

LET'S TREAT ODU, EVMS AND NSU FAIRLY-- FOR OUR OWN SAKE!

by

**Charles V. McPhillips, Greater Norfolk Corporation
Craig Poppen, Virginia Beach Vision**

As our organizations represent a great many of the significant employers in Hampton Roads, we write with a sense of urgency about the economic future of our troubled region.

The predicament in which we find ourselves has been widely noted. Overly reliant on Pentagon spending and government-funded jobs, Hampton Roads languishes in last place among the nation's 100 largest metropolitan areas in recovering from the Great Recession. Incredible as it sounds, Hampton Roads has fewer jobs today than we had in 2007!

Lacking a track record of fostering new high-growth enterprises, especially those that bring cutting-edge technologies and medical products to market, we are utterly failing to offer career opportunities that compete with those luring the current generation of entrepreneurs and skilled workers to more prosperous markets.

Leaders in our region are attacking this crisis on a number of fronts. We know that our fate now lies mostly in our own hands. However, in one crucial respect we must rely upon help from our state leaders.

More successful regions are benefitting from better-funded universities and medical schools that attract world-class researchers, who incubate and then spin off marketable technologies and bio-medical advances into new business opportunities.

They also generate graduates who often remain in the community to provide skills essential for the growth of local companies.

Further, these higher-ed anchor institutions power their local economies as substantial employers of local residents, developers of employment centers, and purchasers of goods and services which they procure in the surrounding community.

Old Dominion University, Eastern Virginia Medical School and Norfolk State University are indeed major "impact players" in our region. We are grateful for their significant contributions to our quality of life and our livelihoods.

For our region to diversify and repair its economy, however, we need them to play a still larger role, one comparable to the impact Virginia Commonwealth University and the VCU Medical Center have had on the Greater Richmond Area, Virginia Tech on Southwest Virginia, and the University of Virginia on the Piedmont Region.

Beyond Virginia, consider the community impact of the University of Pennsylvania on Philadelphia, USC and UCLA on Los Angeles, Stanford and the University of California on the Bay Area, and the list goes on.

However, our three local flagship institutions are chronically underfunded by the Commonwealth according to its own "base adequacy funding" formula as calculated by the State Council on Higher Education (SCHEV). ODU, EVMS and Norfolk State are perched on the funding ladder well below their peer institutions. Funding them adequately is an economic development and equity issue for our region.

This disparity in state funding exacerbates the fiscal stress placed on three institutions

This disparity in state funding exacerbates the fiscal stress placed on three institutions which disproportionately focus on educating Virginia residents (who pay lower tuition).

Approximately 87% of students enrolled at ODU and NSU reside in Virginia, and EVMS supplies approximately 25% of our region's doctors and over 1,150 of its health professionals.

Further, these schools serve a disproportionately greater population of first-generation college students, military families, minorities and Pell Grant recipients. These are not students who can afford the significant tuition increases, and the resulting debt burdens, that would be required to compensate for their schools' shortfalls in state funding.

In view of our region's population, the recovery of the Hampton Roads economy is crucial for the success of our entire state, which currently ranks no. 48 among all 50 states in economic growth. In the next biennial budget, we implore the Governor and General Assembly to bring all three of these institutions up to 100% of their respective base funding guidelines.

With respect to ODU, 100% base adequacy funding would result in improving its student/faculty ratio from an unacceptably high 20:1 to a 17:1 ratio more in line with its peer institutions.

Among other funding imperatives at ODU is the establishment of a vitally needed Consortium for Public Health and Population Health Sciences, a joint venture between ODU and EVMS that includes participation by NSU and W&M as well. It promises to improve public health care so meaningfully that Hampton Roads could become a nationally recognized center of excellence in this field.

EVMS, if adequately funded, has the very real potential to become a national leader in healthcare analytics and community based clinical care, urgent priorities for a region plagued by abnormally high incidences of diabetes and cardiovascular disease. However, EVMS currently receives only 85% of the funding that SCHEV calculates is needed by our medical school under the guidelines for base adequacy.

Moreover, Norfolk State needs \$17.2 million in FY 2017 and \$19.3 million in FY 2018 to achieve 100% base adequacy funding of the established student financial assistance funding model. Indeed, anything less than an additional \$5 million per year would threaten NSU's very accreditation (and survival) under the prevailing standards of the Southern Association of Colleges and Schools. Additional funding is also needed simply to maintain NSU's new and existing facilities as well as to meet the desperate financial-aid needs of its low-income, in-state, largely minority student population.

Finally, we urge you to include the capital-project priorities of these institutions in any capital investment strategy adopted by the Commonwealth in 2016. New Chemistry and Health Sciences buildings at ODU; a Health Professions academic building at EVMS; and a replacement Science Building at NSU, all of which are critical if our region is to answer the call for a concentrated focus on the STEM-H disciplines as essential building blocks for constructing a high-skilled workforce and a more diverse economy.

If you agree that the investments outlined above are crucial for the future of our region, please contact your state senators and delegates, as well as the Governor. Let them know that Hampton Roads should be treated fairly. Let them know that our economic recovery is at stake.

