



THE HUNT INSTITUTE'S  
VIRGINIA EDUCATION SUMMIT

ISSUE BRIEF

## THE BUSINESS CASE FOR INVESTING IN EARLY CHILDHOOD

In addition to the significant short- and long-term developmental benefits high-quality early childhood experiences afford young children, investments in early childhood have also been shown to be financially prudent. [Research](#) by Nobel Prize winning economist Dr. James Heckman has demonstrated that for every one dollar spent on high-quality birth-to-five programs for disadvantaged children, taxpayers can expect a 13 percent per annum return on investment. The greatest returns are associated with programs focused on the early stages of life providing both immediate and long-term savings in education and social services.

Along with the significant returns on early childhood investments, funding strong early childhood systems supports both the current and future workforces. Access to high-quality and affordable care allows for greater parent participation in the workforce, while also fostering the long-term benefit of a strong future workforce. Virginia leaders have the opportunity to capitalize on the economic benefits of early childhood by promoting measures that support young children and their families.

### Economic Impact on the Workforce

In Virginia, [382,000 children](#) under six years old (68 percent) have working parents who need weekly child care, making child care essential for parents to be able to balance work and family responsibilities. Yet, inadequate child care within the Commonwealth continues to negatively impact parents' income, business productivity, and state revenue. According to a 2023 Council for a Strong America report, inadequate infant and toddler care alone results in [\\$3.1 billion of annual losses](#) in Virginia. These losses, due to negative economic effects of inadequate child care on families, businesses, and taxpayers, are immense and increasing.

# \$3.1 billion

*Estimated Annual Economic Impact of the Infant and Toddler Child Care Crisis in Virginia*

[Source](#)

### The Economic Effects of Inadequate Child Care

INDIVIDUAL PARENTS	BUSINESSES	TAXPAYERS
Lost earnings from lower productivity, quitting/firing, and less time in the workforce	Lost revenues from lower outputs	Lost revenue from lower incomes
Extra costs of job search to match work with child care	Extra costs due to absenteeism, disruptions, rehiring	Smaller federal, state, and local tax base and revenue
Lost earnings in the future from less work experience and fewer skills	Lost revenue in the future due to lower workforce capital	Lost revenue in the future due to weaker economic growth

Source: [Council for a Strong America](#)

### Barriers to Child Care

Inadequate child care is driven by three primary barriers: access, affordability, and quality. In Virginia, [47 percent](#) of families live in a child care desert where there are more than three children under five years old for every licensed child care spot. This is especially true for certain populations in Virginia, with 61 percent of low-income families and 63 percent of rural families living in areas without enough licensed providers.

The cost of child care is also prohibitive for many families. Current market rates typically fail to represent the true cost of care, that is the cost to provide high-quality child care by an adequately compensated workforce. Current market rates are

particularly inaccurate for infants and toddlers, where care is more expensive due to low ratios of children to adults. Using the true cost of child care, the annual [cost of child care](#) for a toddler in Virginia is \$12,792 while infant care increases to \$18,972 annually. As such, infant care for one child would consume more than [18 percent](#) of a median family’s income in Virginia; families with two or more children face an even larger burden.

Finally, families want to leave their children in safe, nurturing environments. The quality of child care is often negatively impacted by provider turnover, largely due to inadequate compensation. As such, children may lack stable, consistent relationships with caregivers which are critical for healthy development.

## Policy Considerations

- How can policymakers eliminate barriers to workforce participation created by lack of affordable, high-quality child care?
- How can Virginia expand child care access, particularly for infants and toddlers?
- What policies are necessary to facilitate access to the varied early childhood program families need?

## THE EARLY CHILDHOOD WORKFORCE

The child care industry is vital to a state’s economic success. In Virginia, over 15,890 market-based child care providers generated \$126 billion in direct revenue within Virginia’s [child care industry](#) and supported about \$1.3 billion in spillover or related productivity in other industry sectors for an estimated combined total economic impact of about \$2.56 billion.

\$126 BILLION	\$1.3 BILLION	\$2.56 BILLION
Direct revenue in VA’s child care industry	Spillover or related productivity	Combined total economic impact in VA

Given the critical role they play in supporting the Commonwealth’s economic success, the [25,940 educators](#) that make up Virginia’s early childhood workforce require additional support. The lack of clear

pathways to career advancement has led to a range of qualifications among educators, with each program defining its own credentialing requirements.

Additionally, many in the field are not compensated with a living wage, causing early educators to fall within or below the poverty line. The poverty rate for early educators in Virginia is [over 16 percent](#) - much higher than for Virginia workers in general (about eight percent) and nearly eight times higher than kindergarten through eighth grade teachers (about two percent).

The pandemic placed heightened attention on the realities of Virginia’s early childhood workforce, including poverty-level wages, lack of access to health insurance, and no paid sick leave. Child care providers often report experiencing food insecurity and difficulty finding housing or paying for utilities; providers often find themselves having to hold an additional job to meet these basic needs. As a consequence, the turnover in the child care workforce is an ongoing issue, making it difficult to find and retain quality workers.

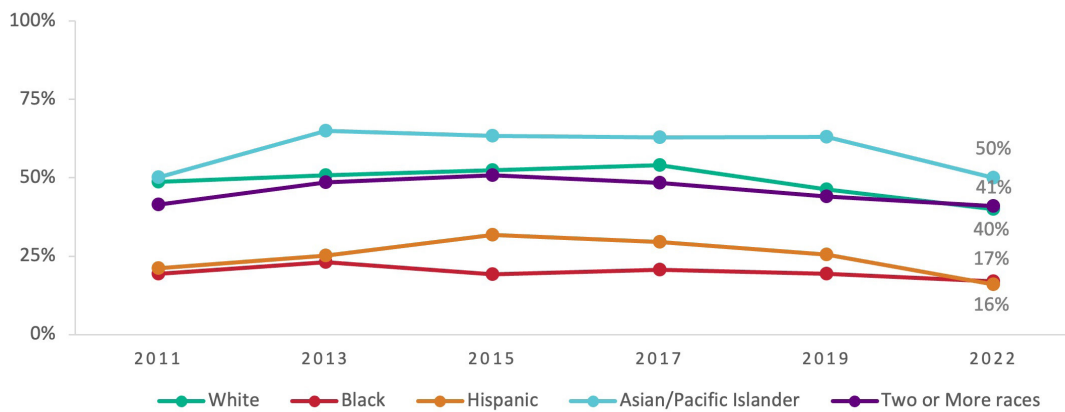
## Policy Considerations

- In what ways can policymakers strengthen pathways into careers in early care and learning?
- What supports could be implemented to support educators and increase retention?
- How can the state provide benefits for the early childhood workforce to recruit qualified educators?

## READY TO READ | IMPLEMENTING THE SCIENCE OF READING

The [science of reading](#) represents the collection of evidence-based practices learned from decades of research across education, psychology, linguistics, and neuroscience. The notion of the science of reading is relatively new, growing out of the 1997 [National Reading Panel](#). As a result, other practices for teaching literacy are still widely used.

### National Assessment of Educational Progress (NAEP) 4th Grade Reading Proficiency by Race/Ethnicity



Source.

It is difficult to determine how many teachers use the science of reading in classrooms, but we can surmise that the probability is higher if teachers learned evidence-based practices in their teacher preparation programs. As of 2021, [32 states](#) required educator preparation programs (EPPs) to address the science of reading for at least some teacher candidates.

## State Approaches to Evidence-Based Literacy Instruction

The practice of aligning reading instruction to the science of reading has gained traction nationally. States like [Mississippi](#), [Arkansas](#), [Colorado](#), and [North Carolina](#) include the following as part of their science of reading frameworks:

- Aligning state literacy standards to the science of reading
- Funding professional development for teachers in the science of reading
- Requiring that reading interventions for students be aligned with the science of reading
- Working to align teacher licensure exams with the science of reading
- Requiring educator preparation programs to include coursework in the science of reading

## Literacy Proficiency Across the Commonwealth and The Virginia Literacy Act

To better address growing concerns around learning loss and reading proficiency following the COVID-19 pandemic, the Virginia General Assembly, through bipartisan leadership, passed the [Virginia Literacy Act](#) (VLA) in April 2022. By the 2024-25 school year, the VLA requires:

- Individualized reading plans for students who are not meeting literacy benchmarks;
- Teachers use evidence-based literacy curriculum and literacy screeners;
- Reading specialists, in consultation with classroom teachers, to coordinate and oversee intervention for students not meeting proficiency benchmarks;
- Pre-service teachers to demonstrate mastery of science-based reading research and evidence-based literacy instruction.

In 2023, The Virginia legislature passed [Senate Bill 616](#), which added additional provisions to the VLA, most notably expanding evidenced-based literacy strategies to include students from fourth through eighth grade in the state’s commitment to literacy. No other states have applied their literacy measures to reach middle school-aged students.

## Policy Considerations

- How can the legislature best support the widespread implementation of the Virginia Literacy Act?
- What barriers are Virginia schools and districts facing as they work to adopt the standards required under the Virginia Literacy Act?

## ADEQUATE AND EFFECTIVE SCHOOL FUNDING

Public K-12 schools are funded by a combination of local, state, and national dollars that are allocated through a funding formula established by the state. Generally, state funding formulas fall into one of four types:

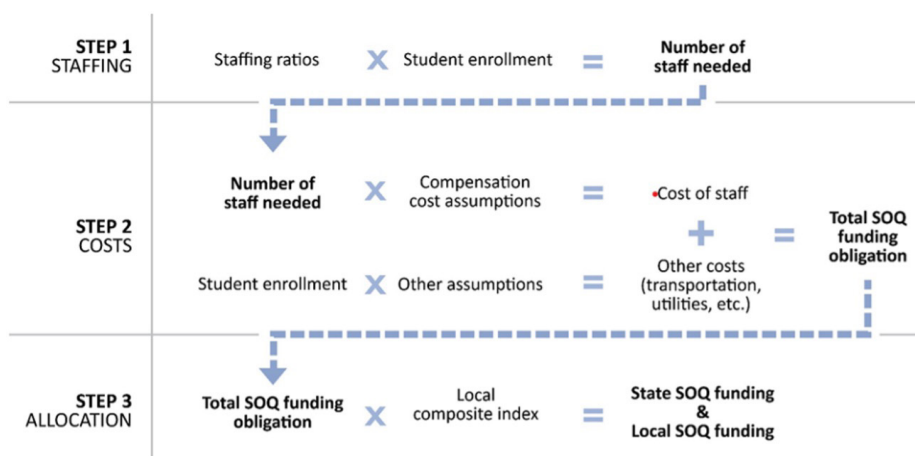
- Student-Based:** Identifies a base allotment for an average student and multiplies this cost by district enrollment figures. States may adjust for additional costs of educating specific categories of students based on need. This is the most common formula design, as 40 states use this type or this type in combination with another approach.
- Staffing-Based:** Expenses are calculated using staffing ratios multiplied by student enrollment categories.

- Resource-Based:** Determines the cost of education expenses by factoring the cost of resources needed, such as staff salaries or curriculum materials. States may adjust additional costs to districts for specific student categories with flat, per-student dollar amounts.
- Program-Based:** Calculates the cost of delivering education based on the cost of specific programs and initiatives.

## Funding Quality Education in Virginia

Under the Virginia Constitution, the Board of Education determines “Standards of Quality” (SOQ) for public education and the General Assembly determines the appropriate manner and level of funding to ensure these standards are met. Currently, Virginia allocates funding through a hybrid, staffing-based funding formula, which incorporates various elements of resource- and student-based funding models, as shown in the figure below. The local composite index is a measure of a school division’s ability to meet the SOQ funding obligation; 50 percent of this index is determined by a locality’s property values, 40 percent by the locality’s adjusted gross income, and ten percent by taxable retail sales.

**Model of Virginia’s Funding Formula Process**



Source.

Additional factors in determining funding allocations include:

- Enrollment of certain student populations, including low-income students, students with disabilities, English-language learners, and gifted students.
- Career and technical education programs, including funding for equipment.

Required student-teacher ratios of 24:1 for grades K-3 districtwide, 25:1 for grades 4-6 districtwide, and a schoolwide ratio of 21:1 for middle and high schools.

In totality, Virginia spends over \$20 billion on education each year, with [39 percent](#) of K-12 public school funding coming from the state, 52 percent from local sources, and 9 percent federal funding.

## Improving Funding Quality

A [2023 report](#) from the Joint Legislative Audit and Review Commission (JLARC) identified [several gaps](#) within the current SOQ formula, including a lack of consideration for regional labor costs and variations in school division size, resulting in inadequate funding for students with increased learning needs. In fact, under the current funding formula, Virginia schools receive [14 percent](#) less funding per pupil than the national average, including fewer dollars than nearby Kentucky, Maryland, and West Virginia.

The report also provided several [recommendations](#) for adjustments to strengthen Virginia’s funding model in the near- and long-term, as well as five policy recommendations for the General Assembly to consider:

- Develop and implement a plan to increase compensation supplements as needed to adjust teacher salaries to be at or above the national average.
- Adjust the Appropriation Act language to equally weight student enrollment and general population demographics when calculating the local composite index for a division.
- Replace the local composite index with a revenue capacity index.

- Replace the staffing-based formula with a student-based formula using the average school division expenditures.
- Replace current SOQ calculations regarding target student groups with student-based funding calculations based on actual average school division expenditures.

## Policy Considerations

- How does increasing local funding responsibility influence districts’ abilities to meet the SOQ education for students?
- What opportunities exist to strengthen Virginia’s funding model to reduce inequities in funding at the local level?
- How can Virginia better leverage its funding model to allocate funding for all necessary operations and address funding gaps for high need schools?



## LEARNING RECOVERY | INTERVENTIONS TO RECOVER LEARNING LOSS

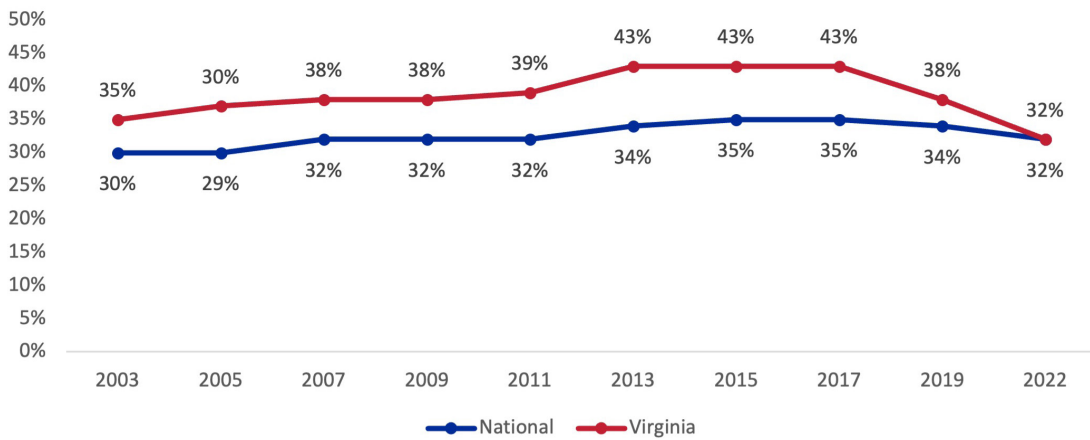
Learning recovery efforts are in full swing across the nation as states dig into data to uncover the impacts of missed learning during the COVID-19 pandemic. Nationally, the average third through eighth grade public school student lost an equivalent of [half a year](#) of learning in math and a quarter of a year of learning in reading.

## Learning Recovery in Virginia

Virginia students saw one of the steepest [declines](#) in learning performance on the NAEP as a result of the pandemic. Students in certain areas of the state, such as Richmond, lost over a year and a half of math learning.

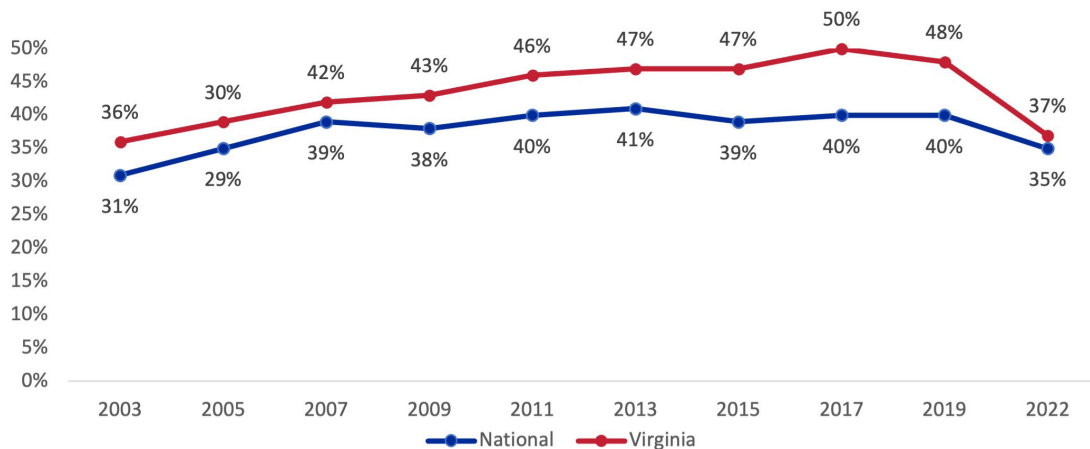
Virginia's [Bridging the Gap: Learning Loss Recovery Plan](#) aims to address these losses by providing an individualized approach to addressing missed learning.

**Virginia 4th Grade NAEP Reading: Percent Proficient or Above**



[Source](#)

**Virginia 4th Grade NAEP Math: Percent Proficient or Above**



[Source](#)

During the 2022-2023 school year, Virginia launched a pilot of this recovery plan in [25 partner school districts](#). The plan utilizes a three-step process to increase communication with students and families to better identify and plan for needed areas of support.

## Virginia’s Bridging the Gap: Learning Loss Recovery Plan

01. All K-8 students and families will receive individualized student data reports to help identify student areas of proficiency.
02. All students who do not demonstrate proficiency will work with educators and family members to create a Personalized Learning Plan outlining action steps for the team to support growth in identified areas.
03. Teachers will receive comprehensive training on communicating with students and families on academic proficiency and strategies for addressing student learning gaps.

In conjunction with the Learning Loss Recovery Plan, Governor Youngkin announced \$30 million in [Learning Acceleration Grants](#) to provide education services such as tutoring, educational therapy services, assistive technologies, and more. Education institutions will receive \$1,500 for each qualifying student in Kindergarten through 12th grade and \$3,000 for each qualifying student whose family income is verified at 300 percent or less of the federal poverty level.

### National Best Practices

Across the country, states have leveraged a [variety](#) of methods to recover lost learning time.

- **High-dosage Tutoring:** [Tennessee](#), [North Carolina](#), and [Washington, D.C.](#) are leveraging high-dosage tutoring programs in 1:1 or small group settings [three to five times per week](#) to address learning gaps in reading and math.
- **Out-of-Time Programs:** [Georgia](#) utilized federal funding to expand access to afterschool programs by [50 percent](#).
- **Extended School Year:** [New Mexico](#) approved [increased instructional hours](#) for schools across the state, with 150 more available hours for K-5 schools and 60 hours for secondary schools.

### Policy Considerations

- How can Virginia expand learning opportunities to improve student outcomes?
- How can Virginia adapt its learning recovery measures to meet the unique, local contexts of various school divisions across the state?
- How can state policymakers sustain ESSER investments to ensure learning recovery efforts effectively return students to pre-pandemic achievement levels?

## ONE MILLION TEACHERS OF COLOR | USING GROW YOUR OWN STRATEGIES TO DIVERSIFY THE EDUCATOR WORKFORCE

[Research](#) indicates that teachers are the most important school-based factor for student growth and achievement. Yet, like so many other states, Virginia has struggled to recruit and retain a high-quality and diverse educator workforce.

### Virginia’s Educator Workforce

Virginia employed around [107,000 teachers](#) in the 2021-2022 school year. While student enrollment has [remained stable](#) over the last ten years, the number of teachers graduating from the Commonwealth’s



educator preparation programs (EPP) has decreased slightly. Nonetheless, Virginia faces [teacher shortages](#) in several subject areas, including elementary education, special education, and middle education.

**Key Educator Statistics, Virginia, 2021-2022**

**107,131**

Number of teachers

[Source](#)

**14:1**

Student Teacher Ratio

[Source](#)

**\$57,800**

Average Teacher Salary

[Source](#)

**25<sup>th</sup>**

National Rank for Teacher Pay

[Source](#)

**Teacher Diversity**

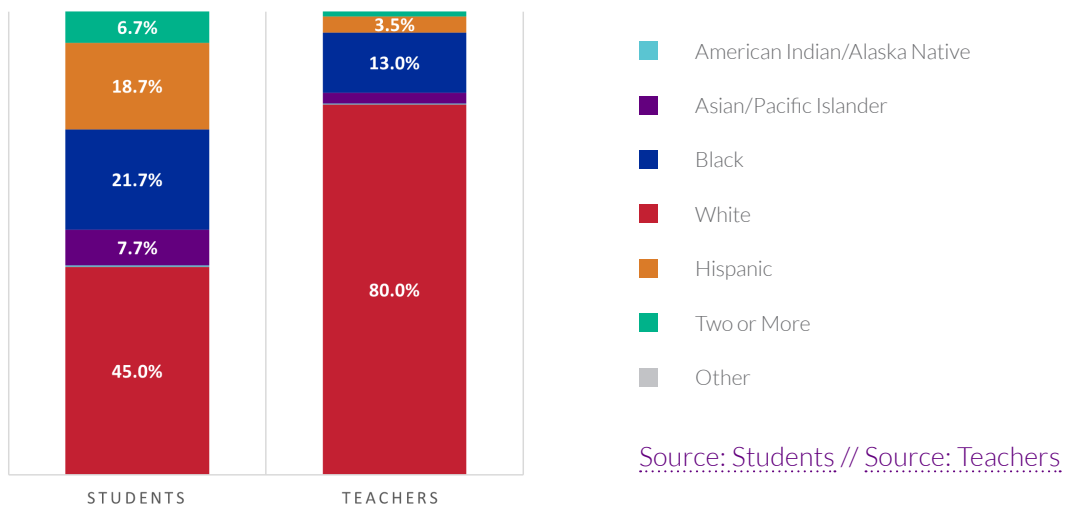
Research shows that teacher diversity impacts student outcomes. [Students of color](#) with teachers of a similar race/ethnicity, identity, and lived experience are less likely to be suspended and more likely to graduate high school, enroll in postsecondary education, and obtain a postsecondary degree and/or credential.

However, the Commonwealth’s teacher workforce does not currently reflect the diversity of its students. Data from the 2021-2022 academic year indicate that while [54 percent of Virginia students are students of color](#), the same is true of only [about 20 percent of teachers](#).

In 2017, Virginia convened the *Task Force on Diversifying Virginia’s Educator Pipeline* – a working group of representatives from K-12 education, higher education, and the private sector – to provide recommendations on how the Commonwealth of Virginia could recruit and retain teachers of color at a greater rate. Their final [report](#) highlighted several priorities, including:

- Developing Grow Your Own (GYO) programs,
- Providing model teacher induction and mentorship programs,

**The Teacher Diversity Gap in Virginia, 2021-2022**



- Subsidizing the costs of certification tests and test prep programs, and
- Convening teachers and teaching candidates of color annually to discuss recruitment and retention strategies.

## Policy Considerations

- How can Virginia better encourage prospective teaching candidates, including both college graduates and high school students, to enter the teaching profession?
- How can Virginia best address the opportunities the Task Force on Diversifying Virginia’s Educator Pipeline identified and increase educator diversity?

## Building Grow Your Own Programs to Strengthen Virginia’s Teacher Pipeline

Grow Your Own (GYO) programs [recruit teachers](#) from members of the community, working to identify potential teaching candidates as early as middle school and/or to recruit existing paraprofessionals and career changers to become certified teachers. These programs serve to increase a state or district’s local pipeline of future teachers and can also support the increased diversity of the local educator workforce. There is also [evidence](#) to show that teachers hired from within low-resourced communities tend to teach long-term in the communities that originally hired them.

States [utilize](#) GYO programs because they offer several benefits in both the short and long term. First, the design of GYO programs help address teacher [shortages](#) in high-needs schools and districts by offering financial assistance in the form of stipends or student loan grants and tailored training to become qualified teachers in the region. Additionally, the design of GYO programs creates a sustainable pipeline of qualified teachers, which [evidence](#) suggests can save districts money by reducing the costs associated with recruiting and hiring teachers from outside the community and by reducing teacher turnover rates,

which can also be costly.

Beginning in 2020, Virginia allocated [\\$365,00 annually](#) to establish GYO programs focused on supporting low-income high school graduates who attended a higher education institution in the state, in obtaining full teacher licensure.

These programs provide grants to high school graduates from low-income backgrounds to attend a University in the Commonwealth and gain classroom teaching experience under a mentor’s supervision while they earn their full teaching license. After graduation, recipients are to teach in high-needs public schools in school divisions in which they graduated from high school.

## Policy Considerations

- Are there eligibility criteria for the program to promote the most effective results? How will the program effectiveness be measured and evaluated?
- How can GYO programs be designed to promote collaboration between schools, districts, and teacher preparation programs? What role can partnerships and collaborations play in supporting the program’s success and creating a pipeline of highly qualified teachers for local schools and communities?
- How can GYO programs be designed to be flexible and adaptable to local contexts and needs? What role can local stakeholders, such as school boards, community organizations, and teacher unions, play in shaping and implementing the program to best meet the needs of their communities?

## SUPPORTING STUDENT WELLNESS ACROSS THE CONTINUUM

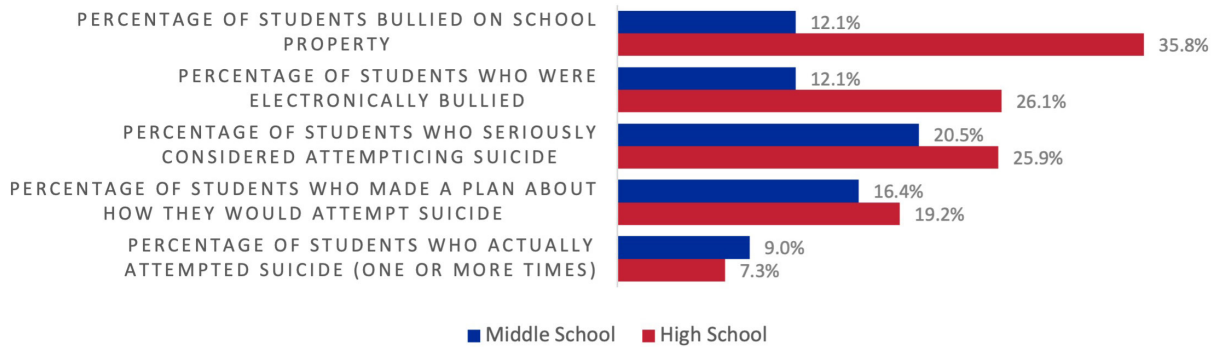
Young children’s social and emotional development is critical to their long-term health and well-being. Mental health significantly impacts young children’s ability to learn, establish healthy connections with others, manage their emotions, and grow into capable adults. Mental health issues have the ability

to begin early in life, with 10-16% of young children experiencing mental health conditions including PTSD and anxiety. Youth suicide has been on the rise for the past decade and is the second leading cause of death among children ages 10-14, and the third leading cause of death among individuals ages 15-24. In the height of the COVID-19 pandemic, the proportion of children between the ages of five and 11 visiting an emergency department because of a mental health crisis was 24 percent higher than the same time period in 2019; among 12- to 17-year-olds, that number increased by 31 percent. Ultimately, 37 percent of high school students reported experiencing poor mental

health during the COVID-19 pandemic. Among college students, in the 2020-2021 academic career, over 60 percent of students met the criteria for at least one mental health problem, a 50 percent increase from 2013.

While limited data exists to measure the mental health status of K-12 students, Virginia allows students in grades seven through twelve to participate in the Center for Disease Control and Prevention’s Youth Risk Behavior Survey. This survey captures a variety of metrics related to student mental health and bullying, as well as other “risky” behaviors.

**Virginia Youth Behavioral Risk Survey | 2021**



Schools must consider the unique needs of each student, starting with their need to feel safe, in order to effectively address the impact of mental health on student learning. The [figure below](#) highlights the key student needs that must be met to ensure students are ready to learn:

Caring for the mental health needs of students requires the development of a robust infrastructure that goes beyond learning, as students must have their behavioral and mental health needs met to feel safe, succeed academically, and be the best version of themselves. Many methods designed to focus on those needs fall under what are known as [wraparound services](#).

Wraparound services feed into the philosophy of caring for the [“whole child,”](#) meaning that states and districts must go beyond meeting just academic needs to address emotional, behavioral, and health needs as well. States and districts throughout the country are working to find ways to generate and target

investments for student wraparound services. These approaches vary from calls for targeted investments in after-school programs to establishing [community schools](#).

Under [Senate Bill 1257](#), school boards across Virginia are required to provide a minimum of three specialized student support positions – social workers, school psychologists, nurses, behavior analysts, etc., per 1,000 students. The effectiveness of these individuals to provide critical student services depends heavily on local context and need, additional responsibilities that are assigned to support staff, provider-to-student ratio, and more.

## Policy Considerations

- In what ways can policymakers support communities across Virginia to leverage their strengths in supporting parents, schools, and students?

### Maslow's Hierarchy of Needs



- What additional information is needed to best support the mental and behavioral health of Virginia’s student population?
- How can Virginia better enlist local and regional agencies to provide behavioral health assistance and support to students?

## THE IMPORTANCE OF EARLY EXPOSURE TO POSTSECONDARY AND CAREER PATHWAYS

Fostering engagement and exposure to postsecondary pathways for students as [early as middle school](#) can help increase interest and intent in pursuing postsecondary education by helping create social capital. Social capital refers to the network of relationships and shared values that facilitate cooperation and information sharing within a group. It encompasses all the intangible resources that are embedded within interpersonal relationships and social institutions. Social capital related to college enrollment comes from various sources including but not limited to:

- Interactions with School Counselors
- Motivation from High School teachers
- Exposure to college preparation courses
- Knowledge from parents, family members, and mentors who obtained postsecondary education.
- Early exposure to college through campus tours and prospective student fairs

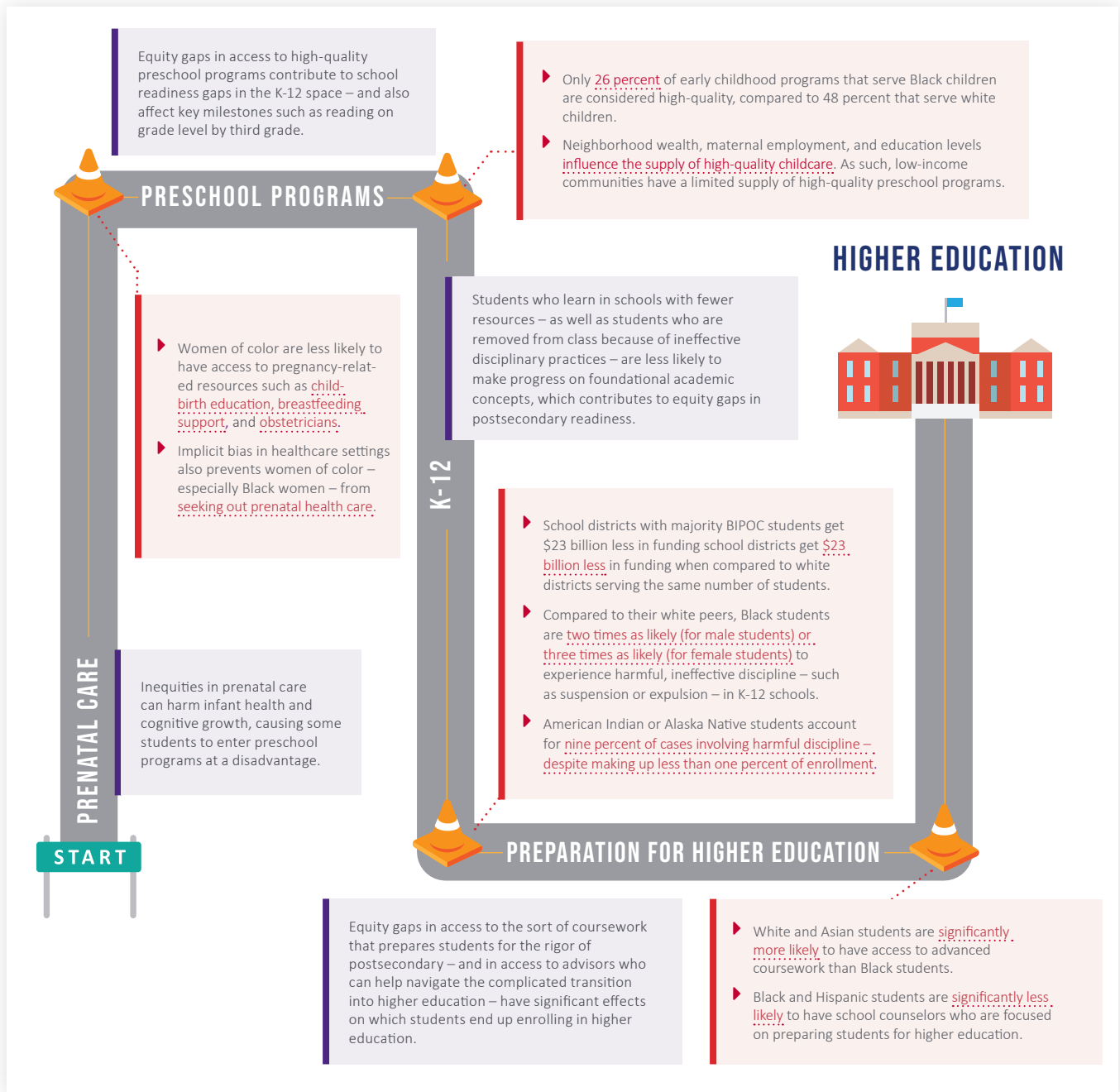
Creating partnerships between EPPs, K-12 leaders and systems, and Institutions of Higher Education (IHEs) is important to making education more equitable and accessible. However, to create these relationships, policymakers must work with stakeholders to create more equitable practices across the education continuum. As state leaders consider policies related to attainment, it is important to remember that every student arrives at the doorstep of higher education with distinct lived experiences and educational backgrounds. This is especially true for those from historically excluded populations, including Black,

Indigenous, Hispanic/Latino, low-income, individuals with disabilities, and adult learners. Inequities begin well before a student enters the education system, and the infographic below highlights the various barriers that exist.

While numerous barriers to equity exist along the education continuum, states and IHEs are innovating to try to address these roadblocks. Below are some examples of policies and programs that are designed to break down the barriers to postsecondary access that currently exist across the education continuum:

## Early Exposure for Virginia’s Students

- [Gaining Early Awareness and Readiness for Undergraduate Programs](#) (GEAR UP) Virginia has implemented college preparation programs and academic at select schools throughout the state.
- [Dual Enrollment Programs](#) allow high school students to enroll in college courses and earn both high school and college credits, or develop “[stackable](#)” [credentials that allow](#) students to improve their skills, with the opportunity to earn additional credentials and degrees throughout their career. Virginia has a dual enrollment in place with the community college system that allows high school students to enroll in any Virginia community college and receive college credit. A [December 2022 program evaluation](#) of the state’s dual enrollment program by the Joint Legislative Audit and Review Commission found that all community colleges and most school divisions receive enough state and local funding for dual enrollment programs, and should consider waiving dual enrollment fees and tuition so these programs are more accessible to economically disadvantaged students.
- Virginia’s [Bridging Communities Governor’s STEM Academy](#) provides opportunities for students to acquire STEM literacy and other critical skills, knowledge, and credentials that will prepare them for post-secondary education and high-demand, high-wage, and high skill careers.



## Early Postsecondary Exposure Across the Country

■ [Massachusetts Commonwealth Dual Enrollment Partnership](#) | Provides opportunities for Massachusetts high school students to take college-level courses for free or at a discounted price and earn credit toward high school completion and their future college degrees.

■ [North Carolina Cooperative Innovative High Schools](#) | Cooperative Innovative High Schools include early colleges and middle colleges and target students at risk of dropping out of high school, first-generation college students, and/or students who would benefit from accelerated learning opportunities.

■ [Next Steps Idaho](#) | Next Steps Idaho is a direct

admissions program that proactively admits all public high school seniors to IHEs in Idaho using high school grade point average (GPA).

## Policy Considerations

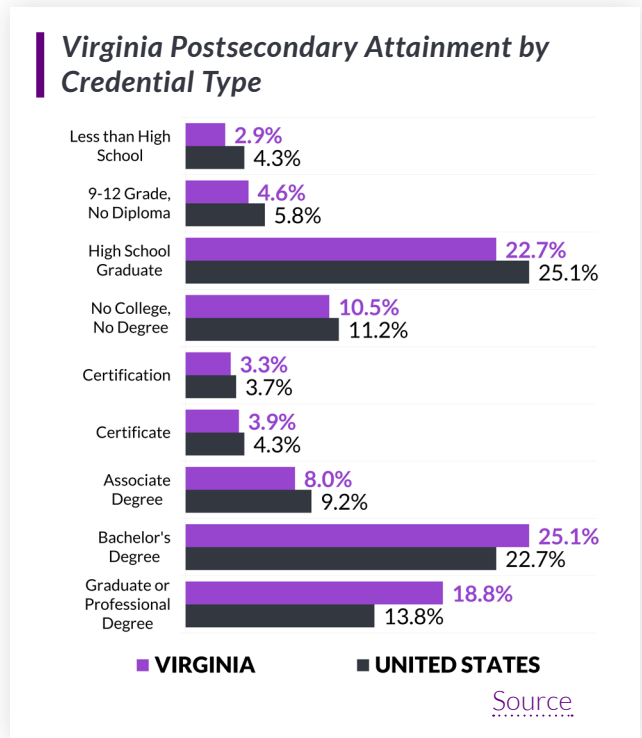
- How can policymakers best support underrepresented students in pursuing a postsecondary education, especially first-generation students, and students from marginalized communities?
- How can policymakers expand opportunities within schools to expose students to various career pathways and postsecondary opportunities?
- In what ways can Virginia policymakers leverage connections between higher education institutions, school districts, and employers to create new opportunities for exposure to postsecondary pathways?

## WORKFORCE READINESS AND THE ROLE OF INTERNSHIPS

High-quality career coaching and career readiness education allows all K-12 students to meaningfully navigate to their postsecondary plans through exploration, engagement, and experience activities inside and outside the classroom. Career coaching and career readiness education should empower students to directly enter skilled positions in the workforce, pursue a postsecondary pathway, or enlist in the military after graduation. At the postsecondary level, career-related experiences and coaching create [a bridge](#) between the classroom and the workforce, while providing opportunities for adult learners to re-skill, up-skill, or attain a postsecondary degree or credential.

As employers struggle to fill [open positions](#), career readiness education plays a critical role in addressing the disparity between jobs available and the skillsets of job seekers—also known as the [skills gap](#)—and helps prepare job seekers for open positions. Middle-skill jobs—jobs that require more than a high school diploma but less than a four-year degree—make up [roughly 52 percent](#) of the labor market. However, only

[43 percent](#) of the workforce have access to the skills training needed to fill those jobs, creating a [worker shortage](#). In 2020, about [68 percent](#) of jobs in Virginia required a postsecondary degree of some kind and about [41 percent](#) of the working age population in Virginia does not have a postsecondary degree. Thus, Virginia’s goal is to increase the percentage of working-age adults with a postsecondary degree to [70 percent](#) by 2030.



As the demographics of higher education and workforce needs continue to change, there is a growing recognition of the value different types of credentials provide for students. Postsecondary pathways are the varying opportunities students may pursue to become college and career ready. The full scope of postsecondary pathways includes:

- [Workforce Training Programs](#): Programs that offer students new and/or improved skills often aligned to a specific industry.
- [Industry Credentials](#): Vocational certifications, licenses, or badges that are recognized by local, state, or national business and industry partners.

- **Certificates:** Awards that usually require less than one or two years to complete and prepare individuals for middle-skill jobs (such as nurses and welders).
- **Postsecondary degrees** include associate, bachelor's, and graduate degrees that provide students with the opportunity to gain knowledge and skills that can be used toward employment or further study.

## Highlights from Virginia:

[Virginia Talent + Opportunity Partnership \(VTOP\)](#), funded through the Commonwealth Innovative Internship Fund and Program, is a partnership between the State Council of Higher Education for Virginia, the Virginia Business Higher Education Council, and the Virginia Chamber Foundation that aims to streamline connections between higher education, employers, and students to meet workforce needs and to ensure student success. VTOP also provides toolkits and guidance to these stakeholders on how to best enhance students' opportunities for work-based learning. By connecting students with employers and employment opportunities, VTOP also seeks to keep talented students working in Virginia.

## State Examples:

- **Indiana:** The Indiana Commission for Higher Education (IN-CHE) offers the [Next Level Jobs Workforce Ready grant](#) for Indiana residents who have completed their high school diploma but have not attained a postsecondary degree or credential. The grant covers the tuition and fees for students participating in eligible high-value certificate programs at select institutions of higher education. The grant is available for students for two years and covers the certificate program's course credit requirements.
- **Tennessee:** In Tennessee, two institutions of higher education have developed partnerships with business and industry to meet workforce needs while providing students with opportunities to pay for their education. In 2017, TCAT Murfreesboro

and Nissan partnered to create the Smyrna Campus, a technical training center representing a [public-private partnership between Nissan and the College System of Tennessee](#) to create educational opportunities that are closely aligned to current workforce needs in the region.

## Policy Considerations

- In what ways can policymakers connect workforce development opportunities and internships to affordable postsecondary pathways? What is the role of business and industry in this connection and what incentives are currently offered to leverage their role?
- How can Virginia strengthen its workforce development opportunities and internships to ensure credit mobility for participating students?
- How can Virginia continue to strengthen its workforce development pipeline and retention of individuals who complete a postsecondary pathway?





Established in 2001, [The Hunt Institute](#) honors the legacy of James B. Hunt, Jr., the former governor of North Carolina who distinguished himself as an ardent champion of education.

The Hunt Institute brings together people and resources to inspire and inform elected officials and policymakers about key issues in education, resulting in visionary leaders who are prepared to take strategic action for greater educational outcomes and student success.

In 2016, The Hunt Institute became an independent, nonprofit entity and joined forces with Duke University's Sanford School of Public Policy to pursue research, educational partnerships, and events related to improving education policy.

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