"Higher Education: Investing in Idaho" Address to the Idaho Association of Commissioners and Clerks Annual Conference President Chuck Staben, University of Idaho Tuesday, June 5, 2018

INTRODUCTION

Welcome to Moscow on behalf of the University of Idaho. Today I am excited to talk to you about what higher education means for the economic and cultural development of Idaho.

Our state is growing and changing. Higher education has an important role to play in that development, and that can and should happen in partnership with our counties.

I want to give you an idea of: the importance of higher education for Idaho students; the contributions of U of I to economic development in our state; and the role of a robust higher education mission in forging a strong and prosperous Idaho.

IDAHO IS OUR CAMPUS

The University of Idaho is in the Idaho Constitution – unique among Idaho institutions – with a founding date of 1889. We serve every county in Idaho branching out from our main campus in Latah County – the only county in America established via act of U.S. Congress, an anniversary we celebrated May 14.

We have Extension offices in 42 of 44 counties and 3 reservations. We have Research and Experiment Stations across the state. U of I is Idaho's land-grant, public research university – a three-part mission for education, research, and statewide outreach. You can see it in our mission statement here:

"The University of Idaho is the state's land-grant research university. From this distinctive origin and identity comes our commitment to enhance the scientific, economic, social, legal and cultural assets of our state and to develop solutions for complex problems facing our society. We deliver focused excellence in teaching, research, outreach and engagement in a collaborative environment at our residential main campus in Moscow, regional centers, extension offices and research facilities across Idaho. Consistent with the land-grant ideal, our outreach activities serve the state as well as strengthen our teaching, scholarly and creative capacities statewide."

I want to just counter pose that mission statement with the mission of the Idaho Association of Counties:

"IAC promotes county interests, encourages ethical behavior, advocates good public policy on behalf of Idaho counties, supports best practices, and provides education and training to assist Idaho county officials in performance of public service."

We have some similarities in our commitment to the public good for our state. For U of I, the mission to serve Idaho informs our forward-looking vision for the university and the state.

I want to take a moment to really thank our counties and the Idaho Association of Counties. You really help our Extension program carry out its work and be the force for positive community impact it has been for so long.

Idaho counties fund about one-third of our Extension budget.

From community-focused programs to agricultural education to 4-H youth leadership development, we are proud to have the support of Idaho counties as we work to maintain a strong and healthy state through our Extension network.

It is a great source of pride for this university, a vital part of who we are, and we couldn't do it without you. Thank you.

THE VALUE OF COLLEGE DEGREE

In a changing economy, college credentials are increasingly essential – more than 95 percent of jobs since the Great Recession have gone to those with for those with some college. The benefits of higher education to individuals includes low unemployment rates:

As you can see, according to the National Center for Education Statistics, "In 2017, the employment rate was higher for young adults with higher levels of educational attainment than for those with lower levels of educational attainment. For example, the employment rate was 86 percent for young adults with a bachelor's or higher degree and 57 percent for those who had not completed high school."

The benefits of higher education to individuals is also seen in earnings after completion.

The chart you see here is for earners age 25-64. Average yearly earnings for bachelor's recipients, 25 percent of all workers, were above \$60,000.

The numbers are even more stark for younger workers. According to the National Center for Education Statistics: "In 2016, the median earnings of young adults with a bachelor's degree (\$50,000) were 57 percent higher than those of young adult high school completers (\$31,800)."

The earnings for college graduates add up over a lifetime vs. those with only a high school diploma, not just in money but in important measures of well-being, according to Gallup.

According to Federal Reserve earnings data, the lifetime wage differential is now some \$1 million.

Higher education also underpins what Gallup describes as well-being measures: purpose, social, financial, community, and physical aspects of well-being. The right undergraduate education positions citizens to thrive in their well-being – not just in their earnings, but in their happiness and their sense of self in their community.

Public universities, according to higher education writer David Leonhardt, are our nation's "most powerful engine of upward mobility" that "have an unmatched record of lofting their students into the middle class and beyond. For decades, they have enrolled teenagers and adults from

modest backgrounds, people who are often the first member of their family to attend college, and changed their trajectories."

True to that spirit, U of I is not an ivory tower; we are an "American Dream" institution. In fall 2017, first-generation students comprised 37 percent of our freshman class. 24 percent of our freshman class in fall 2017 comes from underrepresented groups.

We have many examples of students who excel at U of I on their way to lifelong success. This year for our Spring Commencement we wrote a story about a Coeur d'Alene graduate who overcome a troubled youth, homelessness, and addiction to eventually earn his diploma. He earned a degree in history and is going to be a teacher. He is most proud that his career will allow him to provide a good life for his young son.

Another student spent 30 years in the military before retiring and pursuing her passion for theater arts. She graduated and already has an opportunity with a professional theater company as a stage manager.

We are of course a residential campus, but we provide opportunities for students from all backgrounds, all ages. This year we graduated our first student from the University of Idaho Coeur d'Alene computer science program we recently established in partnership with North Idaho College. Adrian Beehner, a young man from the Silver Valley who wanted to study closer to home, will be working in North Idaho's fast-growing technology sector.

We are excited about success like that – it motivates me as president and all the people around me – and I believe it exemplifies the power of postsecondary

PROVIDING OPPORTUNITIES

Across the country, educational attainment level is highly correlated with per capita income. This chart highlights the connection – you can see how rates of attainment and income form more or less a straight line from the lower left corner to the top right corner.

Massachusetts is the leader in bachelor's attainment at 44 percent, and is second nationwide in per capita income.

Idaho is a low per capita income state, and fairly low in bachelor's degree attainment, though by no means the lowest in either category. We remain somewhat below the national average in bachelor's attainment.

Higher per capita income is both a sign of a prospering economy and a boost to the economy. The close connection with educational attainment means that the more we do to promote postsecondary attainment, the more we will grow our economy.

The University of Idaho is committed to the State Board of Education's 60 percent "go-on" rate – the rate at which people go on to postsecondary training, whether a certificate, associate's or bachelor's degree.

Our state currently has a 46 percent go-on rate, currently, while seeking that 60 percent degree attainment among 25-34-year-olds by 2025.

This has been the primary focus of my presidency of the University of Idaho. We have a number of initiatives to facilitate more access:

Direct Admissions offers automatic admission for qualified high school seniors to Idaho public institutions – it lowers the hurdles for getting to college. According to a recent study by our James A. and Louise McClure Center for Public Policy Research on behalf of the Treasure Valley Education partnership, the program made a difference for 30 percent of high school seniors. The McClure Center is a research resource for all of Idaho – please get to know and use them.

In our first year, Fall 2016, we saw a 6.5 percent increase at U of I and 5 percent statewide among new first-time Idaho freshmen. We also made gains at U of I in fall 2017 in overall enrollment.

One more initiative I want to mention – our Vandal Ideas Project, an internal program that leverages U of I research/scholarship strengths, recently took on the go-on challenge. We established multi-year pilot/study programs including I-Go (recent college grad advisors in Boise area high schools), an I-Drone statewide program to spur high school interest in technology, and an intensive advising program in Jerome Middle School for rural and Hispanic students/families. We are excited about engaging with those projects and using the understandings to continue to improve outcomes.

We are also focused on access – with growth in online degrees and in distance options, for instance.

We have developed five new, entirely online degree programs in our College of Letters, Arts and Social Sciences. Online education is an area of opportunity for U of I, but we are being deliberative in our approach.

We're interested in meeting students where they are – we have a new Coeur d'Alene computer science bachelor's option in partnership with North Idaho College. That program celebrated its first graduate this year – Adrian Beehner from the Silver Valley. We look forward to many more such success stories.

Affordability: U of I continues to deliver outstanding value – an affordable education with excellent academics that leads to great career outcomes. In fact, the University of Idaho is the lowest average annual cost among Idaho public universities, according to the federal government's College Scorecard.

Financial aid is an important part of the college-going formula. U of I offers more than \$25 million in institutional aid annually.

STUDENT SUCCESS & CAREER OUTCOME

I want to take a closer look at educational attainment and income at the county level in Idaho.

The counties are listed out in groupings roughly corresponding to geographic location: On the left, counties from north to south, along western Idaho. On the center right, counties from central Idaho, roughly north to south. On the far right, counties in western Idaho. I hope you'll be able to find your county.

PS stands for the percentage of people age 25+ with postsecondary degrees. HS stands for that same population with only high school diplomas. MHI stands for median household income – not quite the same as per capita income, obviously.

The county with the highest MHI is Blaine, at \$64,000. It also has a rate of postsecondary attainment of 51 percent, above the national average.

Other counties with high MHI include Teton, Caribou, Ada, and Kootenai. Latah County has a high rate of postsecondary attainment but a low rate of median household income – probably speaking more to the low earnings of full-time students than the low wages of our faculty and staff, I hope.

Each county has a particular situation, different economic conditions, from timber counties to resort-industry counties to college towns and large metropolitan areas.

But broadly speaking, postsecondary attainment and median household income are rather closely correlated.

FAFSA COMPLETION RATES BY SCHOOL DISTRICT

One hurdle in getting more students is FAFSA completion. The Free Application for Federal Student Aid is a cumbersome process.

It is especially difficult for students from families with less college-going experience to complete the form. Two years ago U of I jumped on the movement to allow completion of the FAFSA in October with that year's taxes, meaning families could apply earlier in a student's senior year, and know their financial aid amounts to help pay for college. But FAFSA is still a difficult process.

In these maps from the federal government, school districts are the smallest units we have to measure FAFSA completion. In some cases, for our more rural districts, we have insufficient data.

But as you can see, FAFSA completion is very much a mixed bag across Idaho. Some small districts do very well, others struggle. Some larger districts do have high rates of completion, others lag.

There may not be a one-size fits all solution. But innovation at the county and district level seems to be an imperative. The University of Idaho would love to partner more effectively with districts and counties to raise rates of FAFSA completion. We can offer much in the way of expertise, support and resources.

IDAHO GO-ON RATES BY COUNTY

This is the last map of Idaho I have to show you today! But it is an important one. As you can see, it shows go-on rates by county.

Go-on rates are typically measured by a student's decision to attend some kind of postsecondary education within 16 months of high school graduation.

Idaho lags behind the national go-on rate of 69 percent, though that is a 2015 number compared to our state-level 2016 number. Data can be a little scattered for our more rural counties. But from what is available, we can see that the counties with the highest go-on rates include Bannock, Power, Latah, Blaine, Boise and Butte.

Reasons for variation differ – proximity to an institution of higher education seems to have a lot to do with it. In fact, most students across America go to school within 100 miles or so of their homes.

To reach our postsecondary attainment goals, and to drive more students to earn degrees and grow our economy, we need to continue statewide focus on go-on rates.

WORKFORCE PROJECTIONS

As I mentioned, the economy in Idaho is changing. The Idaho Department of Labor has put together some information on what the future looks like for our industries.

As you can see, postsecondary attainment past high school – again, it starts with career and technical training – will soon be the majority attainment among workers in our state. Bachelor's degree attainment will continue to rise. STEM fields are growing in demand – the increases for Idaho STEM jobs through 2024 will far outpace national trends.

That growth is evident in the chart of "hot jobs" the IDL put together. Software developers lead the percent change, with high median wages. All other "hot jobs" necessitate postsecondary education, from a bachelor's degree on up.

UNIVERSITY OF IDAHO ALUMNI

As we often say at U of I, the proof of the value of higher education is borne out every day in the success of our alumni. We're very interested in promoting student success through graduation and into careers.

We've invested in our Career Center, building relationships with employers. For instance, we have valuable internship programs with Micron, with Schweitzer Engineering, and many more companies and organizations across the state.

This spring we reached an innovative partnership agreement with Fenway Group to facilitate internships and other experiences. Moscow, home to most of our students, is in a lower-density area for economic activity compared to larger urban areas, so this Fenway Group partnership offers a way to get our students connected with companies and on their way to careers.

Vandal graduates are in demand. 90 percent of U of I graduates have a job or plans for continued study at graduation. Vandal graduates earn the highest average salaries among graduates of any institution, public or private, in Idaho, according to the PayScale College Salary Report, College Scorecard, and others.

You can see the county-by-county breakdown of our alumni success story in the chart on the slide. Again, this slide is organized roughly north to south on the left, from central Idaho to south-central Idaho in the center, and western Idaho on the right.

More than 45,000 living alumni call Idaho home. Latah County is slightly overrepresented due to the slight difference between being an "alum" – a distinction earned with 90 credits – and a graduate. Clearly many our upperclassmen are being pulled into the data set by virtue of this distinction. Btu generally the map is a useful breakdown of Vandals by county.

As you can see, we are in every corner of Idaho, from more than 12,000 people in Ada County to a small but sturdy group of seven holding on in Clark County.

Across the state, U of I alumni are building businesses, guiding innovation, and contributing to their communities. Their skills and experience make them a boon to all 44 Idaho counties. To put that in dollar terms - of U of I's \$1.1 billion in annual impact, as recently measured by EMSI, some \$782 million occurs via the estimated differential in earnings from a college degree vs. a high school diploma. That's a significant impact for communities large and small.

Let me give you one concrete example of that success: *Tom Mueller* is from St. Marie's, as you know the county seat of Benewah County. He was our Moscow Commencement speaker. As a boy, he wanted to fix airplanes. A teacher said, "Why not design airplanes?" That sounded better! He went to U of I, then on to being a founding member of SpaceX, and he is now the head of their propulsion systems, as they plan to put a man on Mars. That's the success of higher education in changing lives, and U of I is proud to exemplify American Dreams come true like that.

How many more Tom Muellers are out there in Idaho, from Ada County to Clark County, hoping for an opportunity to do something even they never dreamed possible? That's why we're so excited about holding the door open to college for more people in Idaho.

BUILDING IDAHO'S FUTURE

Two exciting projects at the University of Idaho have us very excited about the future for our state. I think they both bear upon the interests of counties across Idaho.

The University of Idaho is building a dedicated basketball arena on campus, thanks to generous support from Idaho Central Credit Union, the Associated Students of the U of I (ASUI), the U of I Alumni Association and the U of I Foundation, among many others. ICCU joined us in January with a \$10 million naming rights agreement gift that is helping propel this project forward.

This first-of-its kind wood engineered facility will be a game-changer for student-athletes, Vandal students, alumni and the greater Moscow community as a modern and comfortable gathering space.

Located at Idaho's premier research university, the ICCU Arena will drive engagement between academics, research and business in the use of engineered wood in large-scale projects.

By demonstrating how Northwest wood can be a lower-cost, greener option, the ICCU Arena will be a signature commercial building solution and a catalyst for sustainable forest product development.

In fact, the Sustainable Forestry Initiative is partnering with U of I to document the chain of custody and feature the ICCU Arena as a sustainable showcase facility to a global audience.

We're very excited about the ability of this project to impact not just our home campus but all of Idaho – in the materials and construction, in the experience it offers for students and future graduates, and in the interest it will generate for Idaho-born-and-raised design and construction, especially that which features mass-timber.

The Center for Agriculture, Food and the Environment (CAFE) is a \$45 million project to be based in the Magic Valley in support of food production and processing, especially our booming dairy industry. Idaho is now fourth nationally in milk production.

We have an opportunity to build the largest, most dynamic research dairy in the entire United States, with 2,000 cows.

This center will join together university research, industry expertise, and student workforce development opportunities. It can take these Idaho industries to the next level of excellence.

We have made progress in defining our research mission and some fundraising – please look forward to hearing more about that project, and get in touch with us if you want to know more.

CONCLUSION

I hope you're excited about the future of Idaho, and see how higher education is essential. I hope we can continue to have a discussion about the value of higher education in this state, and the return on investment available for Idaho.

I also want to ensure that the University of Idaho is meeting *your* expectations: Where can we address a community need not being met? Where can U of I help solve a pressing problem? What are opportunities for partnership would you like to see?

Please view my office as an open door. I would love to hear from you. I appreciate your interest in the University of Idaho, and in higher education, and I wish you the best for an outstanding conference.

Thank you, and GO VANDALS.