

**New York Joint Senate Standing Committee on Higher Education  
and  
Assembly Standing Committee on Higher Education  
Public Hearing: How COVID-19 Has Impacted Higher Education**

**July 28, 2020**

TESTIMONY OF

Rebecca Watts  
Regional Vice President, Western Governors University

## WRITTEN TESTIMONY

### **Introduction**

Chairwoman Stavisky and Chairwoman Glick, thank you for the opportunity to share my views with the subcommittee about the Impact of COVID-19 on Higher Education.

My name is Rebecca Watts; I serve as Regional Vice President for Western Governors University (WGU), the nation's leading nonprofit, online competency-based university. We were founded in the late 1990s to boost workforce competitiveness as the United States moved into the digital age, and to provide learning opportunities to students who were underserved by conventional offerings: working learners, rural populations, those who had started college elsewhere and not completed, low-income students, first-generation students, and students of color. We cultivate a student-first environment through faculty mentors for each individual learner, state-of-the-art technology, and data-driven decisions to improve learning outcomes, graduation rates, employment, and overall student wellbeing.

### **WGU Background**

Talent is ubiquitous. Opportunity is not. WGU's mission centers on the inherent worth and ability of every individual and the transformative power of education. Yet, work, family obligations, military deployments, financial constraints, lack of college readiness, and mental and emotional barriers can prevent individuals from pursuing credentials that could benefit their careers, their lives, and their families.

A bipartisan group of 19 governors created WGU in 1997 to address these barriers through an online, on-demand, competency-based learning model, driven by workforce-relevant curriculum, and personalized, student-centric faculty support. We were built by states to complement and supplement state systems and bring innovative, flexible, attainable educational opportunities to individuals who historically have not been well served by the higher education system.

In our 24th year we currently serve more than 2,500 New York enrollees with more than 3,900 alumni in the state. New Yorkers are among WGU's 123,000 current enrollees and over 190,000 graduates across all 50 states.

WGU proudly serves a diverse student body, with 70 percent of our students from one or more historically underserved population—first-generation students, low-income earners, students of color, and rural residents. All WGU programs are fully accredited by the Northwest Commission on Higher Education and focus exclusively on in-demand career areas: business, information technology, K–12 education, and health professions. Our students include more than 25,000 working nurses, many of whom have been caring for patients impacted by the COVID-19 pandemic. In addition, WGU is one of the nation's top providers of STEM educators and is the only institution to offer educator licensure programs in all 50 states.

WGU's focus is on student success, attainment, and value. In Gallup's most recent survey, 77 percent of WGU alumni respondents reported that their WGU education was worth the cost, compared to the national average of 38 percent of alumni respondents from all institutions. Of WGU alumni who responded to a Harris survey, 97 percent reported that they have recommended WGU to others<sup>1</sup>.

---

<sup>1</sup> WGU Annual Report 2019

<https://www.wgu.edu/content/dam/western-governors/documents/annual-report/annual-report-2019.pdf>

At WGU, we are committed to ensuring that cost is not a barrier to opportunity. Our low tuition and fees flat-rate model includes all learning materials and allows students to complete as many courses as they are able for the same cost. Our model is self-sustaining on average undergraduate tuition and fees of less than \$7,000 per year. Further, WGU works closely with our students to encourage responsible borrowing; as a result, only 57 percent of WGU undergrads borrow to pay for their education, compared with 69 percent nationally, and among WGU students who do take loans, their average debt at graduation is less than half the national average.

Competency-based education allows students to study and learn on their own schedules, moving quickly through what they know and taking more time to focus on what they still need to learn. Because it is all online and asynchronous, students can log in to study and take exams 24 hours a day, 7 days a week. While they study online, WGU students are not alone. Each student is assigned a Faculty Mentor who guides and supports them from enrollment to graduation.

### **Immediate Impact of COVID-19**

The COVID-19 crisis has dramatically illuminated the longstanding societal inequities driving economic instability for people of color and low socioeconomic status. Less than half of our high school students from the lowest socio-economic status enroll in higher education immediately after high school. This has dramatic and long lasting effects during times of economic uncertainty when educational attainment is one of the few factors proven to build resilience.<sup>2</sup> The Federal Reserve reports that 63 percent of workers with a bachelor's degree or higher have been able to work from home, while only 20 percent of those with a high school diploma or less have had the same opportunity.<sup>3</sup>

COVID-19 has placed particular financial pressure on place-based learning environments, exacerbating pre-existing conditions around pricing, enrollment, and financial sustainability. We have seen a rise in college closures since the pandemic, and more are expected. Finances are a major concern for most college presidents: 96 percent of those surveyed reported that they were very or somewhat concerned about unbudgeted expenses due to COVID-19.<sup>4</sup> Only 11 percent believe their institutions can return to normal operations within 12-18 months.<sup>5</sup> College closures create massive disruptions for students' lives and their likelihood of completing college.<sup>6</sup>

The effect of COVID-19 on students is stark as many students face the loss of family income and the challenge of navigating unanticipated online learning experiences, potentially without adequate broadband or sufficient support. Additional pressures include attempting to choose fields of study that will provide them with a sound return on their investment at a time when unemployment is at a record high and mapping out a plan of study on a fixed academic calendar at a time when they may only be able to reasonably predict their financial and time capacity one week at a time.

---

<sup>2</sup> The Pell Institution 2019 Historical Trends Report [http://pellinstitute.org/downloads/publications-Indicators\\_of\\_Higher\\_Education\\_Equity\\_in\\_the\\_US\\_2019\\_Historical\\_Trend\\_Report.pdf](http://pellinstitute.org/downloads/publications-Indicators_of_Higher_Education_Equity_in_the_US_2019_Historical_Trend_Report.pdf)

<sup>3</sup> Report on the Economic Well-Being of U.S. Households in 2019, with supplemental data from April 2020; <https://www.federalreserve.gov/publications/report-economic-well-being-us-households.htm>

<sup>4</sup> <https://www.insidehighered.com/news/survey/college-presidents-increasingly-worried-about-perceived-value-degrees>

<sup>5</sup> *ibid*

<sup>6</sup> <https://www.chronicle.com/interactives/20190404-ForProfit>

The COVID-19 pandemic has increased the urgency and flexibility with which higher education institutions must respond to students' needs through innovation. For example, students have always deserved access to flexible and high-quality education; however, the sudden and dramatic shift to online learning necessitates strong broadband and digital literacy initiatives. Developing solutions to connect all students must be prioritized.

As COVID-19 shutdowns devastate personal finances and economies, Americans need smart, quick solutions to get back to work. Common-sense affordability initiatives like providing aid for short-term credentials and degree options aligned to job opportunities must be elevated as policy priorities. With a pre-pandemic shortage of classroom teachers, innovative pathways are vital to filling workforce gaps and meeting the needs of today's students across the educational continuum, especially as classrooms are shifting to online and blended learning to accommodate the current crisis.<sup>7</sup> Nurses are also highly in-demand in a pandemic crisis, exacerbating previously projected shortages.

### **WGU Response for Students and with Partners in New York**

In May WGU set aside \$10 million in emergency aid funds to help current and new students experiencing financial and healthcare hardships as a result of COVID-19, with additional funding provided by private donors. Student support from the fund has been distributed for non-tuition emergency aid for rent, groceries, medical bills, internet service, and other essential needs. In addition, need-based scholarships for current and new students have been awarded as well as funding for students whose clinical and student teaching placements were disrupted by the pandemic.

WGU and City University of New York (CUNY) have partnered to develop customized support for CUNY faculty shifting to online delivery. A four-part webinar series—*Helping Bring the Classroom to the Screen*—begins today. This series is designed to support CUNY faculty members as they expand their strategies to engage students in online and hybrid learning environments. Funding for the series comes from a short-term planning grant from the Bill & Melinda Gates Foundation in support of WGU's work during the COVID-19 pandemic to assist traditional colleges and universities that serve a broader population of historically underserved individuals, including low-income students and students of color.

### **The Path Forward for Higher Education During and After COVID-19**

COVID-19 represents a crisis for higher education, creating challenges for enrolled students and traditional institutions. The pandemic is also dramatically reshaping the workforce, driving an urgent need for re-skilling and up-skilling, and exacerbating pre-existing equity issues. But, COVID-19 also accelerates disruptive trends that have long been at play in higher education, the consolidation of higher education institutions, including a move to online learning, and a transition from a time-based, credit-hour approach to a skills-based talent pipeline.

WGU unapologetically advocates for the transformational changes needed to build an education system that makes opportunity work for everyone. We want every learner—not just every WGU student—to have the pathways to opportunity that education provides. We have much work to do. We are committed to overcoming the barriers that keep learners from pathways to opportunity.

---

<sup>7</sup> <https://www.epi.org/publication/the-teacher-shortage-is-real-large-and-growing-and-worse-than-we-thought-the-first-report-in-the-perfect-storm-in-the-teacher-labor-market-series/>  
<https://www.aacnursing.org/News-Information/Fact-Sheets/Nursing-Shortage>

At WGU our fundamental belief is that higher education policy should first and foremost address the needs of students as they navigate pathways to opportunity in a time of economic disruption, and the barriers that exist for students in a post-COVID world. Policymakers have a critical role to play in understanding what students need from higher education now and in the future, and to shaping policy that facilitates that future. This moment represents a once-in-a-lifetime reshaping of the landscape of education and work, and both workers and learners need policymakers to develop a new framework for human capital investment.

### **A New Demand for Skills-Based Learning**

COVID-19 has dramatically accelerated the need for mid-career re-skilling and up-skilling, increasing the demand for education at an unprecedented scale. Survey data conducted throughout the pandemic show that over a third of workers expect they would need to change career fields if they lost their job, and would need additional education to do so.<sup>8</sup> But even those who have not lost their jobs—like most of America’s 3.3 million teachers suddenly grappling with how to teach online—are in desperate need of new skills to adapt to the changes that COVID has wrought. Our country’s need for education has never been greater, but this does not fit neatly into mainstream higher education offerings or policy.

### **A Shift to Online Learning and Modality**

Online learning proliferated in the 1990s, and adoption has continued to grow over time as bandwidth has improved. Online learning is a particularly critical modality for learners who are also working and caring for families. In Fall 2015, only 1.9 percent of financially dependent undergraduate students were learning exclusively online, in contrast with 27.1 percent of students who were financially independent and married with children.<sup>9</sup> But, as COVID-19 forced nearly every institution of higher education in America to discontinue traditional delivery, online learning became ubiquitous and is likely to continue to be dominant.

### **The Policy Response: Foster Innovation and Prioritize Student Outcomes**

COVID-19 has garnered a renewed need for transparency, both financially and academically. With so many students facing new and uncertain financial hardship, they need to understand the full cost of education and the expected return on their investment. By creating transparency around student outcomes, we are protecting our students as consumers.

We should also focus innovations around student support services, especially for nontraditional students. Too often we see graduation rates hovering around less than 60 percent of first-time, full-time students within a six-year period. For nontraditional students or underserved populations, on-time success is even harder. It is clear that we need to embrace new models that have the potential to serve these students better than they historically have been served.

We should also create flexibility in our systems to allow for innovative models that are proven to both create opportunities for students and address workforce needs. Encouraging competency-based education (CBE) is a great way to do this, as CBE models have been proven for decades to propel students into workforce success with a record equal to, if not better than that of traditional models.

---

<sup>8</sup> <https://www.stradaeducation.org/publicviewpoint/#dashboard>

<sup>9</sup> [https://nces.ed.gov/programs/digest/d18/tables/dt18\\_311.22.asp](https://nces.ed.gov/programs/digest/d18/tables/dt18_311.22.asp)

### **The Policy Response: Facilitate the Future of Learning-to-Earning**

Degrees are a powerful engine of social mobility, but they are not the solution to every up-skilling or re-skilling need. We must embrace a new generation of pathways to opportunity including short-duration, competency-based, earn-while-you-learn, on-the-job, and apprenticeship programs that can be expanded rapidly and stack into future opportunities.

Skills are rapidly evolving to be the currency of the labor market, and the marketplace needs agreement on the units of measure and the rules of exchange. Policymakers should embrace new opportunities to invest in human capital to enable skills-based, market-aligned education to dominate the higher education landscape. This framework must include the development of a digital open skills system for American workers and students to align the skills and competencies needed to effectively connect education to work. In a time of labor market upheaval, it is critical that job seekers be able to clearly articulate the value they bring to employers, including learning and skills from both academic and work-based contexts. Policymakers should facilitate the development of secure, student-owned Learning and Employment Records (LERs) to translate a worker's full education, skills, and work experience to a record of transferable skills that will open doors to opportunity.

### **Conclusion**

In closing, WGU stands ready, willing, and eager to collaborate with New York policymakers as well as other colleges and universities to reimagine the future of higher education and how it can align better with the needs of today's students. Thank you, once again, for the opportunity to provide written testimony to the Committee.