

Study Resolution

Higher education cost efficiency

Authorized by the Commission on December 11, 2023

WHEREAS, the Virginia Higher Education Opportunity Act of 2011 set a goal to confer 100,000 more undergraduate degrees by 2025; and

WHEREAS, the State Council of Higher Education for Virginia reported that Virginia public four-year institutions charge more than the national average as a percentage of per-capita disposable income; and

WHEREAS, JLARC's 2022 *Higher Education and Financial Aid Grant Programs and Awards* found that a majority of in-state students had an average debt of nearly \$30,000; and

WHEREAS, the increasing cost of attendance and growing student debt burden may limit access to educational opportunities, and hinder growth in other sectors of the economy; and

WHEREAS, as evidenced by the latest six-year planning process, Virginia's higher education institutions have widely varying recent and projected student enrollment trends which may affect institutional revenue and cost structures; now, therefore, be it

RESOLVED by the Joint Legislative Audit and Review Commission that staff be directed to study the cost efficiency of public higher education institutions. In conducting its study, the Joint Legislative Audit and Review Commission shall (i) identify recent trends in student application, admittance, acceptance, enrollment, retention, and graduation rates; (ii) assess the alignment of degree offerings and attainment with current and projected skills needed to obtain employment and fulfill workforce needs in the Commonwealth's critical industry sectors; (iii) identify factors contributing to changes in institutional revenue levels and composition; (iv) identify factors contributing to changes in academic, research, academic support, administrative, facility, and auxiliary costs; (v) estimate institutional costs to educate an undergraduate student; (vi) identify current and projected institutional debt and debt service; (vii) identify major factors contributing to changes in institutional costs and students' cost of attendance; (viii) assess financial sustainability based on recent and projected enrollment, revenue, and cost trends; and (ix) identify opportunities to reduce the cost of public higher education.

JLARC shall make recommendations as necessary and review other issues as warranted.

All agencies of the Commonwealth, including the State Council for Higher Education in Virginia and all public higher education institutions, shall provide assistance, information, and data to JLARC for this study, upon request. JLARC staff shall have access to all information in the possession of agencies pursuant to § 30-59 and § 30-69 of the Code of Virginia. No provision of the Code of Virginia shall be interpreted as limiting or restricting the access of JLARC staff to information pursuant to its statutory authority.