



Virginia's Community Colleges and the Changing Higher Education Landscape

Senate Finance &
Appropriations Committee

In brief

Proportion of total enrollment that is academic transfer has declined; dual enrollment and CTE enrollment have increased.

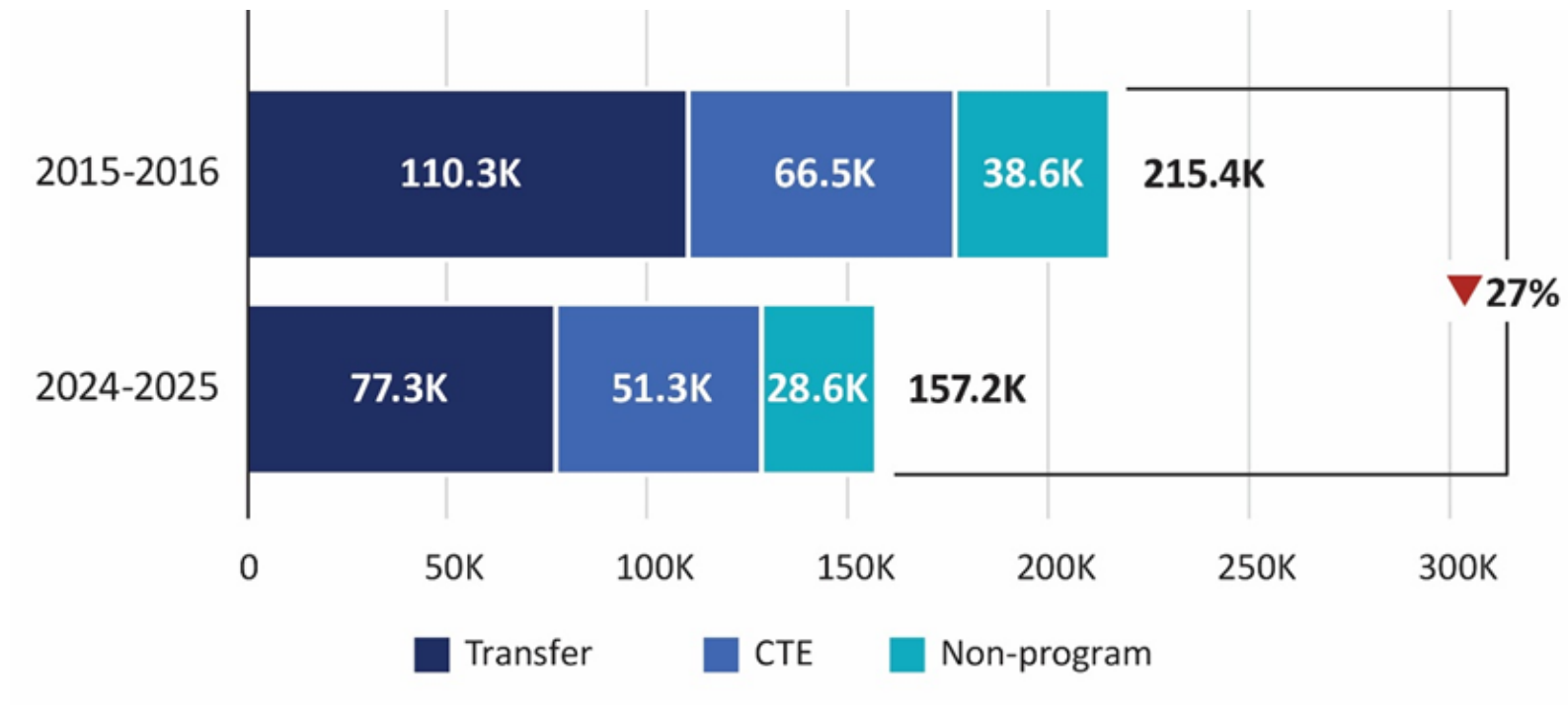
Proportion of students taking courses online has increased; those taking courses asynchronously online have been somewhat less successful.

Enrollment in CTE programs is growing. The state's FastForward program is well-designed, but success in meeting wage goals is mixed.

About 1/3 of recent high school graduates participated in dual enrollment; very few obtained a credential.

Changing landscape warrants at least considering a more regionalized approach to improve efficiency.

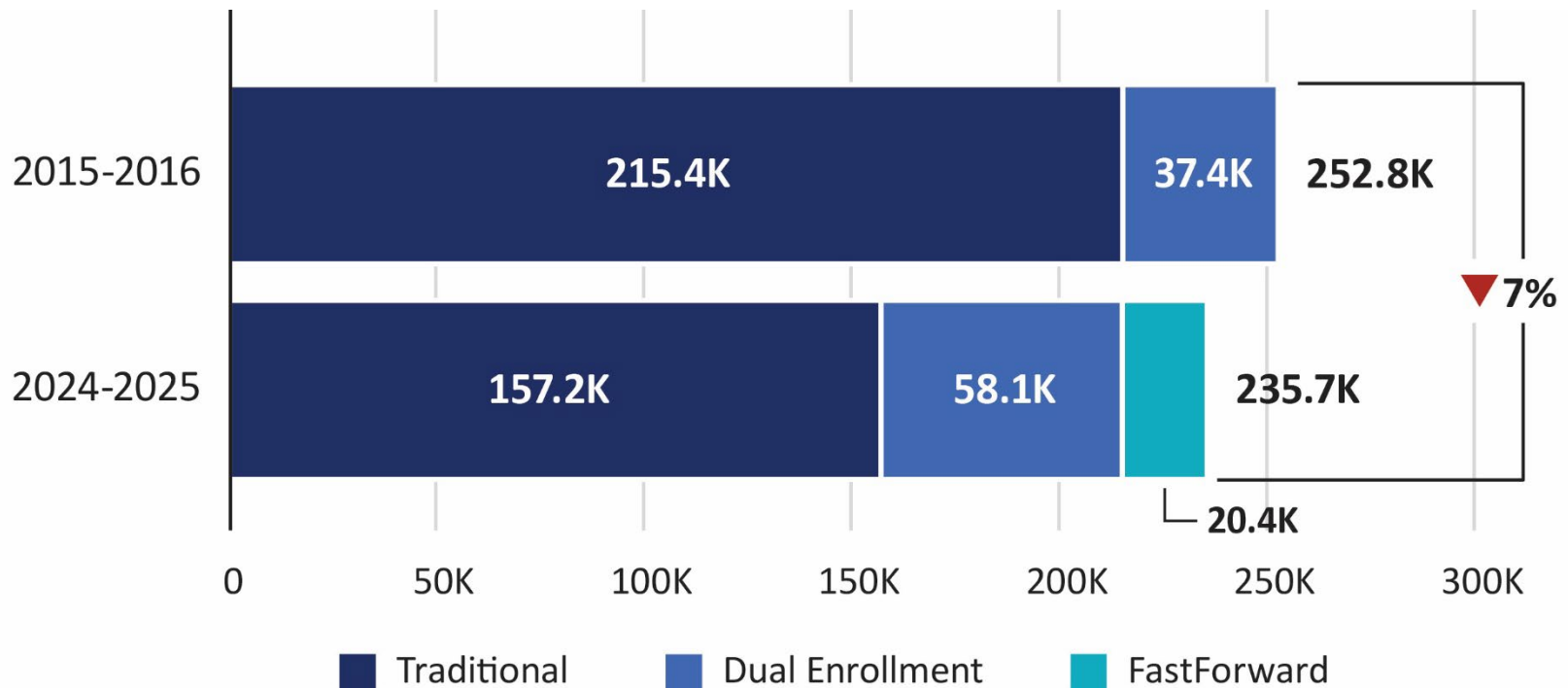
Traditional types of VCCS student enrollment have declined



SOURCE: JLARC staff analysis of VCCS annual headcount enrollment data, 2015–16 and 2024–25.

NOTE: Enrollment represents total headcount, which includes full-time and part-time students.

VCCS enrollment overall has declined, even with dual enrollment and FastForward growth



SOURCE: JLARC staff analysis of VCCS annual headcount enrollment data, 2015-16 and 2024-25.

NOTE: Enrollment represents total headcount, which includes full-time and part-time students.

Changing higher education landscape is affecting community colleges

- Enrollment decline over the last decade, but stabilization and recent increase at nearly all colleges
- Strong student demand for online education
- Skepticism about the value of traditional academic courses and four-year degrees
- Growing interest in technical and vocational training and credentials that directly translate to a job
- Growing interest in college-level coursework among some high school students

In this presentation

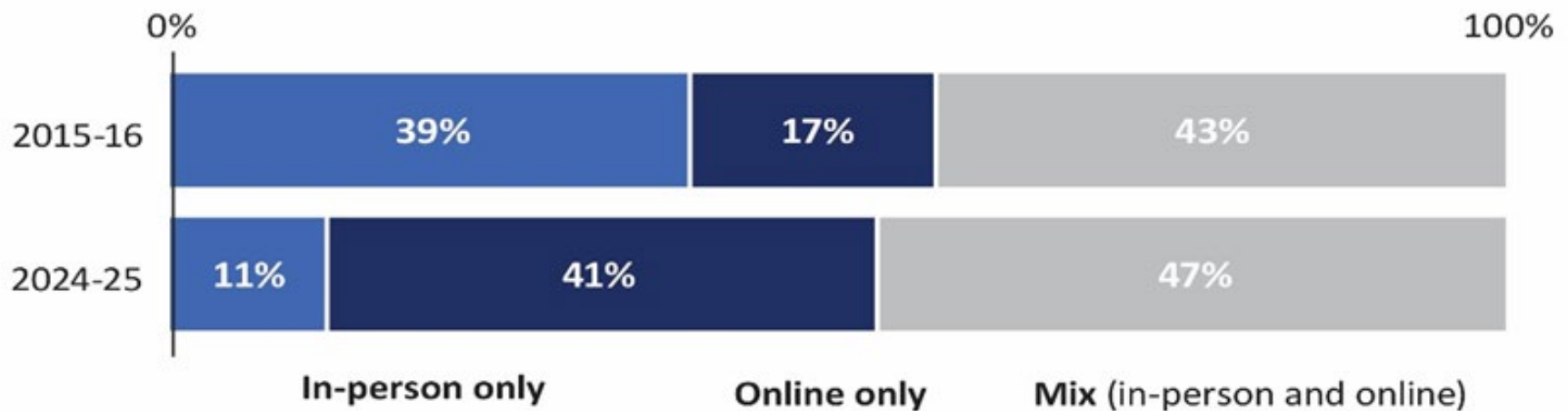
Online learning

Career and technical education

Dual enrollment

Revenue and efficiency

Large proportion of students take all courses online



SOURCE: JLARC staff analysis of VCCS course, class, and student data, 2015-16 and 2024-25.

NOTE: Excludes dual enrollment and non-credit students.

Student success rates in asynchronous courses are lower, but the difference is somewhat small

- Students are less successful in asynchronous courses than other formats
 - 3 percentage points lower than in-person courses in 2024–25 (73% vs. 76%)
 - Gap in success has closed over time but remains higher for some courses
- Differences in success rates between the same courses in different formats should ideally be small

Students retaking courses asynchronously fare somewhat worse than in-person peers

- Students tend to fail retakes more often than those taking a course for the first time
 - 42% of asynchronous students retaking a course were unsuccessful compared with 36% of in-person peers in 2024–25
 - Failing a course retake can have negative effects on students' finances and academic progress

Recommendations

VCCS should:

- require students retaking a course asynchronously online that they previously failed or withdrew from to meet with an advisor;
- periodically monitor student success in asynchronous courses compared to the same courses taught in-person, synchronously, and hybrid;
- work with individual colleges to address the root causes of relatively lower student success in asynchronous courses and implement approaches that could improve success; and
- periodically evaluate the use of asynchronous online learning.

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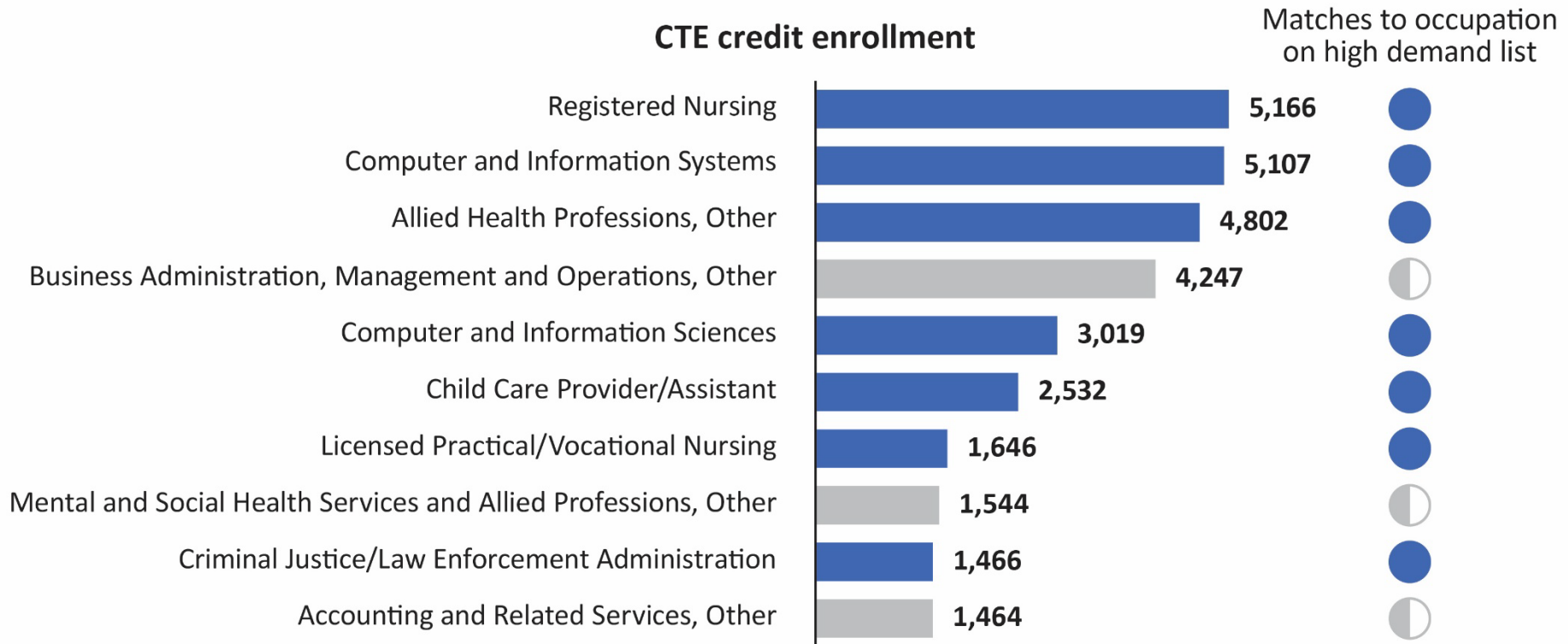
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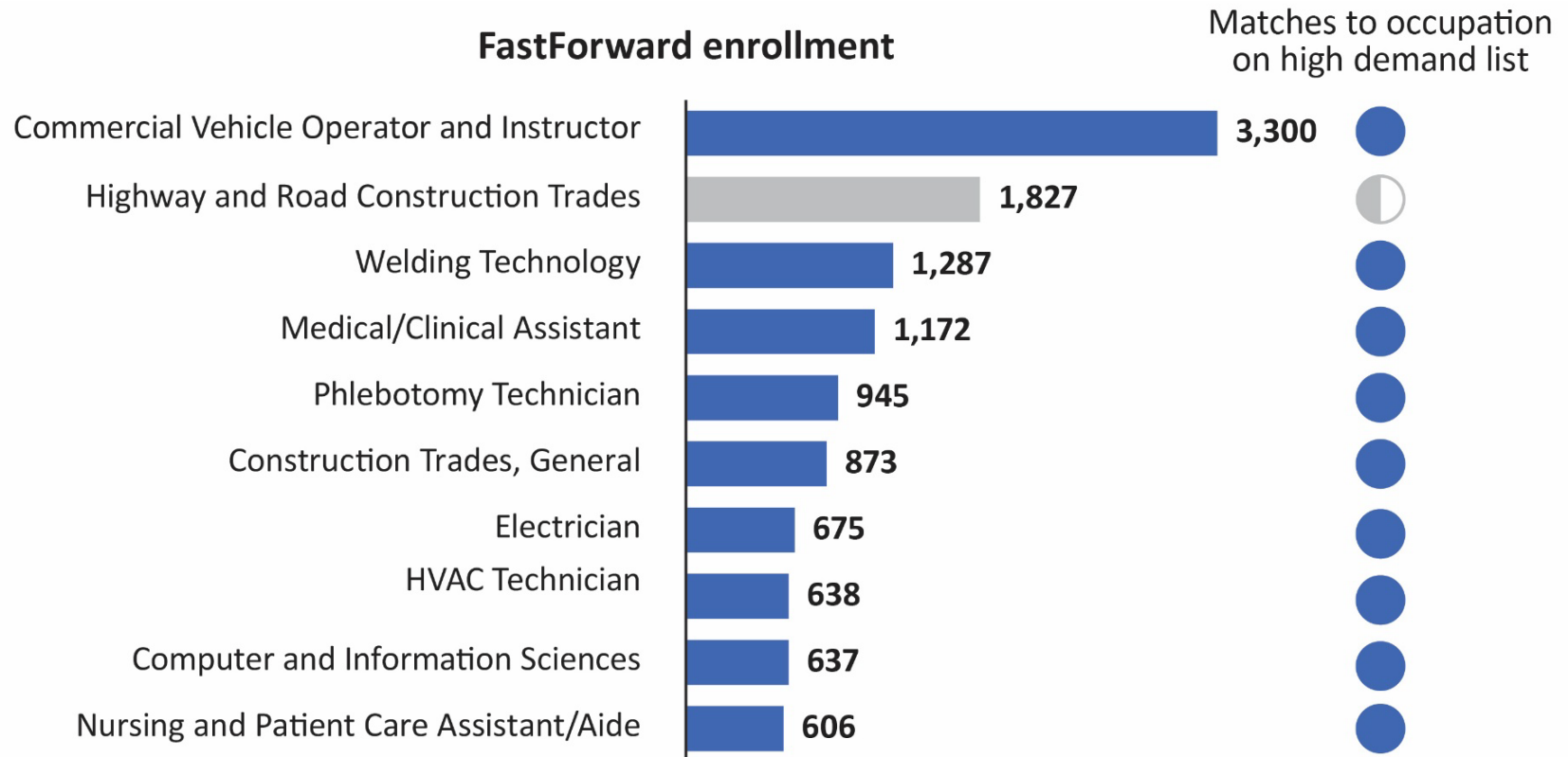
Revenue and efficiency

Most large credit CTE programs directly match high demand occupations



SOURCE: JLARC staff analysis of VCCS CTE enrollment.

Most large FastForward programs directly match high demand occupations



SOURCE: JLARC staff analysis of VCCS CTE enrollment.

Nearly all students complete FastForward programs, and the majority obtain a credential

- 95% of students complete their FastForward program
 - Students have financial incentive* to complete program, and programs are short in duration (8–12 weeks)
- 72% of FastForward students report obtaining an industry credential, but this varies by program
 - Credential rates have increased over time
 - VCCS and community colleges are piloting strategies to increase rates

*Students pay only 1/3 of program cost if they complete the program.

FastForward completers generally experience wage gains, but not all make a living wage

- FastForward completers that earned a credential had one-time median annual wage gains of ~\$10,800
- Median wages of FastForward credential earners are \$41,000
 - Above living wage threshold for one adult (\$34,200) but below threshold for one adult and one child (\$48,800)
- Program trains workers for entry-level jobs, so there is potential for wage growth
 - Wage growth analysis limited to 18 months post completion

Opportunities exist to expand FastForward, but funding is currently constrained

- Job openings in high demand fields (182,400*) far exceed FastForward enrollment (17,400) in FY24
 - Approximately 30 programs match occupations on the state's high demand list, but have relatively low enrollment or are not widely available
- FastForward growth will plateau in short term
 - FY26 appropriation for Workforce Credential Grant** (\$23.8M) was expected to run out before fiscal year end
- New federal funding may be available through “Workforce Pell”

*Job openings in occupations aligned with FastForward programs. **Funds most FastForward enrollment.

Recommendation

VCCS should identify opportunities to improve the FastForward program by evaluating whether

- completers obtain and keep jobs in the field for which they were trained
- strategies can be adopted to achieve higher student credential rates
- credentials obtained are desired by employers
- wages increase three and five years after program completion

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Over 40% of dual enrollment graduates took one or two courses

Graduating dual enrollment students who took...	# students	% dual enrollment graduates	Est. % all high school graduates
1 to 2 courses	14,494	43%	12–15%
3 to 5 courses	9,997	30	8–11
6 to 9 courses	4,987	15	4–5
10 or more courses	4,026	12	3–4
2024 graduates who took any dual enrollment courses	33,504	100%	27–36%

SOURCE: JLARC staff analysis of VCCS student, class, course, and graduation data for high school students graduating in 2024.

Small percentage of high school graduates earned a VCCS credential

Graduating dual enrollment students who...	# students	% graduates	Est. % all high school graduates
earned any VCCS credential (includes UCGS and Passport)	3,034	9%	2–3%
earned UCGS	1,252	4	~1
earned only Passport	626	2	<1
2024 graduates who took any dual enrollment courses	33,504	--	27–36%

SOURCE: JLARC staff analysis of VCCS student, class, course, and graduation data for high school students graduating in 2024.

Further expansion of dual enrollment will require realistic planning

- CCRV goal is to expand access and opportunity to participate in dual enrollment
- Courses being offered tuition-free, and additional courses will be offered online
- Future increased demand for dual enrollment is unclear
- Additional effort and realistic planning is needed for effective CCRV implementation.
 - Required planning to incorporate CTE is a work in progress

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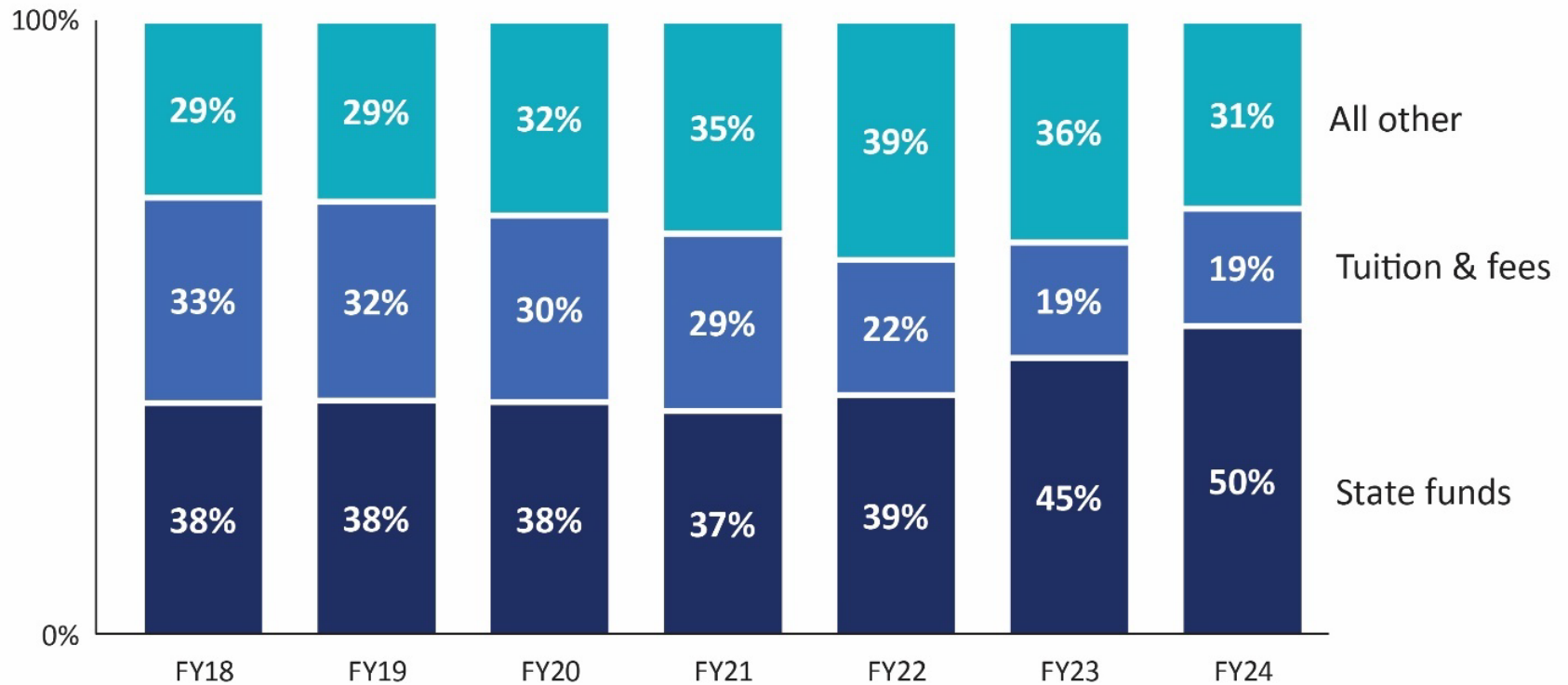
Dual enrollment

Revenue and efficiency

Changing landscape will necessitate attention to revenue sources and efficiency

- Lower enrollment, greater reliance on online learning, and changes in enrollment composition are having implications for the community college system
- VCCS is aware of importance of maintaining efficiency, and has instituted
 - Periodic review of individual colleges
 - Shared services center
 - Budget reductions by colleges facing revenue declines (e.g., staff layoffs)
- Enrollment decline and shifts in program enrollment may necessitate future funding changes

Lower enrollment and student affordability emphasis have increased reliance on state funds



SOURCE: JLARC staff analysis of VCCS annual financial statements, FY18–FY24.

NOTE: Includes only revenues for the 23 colleges and excludes system office.

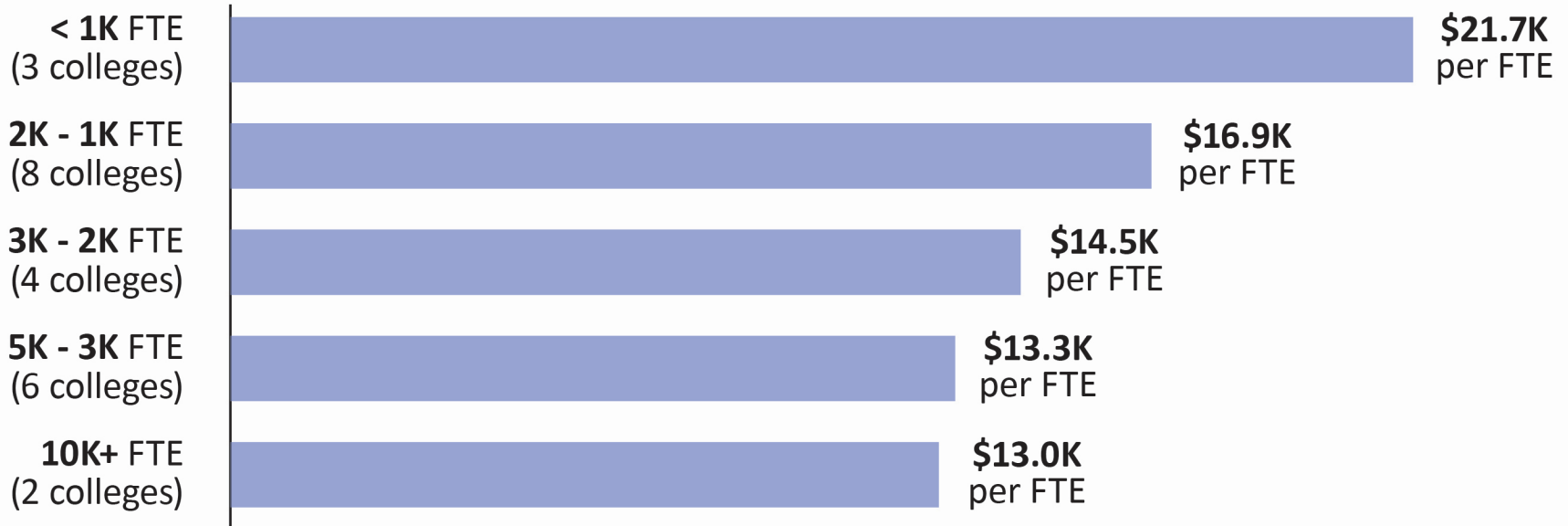
Shift from academic transfer to CTE is affecting VCCS historical cost structure

- Historically, VCCS subsidized cost of CTE programs with excess revenue from academic transfer programs
 - VCCS generally charges students the same tuition, irrespective of their program
 - CTE programs typically cost VCCS more than academic transfer programs (\$466 credit hour versus \$242 credit hour)
- Subsidization may not be sustainable over the long term as shift away from academic transfer to CTE continues
- Other states (NC & TX) have begun to change their funding formula to address this dynamic

Small colleges have efficiency challenges, some of which are beyond their control

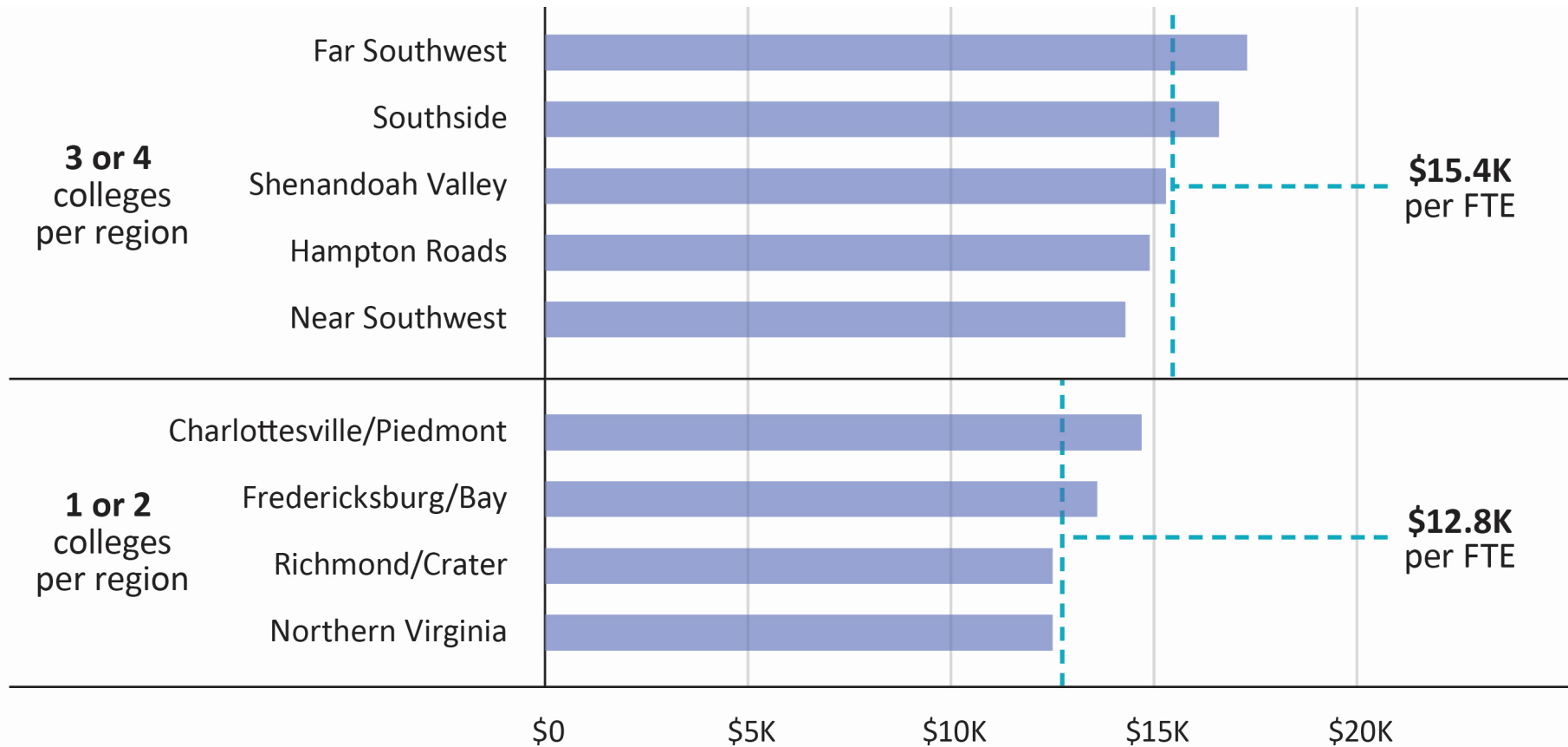
- Colleges located in rural or areas with declining population have lower enrollment
 - Colleges may be located in service areas that are losing population faster than the college is losing enrollment
- Even the smallest college has certain fixed costs (e.g., buildings, president, administrative staff, maintenance)
- Lower enrollment leads to small class sizes and more difficulty generating adequate revenue
- Enrollment decline and reliance on online learning have reduced space utilization, especially at small colleges

Small colleges spend more per student than larger colleges



SOURCE: JLARC staff analysis of VCCS student enrollment data, 2023–24; VCCS financial statements, FY24.

Regions with 3 or more colleges spend more per student



SOURCE: JLARC staff analysis of VCCS student enrollment data, 2023-24; VCCS financial statements, FY24.

Opportunities exist to improve small college efficiency through more regional approach

- Potential opportunities:
 - Regional workforce training programs
 - Regional lead colleges for academic transfer education
 - Regional advising hubs
 - Regional or systemwide administrative consolidation
- Adopting a more regional approach would not necessarily mean the elimination of the physical presence of college campuses in their current locations

Recommendation

The State Board for Community Colleges should direct VCCS staff to initiate a strategic review and propose a plan for how the system can efficiently deliver services, especially in regions with smaller colleges.

Questions? Comments?

Justin Brown, Senior Associate Director

Stefanie Papps, Project Leader