families. Earning these credentials demonstrates that graduates have gained the knowledge and skills for in-demand careers that feed the future economic prosperity of our state.

Due to the recognition authorized in the prior budget, our students are able to participate in multiple financial assistance programs, including the Ohio College Opportunity Grant, the War Orphan Scholarship, and the Nursing Loan Program. As I indicated in testimony before the Joint Committee on Ohio College Affordability last July, affordability is central to our mission, and the availability of these programs to WGU Ohio students helps advance that mission. Affordability and collaboration are at the heart of our partnership with the Ohio Association of Community Colleges, which allows community college graduates to seamlessly transfer coursework to WGU to continue their education and achieve a bachelor's degree. Moreover, through our Responsible Borrowing Initiative (RBI), all WGU students who apply for financial aid receive a personalized Financial Aid Plan, which recommends that students borrow only their "unmet direct costs"—tuition and fees minus any grants or scholarships. RBI is producing the desired results. Since 2013, the average borrowing per year per WGU student (of those who borrow) has decreased by more than 40 percent, to an average of \$3,250 per year. Between July 2013 and June 2016, the average amount borrowed per WGU student decreased by 41 percent - a total savings of \$400 million.

The average time for a WGU student to earn a bachelor's degree is less than three years, at an average cost to the student of approximately \$16,000. This investment produces great returns quickly after graduation with an average increase in annual salary of \$12,500 within two years of graduation. WGU operates as a private, nonprofit university that is self-sustaining on per-student tuition of just over \$7,000 per year. For Ohio communities, this degree of affordability makes it possible for teachers, nurses, and other professionals to advance their knowledge and skills without taking on debt that would force them to leave their communities to seek higher

salaries in larger markets.

The 19 governors who founded WGU in 1997 saw the transformative power of competency-based education (CBE) as an academic model that reimagines higher education by measuring actual learning – competency – rather than time spent in a seat. The model is particularly well-suited to adult students who have some college experience but no degree. This is key in Ohio, as according to the Lumina Foundation’s *A Stronger Nation* 2018 report, Ohio has over 975,000 residents with some college experience, but no degree.¹ It is clear that there remains much work to be done.

WGU Ohio is committed to quality, affordability, and results. Our work is supported through our employer and community college partnerships as well as the expertise of an advisory board of Ohio leaders in business, K-12 education, information technology, and community colleges. These advisors assure that we understand the education-to-workforce needs throughout the regions and economic sectors in our state. We are grateful for their leadership and expertise.

Unfortunately, language in the substitute version of HB 166 still currently before the Ohio House jeopardizes much of what I have described above. Specifically, language that prohibits the Ohio Chancellor of Higher Education from granting or renewing recognition of WGU Ohio was added in the substitute version of the HB 166. If enacted, this language would render Ohioans enrolled at WGU ineligible to receive the Ohio College Opportunity Grant (OCOG), the Ohio War Orphans Scholarship, the Ohio National Guard and Reserve Scholarship, loans from the Nurse Education Assistance Loan Program (NEALP), and any other state-funded grant-in-aid. The current version of HB 166 also prevents WGU Ohio from working and sharing best practices for competency-based education with Ohio colleges and universities. To the extent we are unsuccessful in getting this language removed in the House, we would ask that the Ohio Senate protect WGU Ohio students by eliminating these provisions and restoring the bipartisan agreement that was enacted just two years ago.

¹ Lumina Foundation, *A Stronger Nation*, available at <http://strongernation.luminafoundation.org/report/2018/-state/OH>, last accessed July 13, 2018