

Written Testimony Submitted on Behalf of Western Governors University

Joint Hearing of the Illinois Senate Education and Higher Education Committees

October 21, 2020

Honorable Chairmen and Members of the Senate Education and Higher Education Committees, thank you for the opportunity to submit written testimony on Illinois student college affordability and access.

Western Governors University (WGU) is the nation's leading nonprofit, online competency-based university with nearly 130,000 students in all 50 states and is squarely focused on providing a workforce-aligned education that meets the needs of working adults and underserved populations. Through WGU's four colleges (Information Technology, Business, Health Professions and Teachers) WGU focuses on the most in-demand workforce needs. In Illinois there are currently 3,881 students enrolled in WGU undergraduate and graduate programs. Of that population:

- The average age is 35 years old;
- 78% are employed full-time; and
- 75% are underserved (minority, low-income, first-generation college, and rural resident).

Of our 200,000 strong alumni base, more than 5,000 are Illinois residents.

Nineteen U.S. governors created WGU in 1997 to expand access to higher education—the surest path from talent to opportunity. Those governors believed college was becoming too expensive and disconnected from the workforce, failing to meet the needs of their state economies. They were concerned about barriers to degree attainment for disadvantaged populations and felt the existing model did not create an adequate pathway to career advancement for those stuck in poverty. These governors created WGU to be an affordable, innovative, results-driven educational institution that prepares students of all backgrounds for great jobs. WGU is designed to serve those who are **not served well** by traditional higher education options.

College should be the surest pathway to opportunity. And yet for the million students who default on their student loans each year, it is also a pathway to financial instability. WGU was founded on the premise that affordable access to workforce-relevant higher education intrinsically enables students to borrow less while achieving better outcomes—and our results demonstrate that commitment:

- The average cost to a bachelor's degree at WGU is less than \$17,000 relative to a national average of \$90,000. On average, WGU students earn their degrees in two and a half years compared to a national average of six years.
- In 2013, the university launched its Responsible Borrowing Initiative (RBI), a personalized student advising program aimed at encouraging students to borrow only what they need, not what they are eligible for. Since then, the average borrowing rate per student per year (among undergraduates who choose to take out loans) has decreased by 32%. Now the average debt at graduation for WGU students who borrowed is \$15,000—less than half the national average.
- 42% of WGU undergraduate students graduate with no debt at all.
- WGU's cohort default rate (CDR)—a measure of a school's federal student loan borrowers who defaulted within three years after entering repayment—is 4.1% compared to the national average of 9.7%, demonstrating WGU's commitment to students' long term academic and financial success.
- WGU's efforts to embed workforce-relevant skills and competencies into the curriculum have paid off for students. In a 2019 survey of graduates by Harris Poll Online, WGU graduates reported an average increase in salary of \$20,300 within four years of graduation, compared to an average of \$8,200 among other universities in the U.S.

At WGU, we often say that we won't rest. At WGU, we won't rest until students of every background have access to the opportunity afforded by a college education. WGU is an innovative, non-traditional institution of higher education whose students are achieving better-than-average outcomes. By continuing to expand student-centric, personalized pathways to higher education, we can ensure that every learner obtains an affordable degree or credential.

WGU is and can be a committed partner by providing educational opportunities to populations in Illinois that are not well-served by traditional higher education models. This particularly includes the nearly 1.8 million Illinoisans with some college but no degree. As a competency-based education provider, WGU can move students to degree completion much quicker and at significantly lower cost. And as a leader in distance education, WGU specializes in serving historically underserved student populations—especially those for whom time-bound and place-bound approaches to education simply don't work.

WGU is ready, willing, and able to partner with the state of Illinois to be part of much-needed solutions to remove barriers to opportunity and to improve the benefits of education so our neighbors and constituents attain better jobs and a higher quality of life. WGU looks forward to working with committee members to discuss the manner in which WGU can advance high-quality affordable higher education in Illinois.

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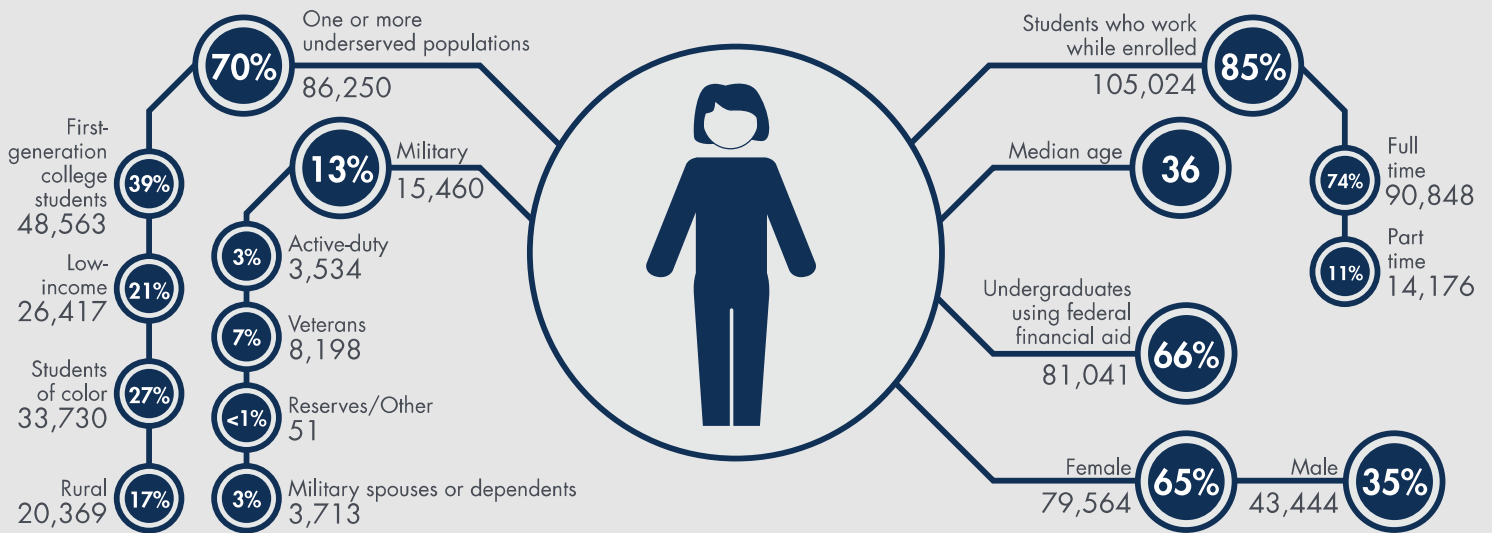
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WGU

REINVENTING HIGHER EDUCATION

Western Governors University (WGU) was founded by 19 U.S. governors as a nonprofit university with a purpose to change the lives of individuals and families. Today, WGU continues to transform higher education by improving quality, expanding access, and optimizing student success through online, competency-based degree programs aligned with workforce needs. By redefining curricular design, faculty models, student experience, accountability, and affordability, while heavily leveraging technology, WGU has reinvented higher education and is delivering great student outcomes.



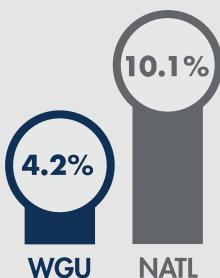
Total Full-Time Students 123,214

Data as of July 31, 2020

The vast majority of WGU students work full time and are over the age of 26. Aligned to our mission to expand access to all populations, WGU is proud to note that 70% of WGU students are classified as underserved in one or more of the four categories: ethnic minority, low income, rural resident, or first-generation college student.

3-year Student Loan Default Rate

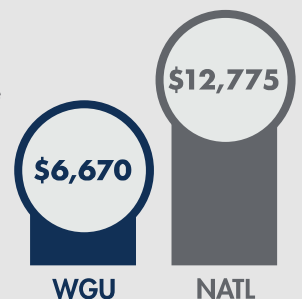
WGU's 3-year loan default rate is 4.2%, compared to the national average of 10.1%



of WGU grads strongly agreed they had a mentor who encouraged them, compared to 34% nationally
– Gallup Survey

Average Annual Tuition and Fees

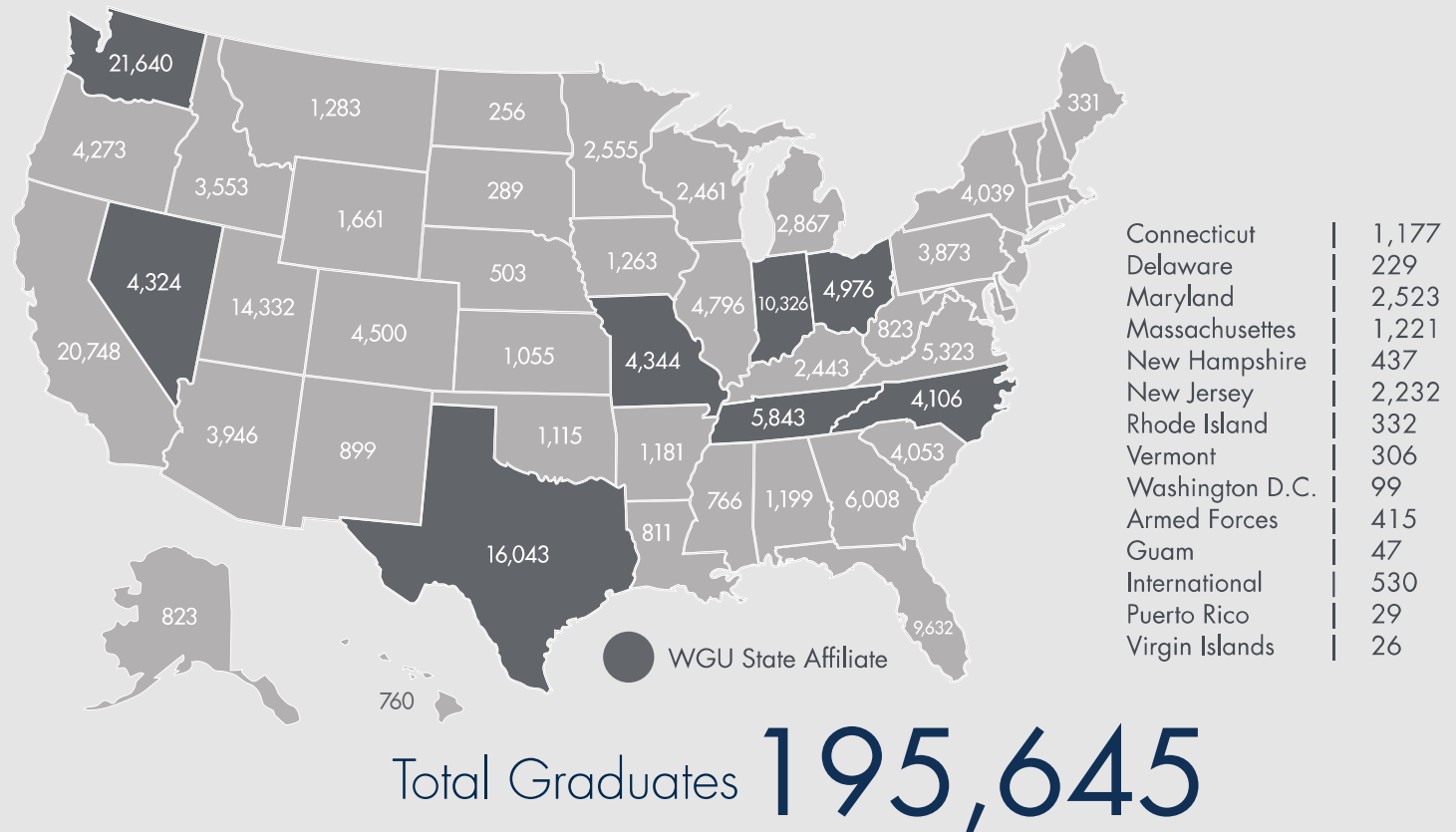
Most undergraduate programs



Meeting State Workforce Needs at Scale

- Competency-based education programs are highly-adaptable, allowing education and industry partners to create high-quality learning pathways that are affordable, scalable, and tailored to the future of work.
- Competency-based education measures learning rather than class time, allowing contemporary learners, especially adult students, to save time and money.
- All online and technology-enabled, WGU is a great option for rural residents, many of whom live miles from traditional brick and mortar institutions.

WGU Graduates in the U.S.



Data as of July 31, 2020

WGU Grads Exceed Employer Expectations

Based on a 2019 survey of 300 employers of WGU graduates by Harris Poll Online:

