

Workforce Alignment

Tom Allison

Senior Associate for Finance Policy and Innovation

tomallison@schev.edu | @Tomallison

SHEEO Community of Practice

December 4, 2019



**STATE COUNCIL OF HIGHER
EDUCATION FOR VIRGINIA**

Outline

I. What We've Done

- I. Virginia Plan
 - I. Strategic Finance plan
- II. Tech Talent Investment Program
- III. Workforce Credential Grant

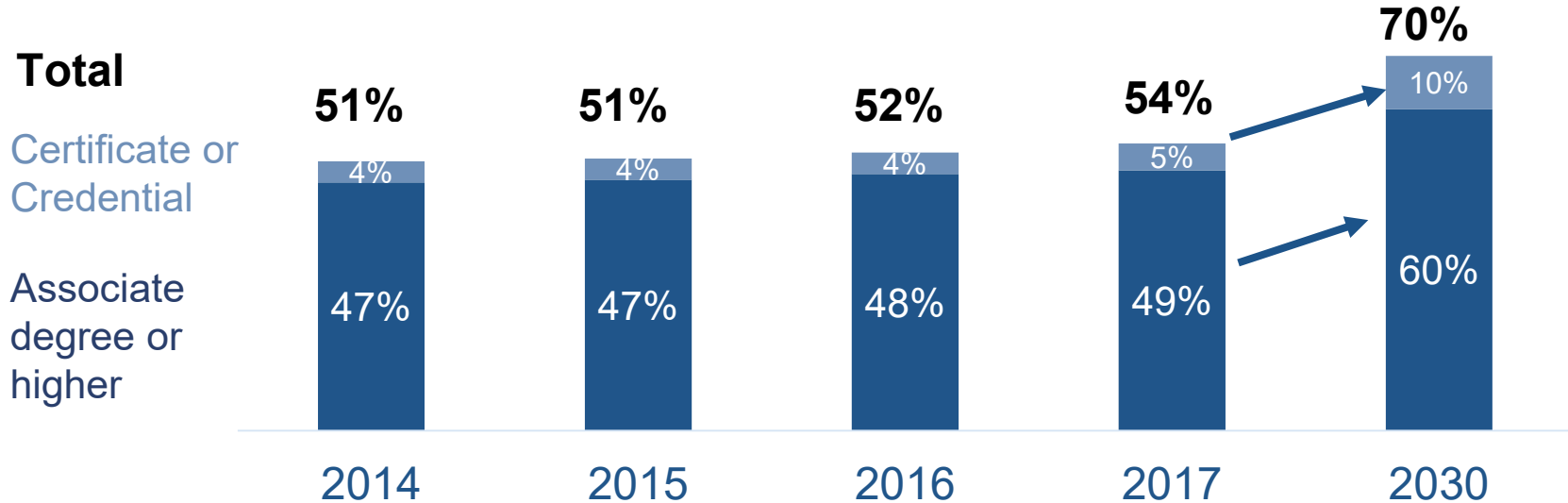
II. What We'd Like to Do

- I. Currently reviewing infrastructure and resources
- II. What (if any) new infrastructure do we need?

What We've Done

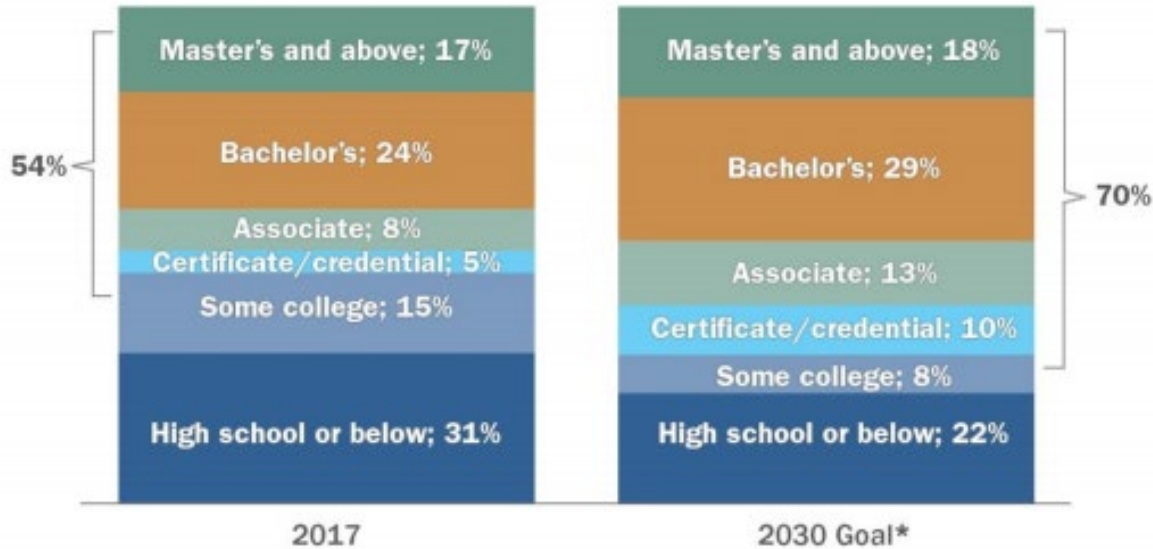
Virginia's goal to be best-educated state

Credential Attainment of Population Ages 25-64



Attainment Goal by Award Level

Virginia's Education Attainment by Degree Level - Current & 2030 Goal



Estimating the optimal mix of the credentials needed is challenging.

These estimates rely on current attainment levels, degree projections reported by institutions, third-party forecasts and labor market demand.

Attainment Goal by Award Level

The Number of Additional Credentials Needed to Meet Virginia's 2030 Goal

Credential Type	Current Attainment (18-54)	2030 Attainment	Additional Credentials Needed*	On track based on projections
Certificate	94,443	467,828	373,386	No
Associate	336,836	608,177	400,695	No
Bachelor's	1,552,021	2,198,793	646,772	Yes

* The number of associate degrees is increased by 20% of the Bachelor's degrees needed to reflect the students who will continue on to a Bachelor's degree.



**Strategic
Finance Plan
for Virginia**

Aligning Higher Education
Finances and Strategies



STATE COUNCIL OF HIGHER
EDUCATION FOR VIRGINIA

STRATEGY LABS

State Policy to Increase Higher Education Attainment



Tech Talent Investment Program

How Virginia sealed the deal on Amazon's HQ2, 'the biggest economic development project in U.S. history'

By MICHAEL MARTZ Richmond Times-Dispatch Nov 16, 2018

Virginia's top economic development official, who led negotiations with Amazon, said his state historically has been less generous than others in granting subsidies.

"Virginia is generally a relatively low-incentive state, typically the lowest incentives in the South," said Stephen Moret, director of the Virginia Economic Development Partnership.

"We wanted to win this in a Virginia way, and that was more about **emphasizing our assets**, in particular our stable, competitive business climate and **our outstanding education systems**," Moret said.

America's
**TOP STATES
FOR BUSINESS**

Best categories: Workforce (No. 1), Education (No. 1 – tied with Massachusetts), Business Friendliness (No. 3)

By **Robert McCartney**

November 13, 2018 at 8:22 p.m. EST

Amazon will benefit from government subsidies and investments totaling more than \$2.4 billion from Virginia, New York and Tennessee to build its new facilities, spurring complaints that taxpayers shouldn't be subsidizing one of the nation's most prosperous companies.

A big gap in the size of incentives promised by New York and Virginia also stirred concern in the Empire State — and quiet satisfaction in the Old Dominion — that Richmond had cut a better deal than Albany. In the largest single subsidy offered by each state, **New York offered tax credits equal to \$48,000 per new job, while Virginia agreed to workforce cash grants of \$22,000 per job.**

Tech Talent Investment Program

Virginia Pledges \$1 Billion for Tech Talent Pipeline

Eleven universities in Virginia have been promised just under \$1 billion in state funding to substantially grow their computer science programs.

By [Lindsay McKenzie](#) // November 8, 2019

[21 COMMENTS](#)

George Mason University (Bachelors)

Baseline Eligible Degree Production (based on AY 2018-19 submission): 307
 Est. % of New Eligible Degrees that are Reallocated Degrees (based on AY 2018-19 submission): 0%
 Est. % of New Eligible Degrees Produced from In-State Graduates (based on AY 2018-19 submission): 82%

Academic Year / Fiscal Year	Total Eligible Bachelor's Degree Production Commitment	New Eligible Bachelor's Degree Production Commitment Above Baseline	Cumulative New Eligible Bachelor's Degree Production Commitment Above Baseline	Awarded Operating Expense Support (\$GF \$)	Awarded Equipment Support (\$)	Awarded State Capital Support (\$)	TOTAL AWARDED STATE SUPPORT (\$)
19-20	316	9	9	2,301,844	-	-	2,301,844
20-21	327	21	30	4,075,259	1,171,041	13,950,987	19,197,286
21-22	340	34	63	4,075,259	651,127	1,131,161	5,857,547
22-23	355	48	111	4,075,259	724,108	1,131,161	5,930,528
23-24	371	64	175	4,075,259	814,326	1,131,161	6,020,746
24-25	389	83	258	4,075,259	920,869	1,131,161	6,136,308
25-26	411	104	362	4,075,259	1,073,314	1,131,161	6,279,733
26-27	428	122	484	4,075,259	889,257	1,131,161	6,095,677
27-28	443	138	620	4,075,259	742,660	1,131,161	5,949,079
28-29	456	149	769	4,075,259	825,557	1,131,161	5,831,977
29-30	456	150	919	4,075,259	-	-	4,075,259
30-31	457	150	1,069	4,075,259	-	-	4,075,259
31-32	457	150	1,219	4,075,259	-	-	4,075,259
32-33	457	151	1,370	4,075,259	-	-	4,075,259
33-34	458	151	1,521	4,075,259	-	-	4,075,259
34-35	458	151	1,672	4,075,259	-	-	4,075,259
35-36	458	151	1,823	4,075,259	-	-	4,075,259
36-37	458	151	1,974	4,075,259	-	-	4,075,259
37-38	458	151	2,126	4,075,259	-	-	4,075,259
38-39	458	151	2,277	4,075,259	-	-	4,075,259
TOTAL	8,419	2,277	79,731,768	7,621,278	7,621,278	23,090,276	119,353,312

Note: Award amounts for FY21-FY40 are subject to appropriation.

For Immediate Release: November 7, 2019

Contacts: Office of the Governor: Alena Yarmosky, Alena.Yarmosky@governor.virginia.gov



Governor Northam Announces Plans to Graduate 31,000 in Computer Science, Boosting Tech Talent Pipeline

Agreements with 11 Virginia universities resulted from HQ2 bid

PETERSBURG—Governor Ralph Northam today announced that Virginia will invest in the Commonwealth's tech talent pipeline to create 31,000 new computer science graduates over 20 years, under agreements he signed with 11 universities.

The Tech Talent Investment Program will benefit students and tech employers in every corner of the Commonwealth. It grew out of Virginia's proposal to Amazon, which will locate its second headquarters in Northern Virginia.

The program is a performance-based initiative designed to create at least 25,000 new bachelor's and master's degrees in computer science and related fields over the next 20 years. The agreements with the 11 universities will create 31,000 new degrees in these fields, exceeding the legislative goal. Funding for the Tech Talent Investment Program was provided in the Virginia budget approved earlier this year.

Workforce Credential Grant

- **Noncredit workforce training programs to prepare an individual to obtain an industry-recognized certification or occupational license in high-demand fields (as identified by Virginia Board for Workforce Development)**
- **Institutions receive one-third of the program costs (up to \$1,500) once a student successfully completes the program and another one-third of the cost (up to \$1,500) when the student receives the workforce credential**



Workforce Credential Grant

Results after three years:

- Majority of students are male adults with an average age of 35 years
- Completion rate: 92%
- Credential rate: 73%
- Earnings increased in almost all occupational fields. Individuals earning less than \$20,000 prior to enrollment had the highest increase in earnings.
- Program currently funded at \$13.5 million (through VCCS)



Workforce Credential Grant

Top 10 Credentials with the Greatest Number Attained in FY 2018

Training Program/Credential Type	Enroll	Complete Training	Complete Credential	Average Cost to Student*	Total State Payments for Training and Credential Completion*	Average State Payments per Credential Attained
Commercial Driver's License Class A	1,098	1,014	873	\$1,448	\$2,512,800	\$2,878
Welding (flux, gas and general)	397	378	298	\$672	\$429,342	\$1,441
Highway Construction	277	274	238	\$275	\$128,825	\$541
Medical Assistant	224	205	170	\$1,030	\$367,001	\$2,159
Phlebotomy Technician	196	169	114	\$727	\$191,997	\$1,684
Certified Nurse Aide	205	189	109	\$662	\$170,968	\$1,569
Power Line Worker	87	85	79	\$1,469	\$224,500	\$2,842
Welding	68	65	65	\$1,065	\$137,550	\$2,116
Core - Introductory Craft Skills	79	74	60	\$340	\$40,778	\$680
Electrical and electrical systems	62	57	54	\$560	\$48,136	\$891
Machining	75	59	50	\$494	\$39,740	\$795

*Average costs per student are based on the charges of 1/3 of the cost of the program if the student completes training.
Total state payments do not equal the allocation for FY 2018 of \$7.5 million due to how funds are obligated when a student enrolls. Payments are made at the time the training or credential completion are submitted to SCHEV.

What We'd Like to Do

Workforce Alignment Project

- **Entering new stage for strategic plan**
- **Growing interest in SCHEV's contributions to policy and budget planning**
- **Questions on value of degrees persist**
 - **Different audiences currently getting information from different sources.**

Workforce Alignment Project

- **Most reviews look at demand for jobs and supplies of workers**
 - Demand: Projected growth + retirements
 - Supply: Current workforce + award production
- **Fewer resources that identify degree shortages (demand – supply) and interpret results**
 - Need to talk to actual employers
 - Improve the SOC / CIP crosswalk
- **What decisions do those results inform?**
 - Program approval
 - Performance funding
 - Curriculum development

Workforce Alignment Project

- **Map current sources to assess supply, demand and shortages by various agencies.**
- **Identify practices in other states to support better coordination of supply, demand and workforce shortages.**
- **Recommend resources to inform policy decisions.**
 - Entity (advisory group? Agency?) needs to be consistent voice for Commonwealth, and respond to different questions from employers, legislators, administrators, students and faculty.

Workforce Alignment Project

Timeline

- October-December 2019: Preliminary discussions with state agencies regarding current availability of data, initial meetings with three to five states and mapping of entities that produce supply, demand and workforce shortage data. Update provided at January Council meeting.
- January-March 2020: Assess stakeholder priorities and resource needs. Update provided at March Council meeting.
- April-May 2020: Present draft report to Council.
- May-June: Modify report based on input from Council members and others.
- July 2020: Present final report to Council and transmit to community, including the Governor's Chief Workforce Development Officer.

Workforce Alignment Project

Let's talk about it!

- 1) What does your infrastructure to identify shortages of degrees look like?
- 2) What decisions are informed by those results?

Tomallison@schev.edu

@Tomallison

Thanks!