

**Western Governors University**  
**Written Testimony Submitted to the**  
**Senate Finance Subcommittee on Higher Education**  
**May 23, 2017**

Chairman Gardner, Ranking Member Williams, and members of the Senate Finance Subcommittee on Higher Education, my name is Scott Pulsipher, and I am the President of Western Governors University (WGU). On behalf of WGU, thank you for the opportunity to submit written testimony on Sub. House Bill 49. We join other stakeholders to support the amended language included in the as passed by the House version of the budget to allow the Chancellor to recognize or endorse eligible institutions of higher education for the purposes of providing competency based education. This language was developed to address various concerns raised by the as introduced version of the budget and we respectfully ask for your favorable consideration.

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**Western Governors University**

Western Governors University (WGU), is the only accredited, nonprofit university in the country granting online, competency-based degrees at scale. WGU was established by 19 U.S. governors in 1997 to measure learning instead of time through the competency-based model, to make higher education more affordable while improving educational quality, to expand access to underserved populations, and to meet key workforce needs. The result of using this competency-based model is that 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. With an average increase in annual salary of \$12,500 within two years of graduation, the WGU student return on investment is less than two years. While created by governors, WGU operates as a private, nonprofit university that is self-sustaining on tuition of \$6,000 per year.

WGU offers high quality, competency-based online bachelor and master's degrees in four key workforce areas: Business, IT, Teacher Education, and Health Professions (including Nursing and Health Informatics). WGU confers 15% of all master's degrees and 5% of all bachelor's degrees in STEM teaching in the U.S., and the National Council on Teacher Education recently ranked WGU #1 in quality for secondary education and #16 in elementary education. In addition, WGU is one of the largest colleges of nursing in the U.S., was recently named a Center of Excellence in Nursing Education by the National League for Nursing, and is the fourth largest producer of bachelor's and master's degrees in nursing for minorities. WGU provides a unique, flexible pathway for working adults to demonstrate their competencies and graduate more quickly and affordably.

With student loan debt surpassing \$1.3 trillion nationally, WGU is committed to helping students make informed and responsible borrowing decisions. In 2013, the university

introduced education programs aimed at encouraging students to borrow only what they need. Since then, the average borrowing per student (of those who borrow) has decreased by \$3,250 per year, a 41% reduction. Debt at graduation has decreased annually since the program's launch. The average debt for undergraduate students graduating between July 1, 2015 and June 30, 2016 is \$16,862.

The current enrollment of over 83,000 represents students in all 50 states. WGU has awarded over 79,000 bachelors and master's degrees, including over 2,100 in the State of Ohio.

### **Competency Based Education**

WGU's online degrees are based on real-world competencies, what students need to learn and know, as opposed to seat time or credit hours. Our competencies are developed in collaboration with key employers, professional associations and academic experts, and are regularly updated to reflect current workforce needs. The focus of competency based education is ensuring that a student possesses the skills and knowledge that are necessary to be successful. Learning is self-paced, modular, and technology-based. Students are required to demonstrate what they know and are able to focus their study time on those competencies that they still need to learn. At WGU learning is measured through assessments, including objective tests, projects, papers, and presentations.

WGU, as the leader in competency-based education, has partnered with Congress and the Department of Education to create legislation and regulations that encourage innovation. WGU has also worked closely with accrediting organizations to assist to facilitate understanding and acceptance of the model, while setting a high bar for academic quality and integrity.

WGU is committed to sharing our knowledge and expertise. We deliver conferences and webinars for colleges and universities across the country to assist in the development of effective competency-based education programs. WGU also partnered with the U.S. Department of Labor to assist three colleges, including Sinclair College, in the development of competency-based education information technology programs.

### **State Affiliates**

Because of our focus on working adults and our student-centric approach that improves student outcomes, WGU sought to establish a greater contribution to local, state-level workforce needs while increasing the awareness of the WGU option among citizens who have some college, but no degree. In 2010, WGU established its first 'state-endorsed' presence, *WGU Indiana*, which was created by executive order of then Governor Mitch Daniels. Since then, WGU has expanded its state-endorsed campuses to five additional states, including Washington, Texas, Missouri, Tennessee, and Nevada. These state WGU operations have dramatically increased access and awareness of WGU's competency-based degree options, and have provided a rapid, notable increase in the number of qualified graduates for key workforce areas.

Enrollment growth, and subsequent completion, in each state-based university has significantly outpaced the student enrollment under our national model. WGU Indiana has increased enrollment from 250 students in 2010 to a current level of 5,100 enrolled students. When WGU Washington was established in April of 2011, there were 1,000 students enrolled. Six years later WGU Washington's enrollment is over 10,300 students.

#### ENROLLMENT GROWTH IN STATE-BASED UNIVERSITIES SINCE LAUNCH

WGU INDIANA	from 250	to 5,165	IN 7 YEARS
WGU WASHINGTON	from 1,000	to 10,223	IN 6 YEARS
WGU TEXAS	from 1,800	to 8,896	IN 5 ½ YEARS
WGU MISSOURI	from 450	to 2,487	IN 4 YEARS
WGU TENNESSEE	from 700	to 3,209	IN 4 YEARS
WGU NEVADA	from 900	to 2,392	IN 2 YEARS

#### **WGU Ohio**

WGU looks forward to the proposed partnership with the State of Ohio, Governor Kasich, the General Assembly, and Chancellor Carey. In order for the state to attain its goal of 65% of adults holding a credential or degree by 2025, it is important to offer Ohioans who are not able to access the traditional models of higher education an additional educational opportunity. WGU's role is to be another option for those working adults seeking to improve their lives, and those of their families, through higher education. With over 1.2 million Ohio residents, having attended some college but holding no degree or credential, there is significant need to offer opportunities for these individuals to access higher education. We believe that WGU would serve as an additional option in higher education, to supplement the excellent institutions that already exist in the State of Ohio.

A snapshot of WGU students in the State of Ohio, illustrate that need:

- The average student age is 36; student ages range from 18-69.
- 73% of students are classified as underserved.
- 46% are first-generation college students.
- 17% are ethnic minorities
- 9% are active military, veterans, or military family members.

*"By partnering with an online, competency-based university, Ohio community colleges are once again responding to a call from Governor Kasich and doing our part to help increase the number of Ohioans who will obtain a bachelor's degree and advance in the workforce."* – Jack Hershey, President Ohio Association of Community Colleges.

The idea to expand online, competency-based education options for Ohioans, particularly adult students and workers, as well as the idea to establish more transfer pathways in the state that allow students to complete their first three years of education at a community college, were

both part of a higher education reform package offered earlier this year by Governor John Kasich.

In October of 2016 we were pleased to form a partnership with the Ohio Association of Community Colleges, that allows all Ohio community college graduates to seamlessly transfer their coursework to WGU in order to continue their education and achieve a bachelor's degree. Community College graduates receive a 5% tuition discount and have access to WGU's scholarship programs. In the time since signing the partnership, over 270 Ohio community college graduates have enrolled at WGU. We look forward to expanding the reach of this agreement, and providing an additional, high quality educational option for Ohio residents.

In closing, thank you for the opportunity to submit this written testimony to introduce WGU, discuss our student outcomes, and the impact that we believe WGU will have in meeting the State of Ohio's workforce development goals.