



2019 ANNUAL REPORT

Creating Pathways to Opportunity™



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WESTERN GOVERNORS UNIVERSITY

President's Message



At WGU, we believe in the power of human potential. We believe in the inherent worth and ability of every individual—and we know that, given the opportunity, every person has something big to contribute.

But too often, for too many, the gap between talent and access to opportunity is wide. WGU exists to bridge that gap.

Higher education is the surest pathway to a better life for individuals and their families. Access to high-quality education is key to helping people make the most of their potential and thrive. It is this conviction that drives what we do at WGU.

It's why we commit to being the world's most student-centric university—and why we aren't afraid to go beyond convention to make the promise of higher education deliver for everyone.

As I reflect on 2019, I am invigorated by what our students, our graduates, and our employees have already demonstrated: We have what it takes to change lives. And as I look forward to the year ahead, I'm excited by what's to come.

A handwritten signature in blue ink that reads "Scott D. Pulsipher".

Scott D. Pulsipher
President, WGU

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WORKFORCE ENABLEMENT

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Success Measured by Service to Students

INNOVATING FOR STUDENT SUCCESS

92%

overall student satisfaction
(59% very satisfied)¹

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79%

13-month retention rate
vs. 74% national average²

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2,369

students received special support following natural disasters or major events³

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70%

faculty-reported improvement in new student readiness following new orientation⁴

See Page 10

30%

increase in same-day faculty outreach to students needing timely support⁵

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ACCESS & AFFORDABILITY

119,618

enrolled students
December 31, 2019⁶

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38,256

graduates earned degrees in 2019, up 27% from 2018⁶

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70%

students from one or more historically underserved populations⁷

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52%

WGU students' average tuition as compared to national average⁸

See Page 20

25%

5-year decrease in debt at graduation among undergrads who borrowed⁹

See Page 20

WORKFORCE ENABLEMENT

95%

surveyed grads report having jobs¹⁰

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88%

surveyed grads have jobs in degree field¹⁰

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96%

surveyed employers of WGU grads say they would hire another¹¹

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97%

surveyed employers say WGU grads meet or exceed expectations¹¹

See Page 37

76%

surveyed grads say majority of competencies gained relate to work¹⁰

See Page 33

¹WGU student satisfaction survey; ²U.S. Department of Education; ³Environmental Barriers Program; ⁴Survey of Program Mentors about outcomes of OrientationNext launch; ⁵participants in Learner Care Dashboard pilot, vs. non-participants; ⁶WGU enrollment and graduation data; ⁷based on student self-reporting of income, address, racial/ethnic identity, and family's educational history at time of enrollment; ⁸Integrated Postsecondary Education Data System—comparable institutions defined as nationwide four-year public or private institutions that serve primarily adult students; ⁹reflects WGU students who borrow from a federal financial aid program; ¹⁰Harris Poll of 1,247 WGU graduates and 1,437 non-WGU graduates; ¹¹Harris Poll of 300 employers of WGU graduates

REINVIGORATING THE PROMISE OF HIGHER ED

Making Opportunity Work—For Everyone

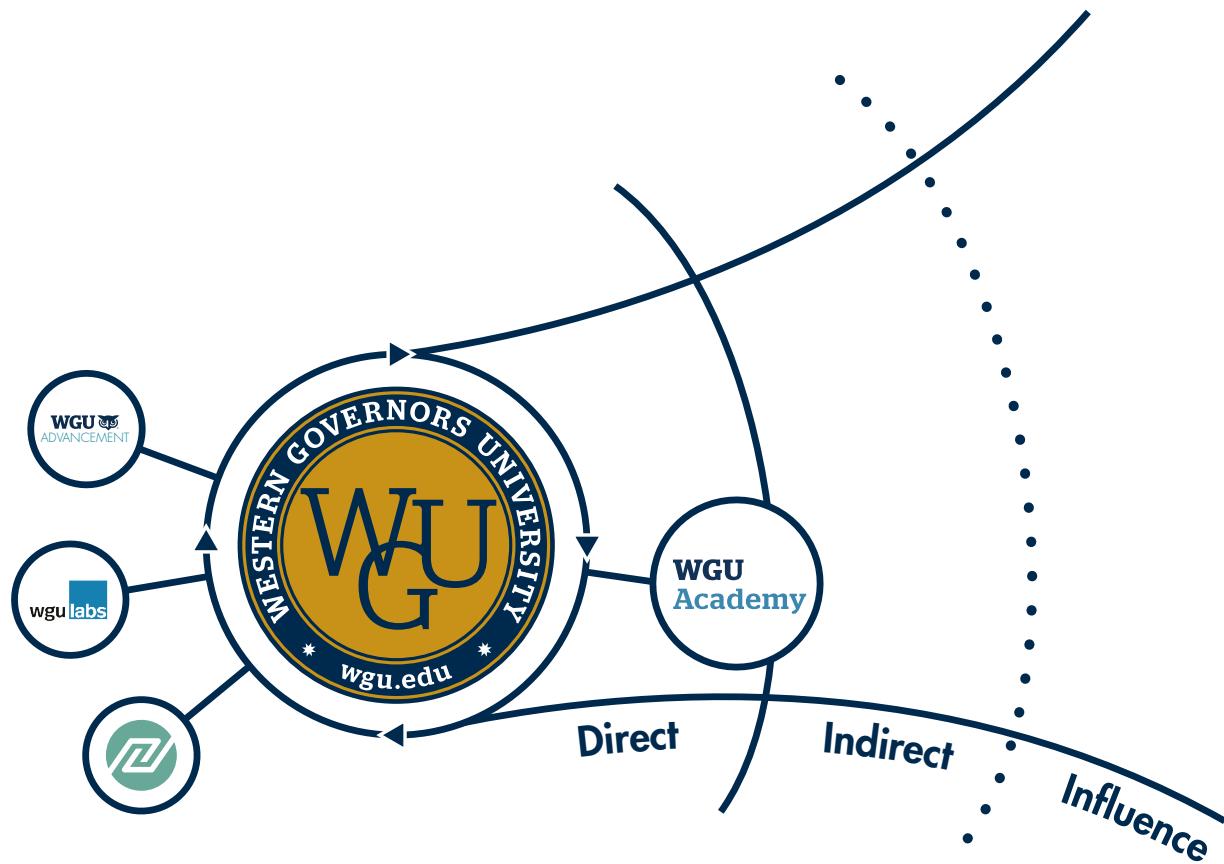
Providing the surest path to opportunity is the promise of higher education—a promise we intend to keep.

Since we enrolled our first WGU student more than 20 years ago, we have been obsessed with the success and satisfaction of each of our students. To continue to grow our impact and touch more lives with higher education, we could continue to do what we've done so well for the past two decades: add new degree programs, create partnerships, raise the bar on academic quality, refine the student experience, and keep enrolling more students. And we will.

But our belief in education's transformative power and our commitment to improving its quality, accessibility, and outcomes compel us to do more. They compel us to invest in endeavors that we hope will transform not only the institution but also the system of higher education as we strive to make opportunity work for everyone.

In 2018, we began forming the foundation of our expanded vision by magnifying our innovation capacity, launching WGU Labs, and increasing resources and capital flexibility. When combined, these facilitate the incubation, launch, and scaling of new operating endeavors. The goal of any endeavor would be to unlock opportunities or remove barriers to quality, access, and outcomes across the education-to-opportunity lifecycle—with a clear focus on serving learners. WGU will be increasingly characterized by its flexible learning architecture and multidimensional delivery, allowing us to better personalize learning, adapt to changing workforce needs, and provide relevant pathways for an individual's first *and* next opportunity.

Our commitment to measurable student impact will ensure accountability as we innovate through failures and invest for the long term. We won't rest in our effort to expand equitable access and attainment and accelerate the advancement of our mission of creating pathways to opportunity.



Catalysts



Innovation Engine

Core university: Powering the future of education starts with a strong academic base, and WGU has a 23-year history of delivering cutting-edge, workforce-relevant, rigorous academic programs. The credential-granting university is the core of our vision for the future of higher education.



WGU Labs: Leveraging WGU's long history of innovation in serving hundreds of thousands of students and alumni, WGU Labs was created to bring ideation and incubation under one roof. It is both an idea engine and a testing ground, focused on solving tough educational problems by rapidly designing, testing, and refining effective learning solutions. WGU Labs brings the scientific method to bear in helping define what the future of education can—and should—look like.



Resourcing and Funding

WGU Advancement is the primary fund-raising entity for student aid and scholarship programs at WGU. It was created to fund academic quality and student success innovations and to invest in the formation of new nonprofit endeavors, potentially stemming from WGU Labs research or from third-party start-ups. Advancement is the steward of WGU's impact capital.



NewU Venture Partners (NUVP) is designed to provide financial support for promising educational innovations. An investment fund, NUVP catalyzes a global initiative to redefine postsecondary education to support the future of work, improve quality, expand access, and optimize outcomes.

Enablers of Change



WGU Academy: The First Endeavor

WGU Academy is a college-readiness program that helps students prepare to enter a higher education program—academically, socially, and emotionally. Read more about WGU Academy on Page 11.

More to Come

WGU Academy has proved what these new endeavors can achieve—but it's just the start. We plan to introduce additional operating endeavors in the years to come. Together with Academy, these entities will focus on the key domains of **postsecondary readiness, learning design and student experience, last-mile enablement, and broad access and affordability**.



INNOVATING FOR STUDENT SUCCESS

Innovation never rests.

By definition, innovation is never "finished." Our work pioneering a new way to learn in the 21st century has only begun.

We exist to ensure that the promise of higher education is made real for more individuals. To do that, we take education beyond convention. We don't believe in "good enough" or "the way we've always done things."

We believe in being the world's most student-centric university. Whatever it takes.

Academic Stats

3

New Programs

Launched a B.S. Health Services Coordination program and certificate programs in medical coding and IT fundamentals. Redeveloped 6 courses.

39

New Courses

Also redeveloped 42 courses and made 82 course quality improvements, continuously aligning curriculum with evolving workforce needs.

127K

Assessment Evaluations

each month (primarily papers and projects)—roughly 3 per minute, 24/7.

50K

Proctored Assessments Monthly

mostly administered via webcam, combining student convenience and assessment security.



At WGU, we take our commitment to innovation on behalf of our students seriously. That means constantly working to inspire our students, our people, and ourselves to keep striving for more.

This year, we strengthened program leadership and reorganized to take full advantage of the diverse perspectives of our faculty and staff. We doubled down on program relevance and the marketability of the skills our graduates obtain. And we armed our faculty with new, cutting-edge tools to take personalized learning to the next level.

There's more to come. We are developing a technology platform to serve learners at scale. A skills mapping initiative will help higher education meet the changing needs of work. And already in 2020, we've introduced new certificate programs and expanded our undergraduate business programs to include the incremental value of stackable microcredentials.

We have a deep sense of our duty to the students who entrust us with their education, the employers who value the competencies we teach, and the families who will be changed by the power of education—for generations to come. It's why we innovate.

MARNI BAKER STEIN

Provost and Chief Academic Officer, WGU

INNOVATING FOR STUDENT SUCCESS

The World's Most Student-Centric University

At WGU, we have always aimed to be the most student-centric university in the world. Since we enrolled our first student more than 20 years ago, we have been obsessed with the success and satisfaction of each of our students. This year, we introduced or expanded a number of important innovations designed to keep the WGU experience second-to-none.

Learner Care Dashboard (LCD)

This year we introduced a visual tool for Program Mentors to have an at-a-glance view of specific student indicators. Designed by our learner-centered faculty and piloted over two years, the LCD enables timelier, more personalized faculty support, letting Mentors ask—and answer—the question, “Who needs me today?” Results from pilot testing included:

- 30% increase in same-day outreach to students in need.
- 25% more engagement with Course Instructors.
- 6.5-percentage-point increase in academic activity.
- 6.3-percentage-point increase in Competency Units (CUs) completed.
- 3.8-percentage-point increase in course completion.

OrientationNext

Beginning in October 2019, all new students began their programs with a new orientation course that prepares them for success at WGU. It includes a realistic course experience, including a performance assessment. Survey results show that 70% of Program Mentors say their students are more or much more prepared after having completed the new orientation.

Take a Break

This new feature allows students taking a proctored online assessment via webcam one 10-minute break per exam per hour while keeping the exam questions secure. WGU administers about 50,000 online proctored assessments per month, and 98% of students use online proctoring from their homes. During these assessments, students may need to pause for personal reasons. Past policies allowed students with accommodations to take breaks, but students without accommodations were disallowed breaks once the exam had begun, occasionally creating uncomfortable situations or causing students to hurry and perhaps not do their best work.

Environmental Barriers Program

Designed to proactively identify and support students facing barriers to their academic success due to natural disasters or other major events, this program helped 2,369 students in 2019, including 89 students experiencing events classified as the highest severity.

Evaluation Management Application

Built in-house, EMA is a more intuitive environment for students to submit and faculty to evaluate 1.5 million-plus assessments annually. The first students began using EMA as part of a pilot in 2017. By summer 2019, well over 100,000 students had moved into the platform. EMA is so easy to use that the amount of training and orientation required for new students is almost zero. The average turnaround time for assessment evaluation has improved dramatically, and student surveys show a drastic improvement in student satisfaction—even as EMA processes an average of three assessments every minute.



A Better Way to Learn: The WGU Experience

National Survey of Student Engagement (NSSE)

This annual survey captures two critical features of collegiate quality: the amount of time and effort students put into their studies and other educationally purposeful activities, and how institutions deploy their resources and organize curriculum and other learning opportunities to engage students, which improves student learning and outcomes.

This year's survey polled 294,507 students from 531 U.S. and Canadian institutions. Students gave WGU very high marks, well above the national average, in the following areas:

If you could start again, would you go to the same institution?

(Probably yes/definitely yes)



How would you evaluate your entire educational experience at this institution?

(Good/excellent)



Indicate the quality of your interactions with the faculty at this institution.

(6 or 7 on a 7-point scale)



How much does your institution emphasize providing support to help students succeed academically?

(Quite a bit/very much)



How much has your experience at this institution contributed to your job-related knowledge and skills?

(Quite a bit/very much)



To what extent have your courses challenged you to do your best work?

(Quite a bit/very much)



Based on a 2019 survey conducted by NSSE

INNOVATING FOR STUDENT SUCCESS

A Better Way to Learn: The WGU Experience

Student Success and Satisfaction

WGU students are satisfied with their overall experience, and they are achieving high levels of Satisfactory Academic Progress, which is a federally tracked metric indicating students are completing necessary coursework to maintain eligibility for financial aid. This level of success is leading to higher retention rates than the national average and very high referral rates.

92%

overall student satisfaction¹

94%

achieving Satisfactory Academic Progress²

79%

one-year student retention³
(The average one-year retention rate at U.S. public four-year institutions was 74%⁴)

58%

of new students are referred by a student or graduate⁵

¹Internal survey. ²Internal source. ³Internal source. ⁴U.S. Department of Education. ⁵Internal enrollment survey



"WGU exceeded all my expectations. Though it's online, I never felt that I was alone. My Program Mentor, Course Instructors, the WGU Writing Center, and the library were always there when I needed them. They were always available via phone call, email, or text. I never felt that the goal was unattainable, and I never felt that I did not have the tools necessary to finish."

KATHLEEN SATUMBAGA

Master of Science, Nursing – Leadership and Management (BSN to MSN)



"I knew if I wanted to complete my degree, I wouldn't be able to stop working. I'm glad WGU gave me the opportunity to complete my degree without needing to miss a day of work."

ARMANDO MARTINEZ

Bachelor of Science, Cloud and Systems Administration



"I am usually not a risk-taker, but WGU had made me realize that I could do bigger things I could not imagine. Western Governors University taught me to be more responsible, to balance career and social life, and develop my skills by pushing me to my limits. It showed me my potential and removed fear from the equation."

AARON PAUL ROQUE

MBA – IT Management

Recognized for Innovating

WGU is recognized year after year as a leader in higher education. Our people take pride in making a difference by providing value to our students and offering high-quality programs and courses.



EC-Council Academic Partner of the Year



Utah Best of State in Online Education



Eduventures Innovation Award



USDLA 21st Century Distance Learning Award



USDLA Non-Profit Innovation Award



CIQG Quality Award



CODiE Award



University Research & Review Best Value Award



Military Friendly Gold School



Military Friendly Spouse School



"WGU illustrates the potential of disruptive models to scale high-quality education to the students who need it most. Since its founding, WGU has pioneered new approaches, new technologies, and new business models, all with the aim of bringing high-quality education to underserved populations. WGU is a textbook definition of a Disruptive Innovation: It has paired technology with an innovative business model—and has built a value network that creates win-wins for students, employees, states, and the workforce."

ALANA DUNAGAN
Higher Education and Innovation Expert

INNOVATING FOR STUDENT SUCCESS

The Future of Higher Education Meets the Future of Work

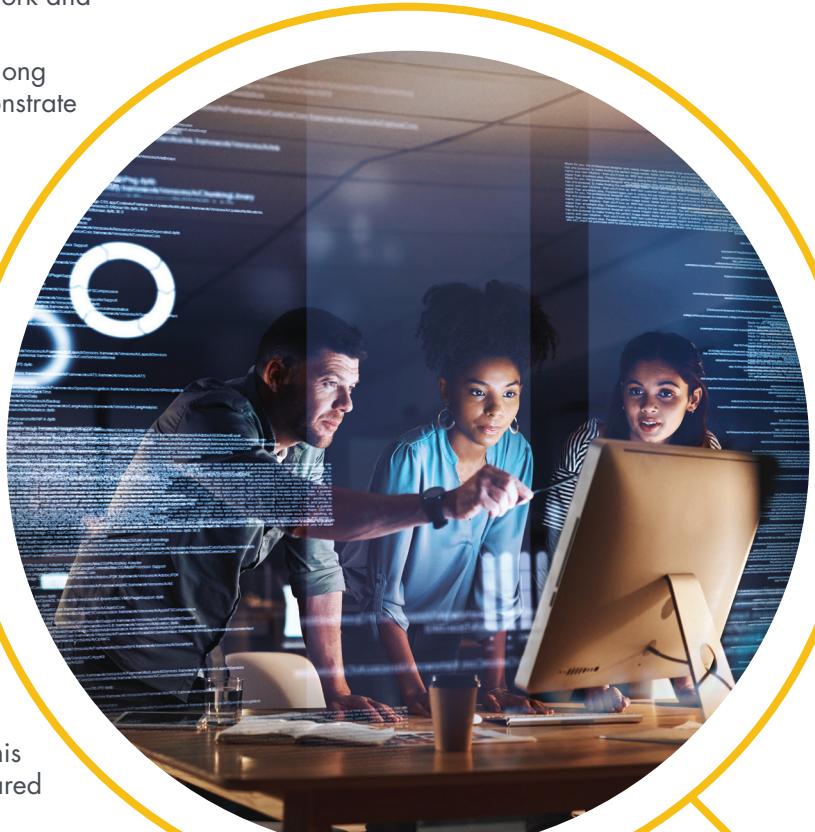
The workplace is changing. Higher education must change along with it. In 2019, we continued to expand on our initiatives—and built new ones—that take the lead in redefining higher education for the 21st century.

Skills Mapping

A skills map is an industry-by-industry, sector-by-sector, job-by-job description of needed skills and their value in the workplace. It includes data about the skill's demand by geography, career field, company, and other types of "metadata." It is developed through direct work and collaboration with industry.

Our skills mapping initiative builds on WGU's long legacy of enabling students to attain and demonstrate workforce-relevant competencies. This initiative involves the creation of the WGU skills map—high-value, industry-informed skills organized to represent targeted industry and occupation requirements—and advances our ability to develop curriculum for the future of work, while surfacing value and real-time career insights to students as they work their way to a degree or credential.

In expanding this initiative, WGU has established a wide ecosystem of partners in higher education, government, industry, technology, and associations to lead further design and implementation efforts. For example, we announced a key partnership with Emsi, a leading labor market analytics firm, to support the mapping of skills directly to real-world jobs as recruited for across employers and sectors of the economy. The growing engagement of this ecosystem will accelerate this work through shared standards, technologies, and practices.



Microcredentials

The old ways of pursuing a career are no longer the most effective approaches to match talent with opportunity, and it's being felt in the workplace. Higher education has a duty to help connect talent with opportunity by providing the skills the workplace needs—and the credentials employers can trust.

Sometimes this means a bachelor's or master's degree. Sometimes it doesn't.

At WGU, we've been introducing new kinds of credentials—"microcredentials" tailored to workforce needs that don't require students to wait two or four years to have something to show for their work.

For example, in partnership with the labor union SEIU-United Healthcare Workers West, we launched a Medical Coding Career Accelerator Program that can be completed more quickly than a full degree program. We also introduced a MicroBachelors™ in Information Technology Career Framework. Offered in partnership with edX, it is an affordable, six-month program made up of a series of courses focused on development of immediately transferable skills to meet the real-world needs of IT employers.

Stackable Credentials

Another important concept that supports the promise of microcredentials is stackability—that is, the ability of credentials to build on each other as part of a lifelong learning loop. Stackable credentials allow a learner's education to accumulate incremental value along the learning journey, improving access to both upskilling and reskilling opportunities.

The new medical coding certificate is an example of a stackable credential: It provides credit that healthcare professionals who complete the program can later transfer into WGU's bachelor's degree program in health information management—so they have the immediate value of a standalone credential but will also be well on their way to graduating should they choose to come back for a full degree.

Similarly, the IT Career Framework MicroBachelors program is a low-cost, low-risk, certificate-first pathway for learners to earn industry-recognized certificates that can later be transferred into a full degree program for professionals whose careers would benefit from that.

Stackable Microcredentials



Bachelor's degree
from WGU



EXPANDING ACCESS & AFFORDABILITY

Talent is universal. Access to opportunity is not. But it needs to be.

Working learners need more options.

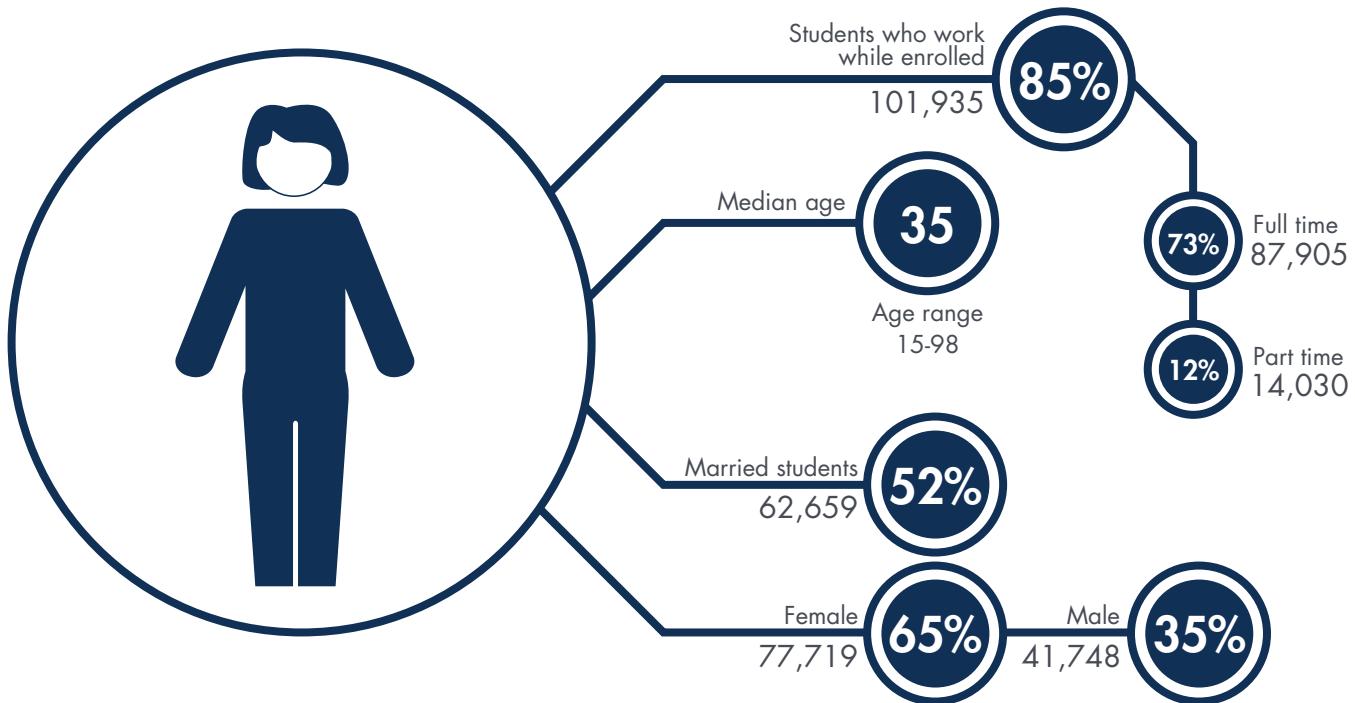
But with college costs and student debt growing and a traditional approach to higher education that for too many people simply doesn't work, those options can be hard to come by.

It's time to meet students where they are and offer a life-changing education they can afford.

Because we don't have a talent gap. We have an access gap.

Serving the 21st-Century Learner

For too many, the dream of a college education is obstructed by the realities of life: Work, family obligations, military deployments, lack of college readiness, mental and emotional barriers—these are just a few of the things that keep today's would-be student from going for the credential that could benefit their careers, their lives, and the lives of their families. And these are the students WGU was built to serve.



Total Full-Time Students **119,618**

Data as of December 31, 2019



SARAH WILLIAMS
B.S. Nursing
Springfield, Oregon

Sarah Williams is a 21st-century learner. In her early 20s, when many others her age were starting their college careers, Sarah figured higher education was not a good fit for her. By the age of 21, she was already a mother of three, having married at age 17.

Growing up in the foster care system, she was not raised with many examples of the value of education. Still, she knew she wanted more out of life, so—although it wasn't easy as a young mom—she earned her GED and embarked on a career in nursing.

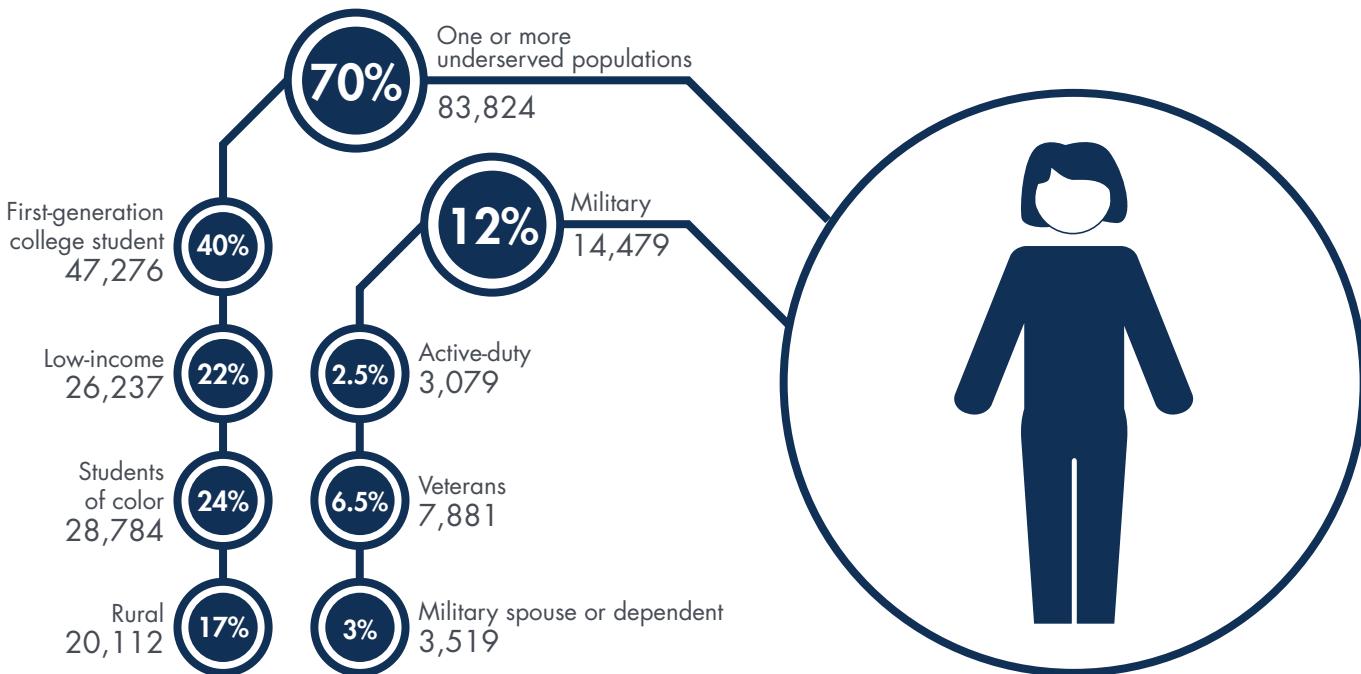
While Sarah was working as an RN, coworkers who had earned their bachelor's degrees at WGU began telling her about the program. She quickly recognized that it was the only way she could become a bachelor's-prepared nurse, given her hectic lifestyle as a working mom. "With the support of my excellent Program Mentor and Course Instructors, I completed the program in just eight months," she said.

Today, her plan is to become a psychiatric mental health nurse practitioner—"a goal I realized during my community health course at WGU," where she worked with homeless individuals in her community and found her calling.

ACCESS & AFFORDABILITY

Serving the Underserved

Providing access to populations historically not well-served by higher education is key to closing the opportunity gap. This includes students from communities of color, low-income families, rural locations, and/or families in which they are the first to attend college. According to self-reporting at the time of enrollment, 70% of WGU's students come from at least one of these populations.



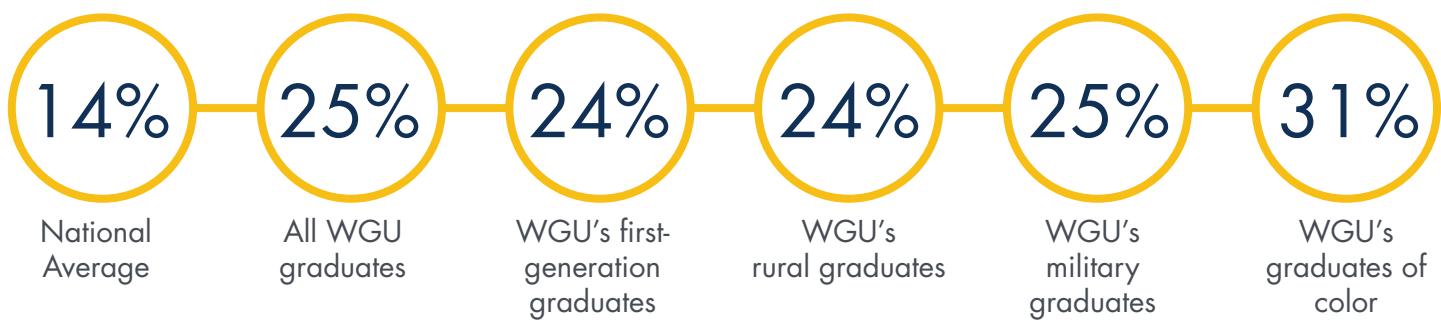
Data as of December 31, 2019

Access Meets Outcomes: Serving The Underserved Well

WGU's graduates are almost twice as likely to be thriving in at least four out of five areas of wellbeing as the national average—and that holds true for WGU's graduates from historically underserved populations:

Thriving in at Least 4 of 5 Areas of Wellbeing

The areas of wellbeing are purpose, community, social, financial, and physical.



SOURCE: Gallup Alumni Survey 2019

Serving the Underprepared: WGU Academy

WGU Academy

40%
of public 4-year college students take at least one developmental course¹

\$7 BILLION
Total cost of remediation at all colleges²

68%
of community college students take at least one developmental course¹

¹National Center for Education Statistics ²National Bureau of Economic Research

One of Academy's roles is to provide a seamless on-ramp to a WGU degree program. Low-cost and low-risk, Academy gives prospective students experience in an online educational setting.

As of December 31, 2019—just seven months after launching—Academy had served 3,709 students. And this is just the start. Academy's goal is to serve tens of thousands of students a year.

Academy provides personalized coaching, peer-to-peer interactions, and an introduction to competency-based online learning. Students develop basic academic skills, earn transferable college credit, and develop their noncognitive strengths—starting with the Program for Academic and Career Advancement (PACA).

PACA

PACA strengthens students' confidence and resolve, develops self-directed learning skills, and provides a foundation for both academic and career success. It transforms students' underlying belief about their own abilities—igniting the fire for learning, creating a sense of belonging, strengthening social and emotional skills essential for persistence, and increasing ownership, accountability, and self-regulated learning. The ultimate goal: create remarkably resilient learners.



"The most exciting news? The Academy has been planned to be highly scalable. The initiative has the potential to provide college-readiness content and skills to hundreds of thousands of students. Low-cost, flexible, tailored to the individual, and built to go big. Its goal—providing the preparation that will help thousands of students bring a college degree within reach—is one shared by many colleges and universities. Now they may have the tool that will enable that goal to be reached."

MICHAEL NIETZEL

Senior Contributor, Forbes



Partnerships in Preparedness

As part of WGU's plan to reinvigorate all of higher ed, Academy will serve more than prospective WGU students. As a first example, Academy partnered with tnAchieves to pilot a summer bridge program for high school graduates entering community colleges in Tennessee.



ACCESS & AFFORDABILITY

Making College Affordable

Keeping the cost of higher education down is a top priority for WGU. In 2019, the average tuition and fees for WGU's undergraduate programs was \$6,670. According to the federal government's Integrated Postsecondary Education Data System, the average for comparable institutions nationwide (four-year public or private institutions that serve primarily adult students) was \$12,775. WGU maximizes operational efficiency to keep tuition and fees low, and through innovations like flat-rate tuition—charging per term rather than per course or per credit, so accelerating saves money—we empower students to get the most for their educational dollar.

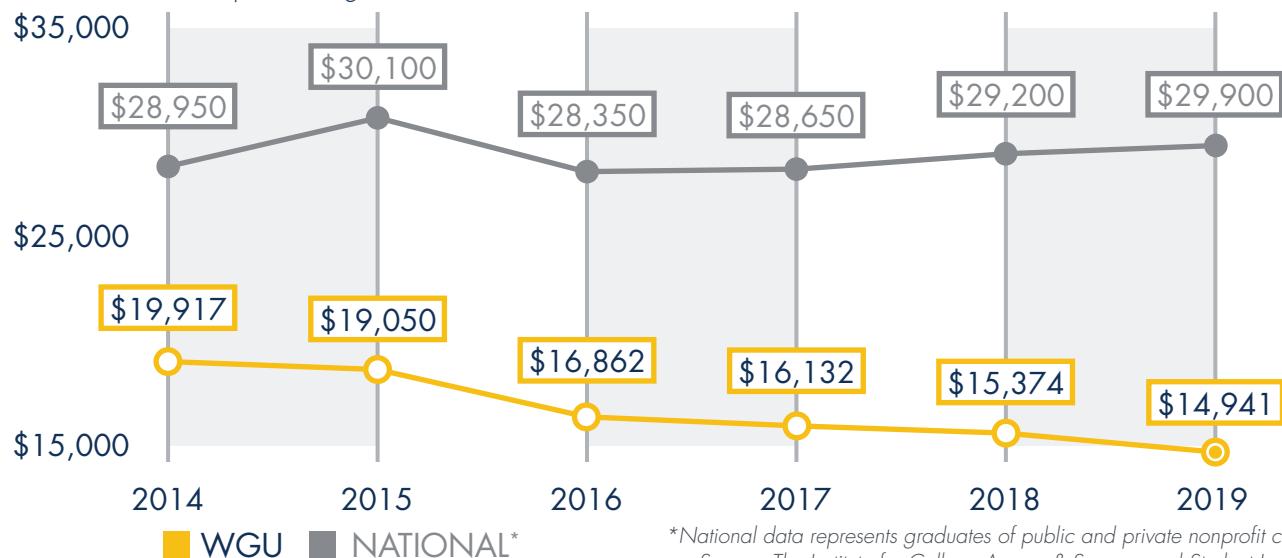
Reducing Student Debt and Encouraging Responsible Borrowing

WGU's Responsible Borrowing Initiatives (RBI) provide students with tools and information to help them make the best decisions about borrowing and debt. By recommending students borrow only what they need rather than the maximum amount available, RBI has shown a significant reduction in borrowing and default among WGU students and grads.

In fact, according to the 2019 Gallup Alumni Survey, 42% of WGU undergraduate alumni completed their degrees without taking out student loans. And according to data reported by the U.S. Department of Education's Federal Student Aid Office, WGU's FY2016 three-year cohort default rate is the lowest among the 20 largest schools by number of borrowers.

Reducing Debt

Average Debt at Graduation per Undergraduate Who Borrowed



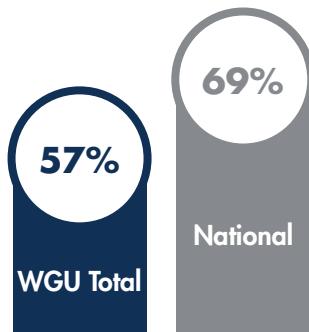
*National data represents graduates of public and private nonprofit colleges.
Source: The Institute for College Access & Success and Student Loan Hero

Reducing Borrowing

Percentage of Graduating Undergrads Who Borrowed for School

*As the percentage of college students who need to borrow for school continues to rise nationwide, WGU's rate is down 5 percentage points since 2015.

Source: The Institute for College Access & Success



Reducing Default

3-Year Loan Default Rate, Fiscal Year 2016 Cohort

Source: The Institute for College Access & Success



Making College Affordable—for Everyone

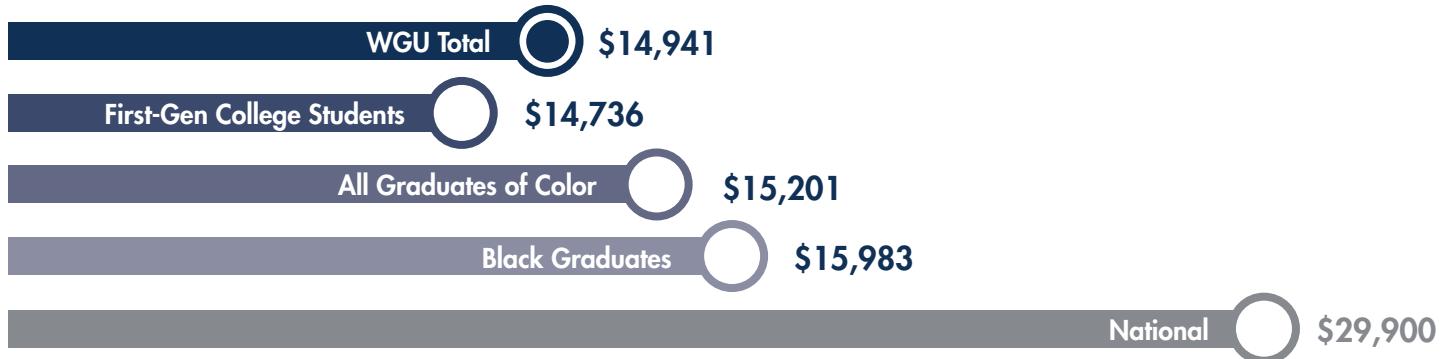
The college cost and debt crisis is affecting all Americans—but it hurts some communities much worse than others.

The Education Trust reports that black students who borrow to pay for school are more than 150% likelier to default than their white peers are. Meanwhile, The Institute for College Access & Success (TICAS) reports that graduates from lower-income families are five times as likely to default as their higher-income peers are, and first-generation bachelor's degree recipients were more than twice as likely to default than were students whose parents had attended college.

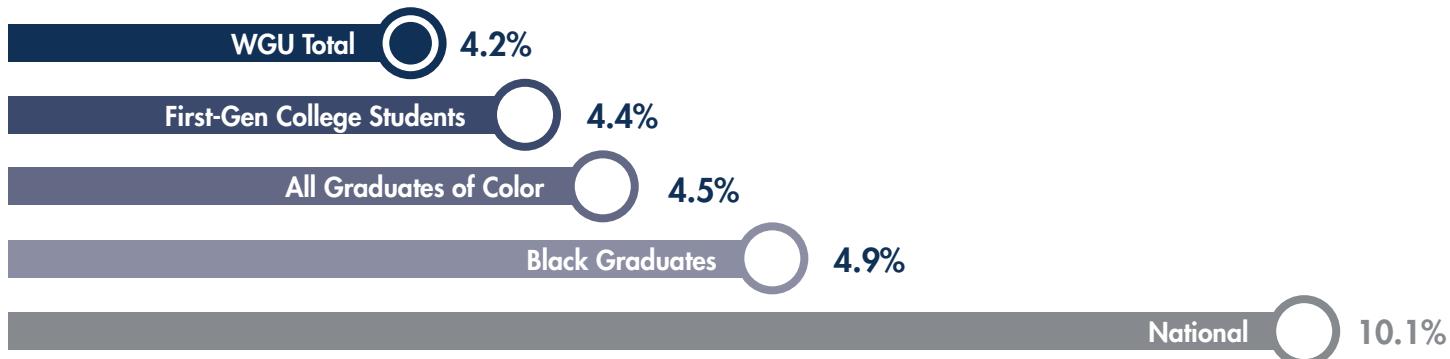
At WGU, we are committed to serving the underserved—and serving them better. Our debt and default disparity among these populations is substantially better than the national average—in fact, average debt at graduation for our first-generation college students is actually lower than that of our graduates whose parents attended college.

But the fact that a disparity remains at all means we still have a lot to do.

Average Debt at Graduation, WGU FY2019 Graduating Class (Undergraduate)



Three-Year Loan Default Rate, WGU FY2016 Undergraduate Cohort



Offering Assistance through Scholarships

7,748
scholarships awarded
in 2019

\$16 MILLION
in need-based scholarships
awarded in 2019

24%
of applicants were
awarded a scholarship

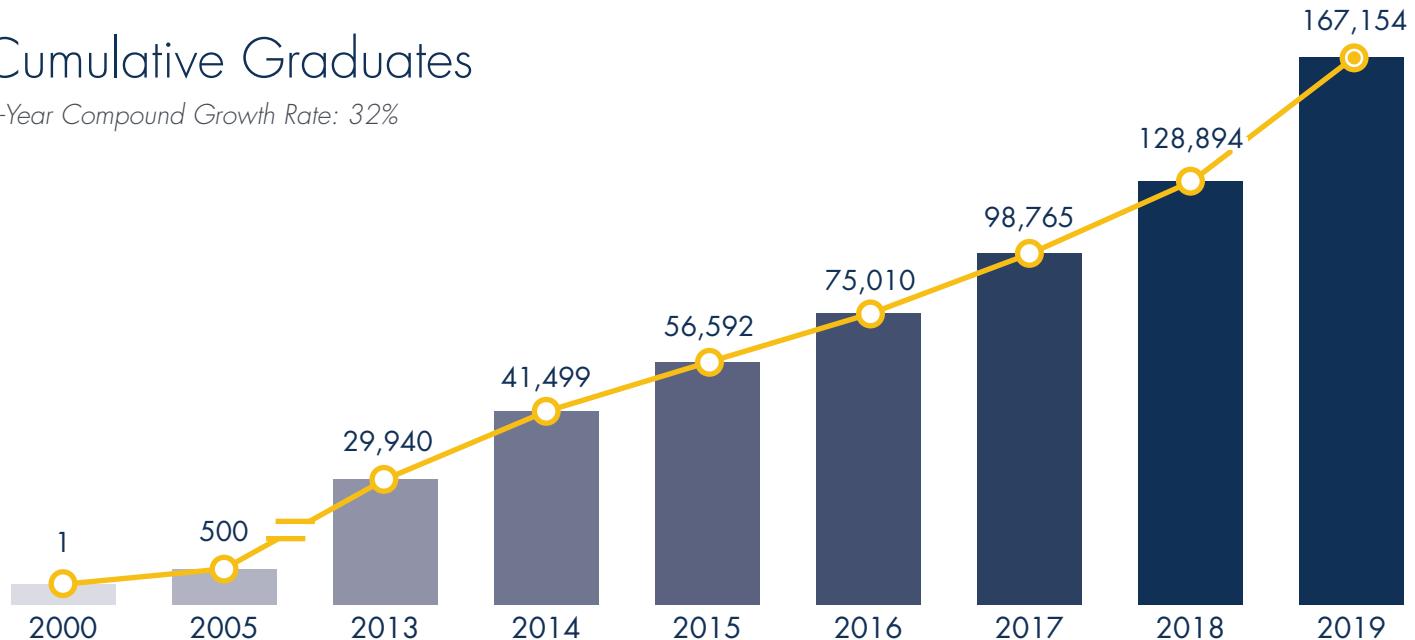
ACCESS & AFFORDABILITY

Graduation Is the Goal: Completion Data

Access without attainment does not deliver on the promise of higher education. To measure whether we're expanding access, we must measure growth in credentials earned. Graduation is the goal. And 2019 saw more students complete their WGU degrees than any previous year—in fact, **of all graduates in WGU's history, 22% graduated in 2019!**

Cumulative Graduates

5-Year Compound Growth Rate: 32%



2019 Graduates

- 38,256
- 27% more than 2018
- 58% bachelor's degrees, 42% master's degrees
- College of Health Professions: 38%
- College of Business: 31%
- Teachers College: 22%
- College of Information Technology: 9%

Degrees earned in highly in-demand, economically crucial fields, including:

- 10,470 bachelor's degrees in nursing
- 2,151 STEM or special education teaching degrees
- 1,428 cybersecurity degrees

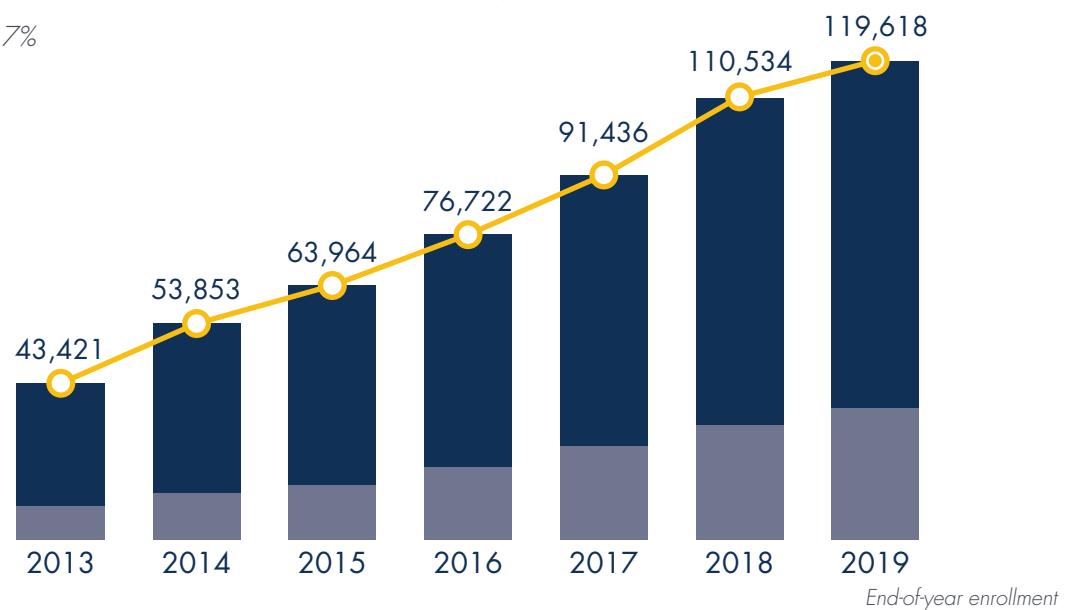


Serving More Students: Enrollment Growth

5-Year Compound Growth Rate: 17%

Undergraduate
5-Year Compound
Growth Rate: 16%

Graduate
5-Year Compound
Growth Rate: 22%



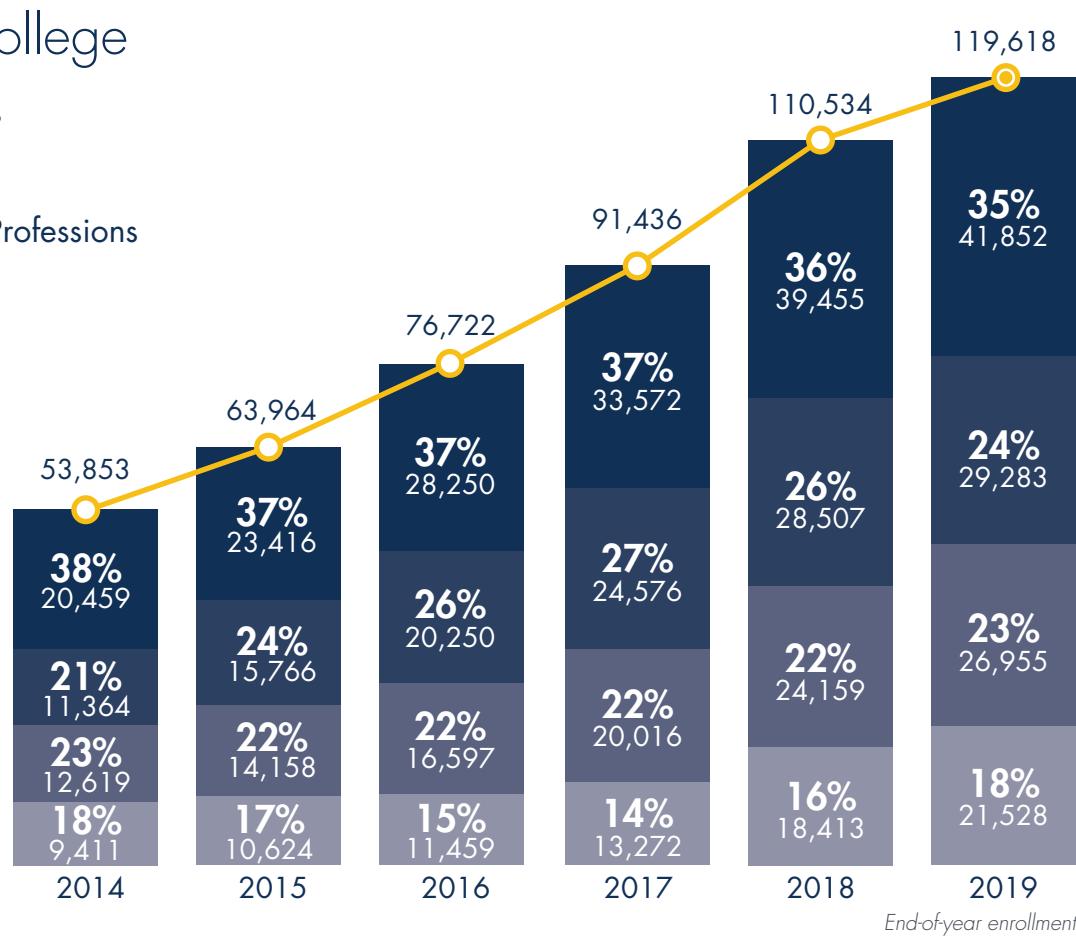
Enrollment by College

College of Business
5-Year Compound
Growth Rate: 15%

College of Health Professions
5-Year Compound
Growth Rate: 21%

Teachers College
5-Year Compound
Growth Rate: 16%

College of IT
5-Year Compound
Growth Rate: 18%

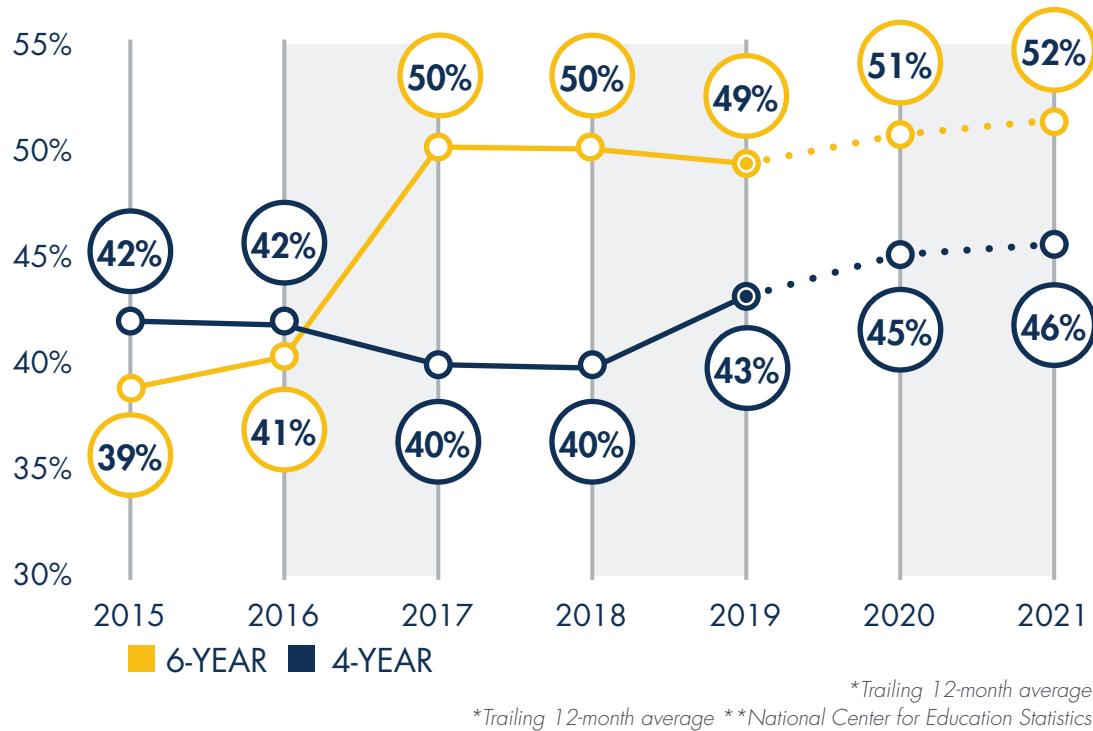


ACCESS & AFFORDABILITY

Undergraduate Programs: Graduation Rates

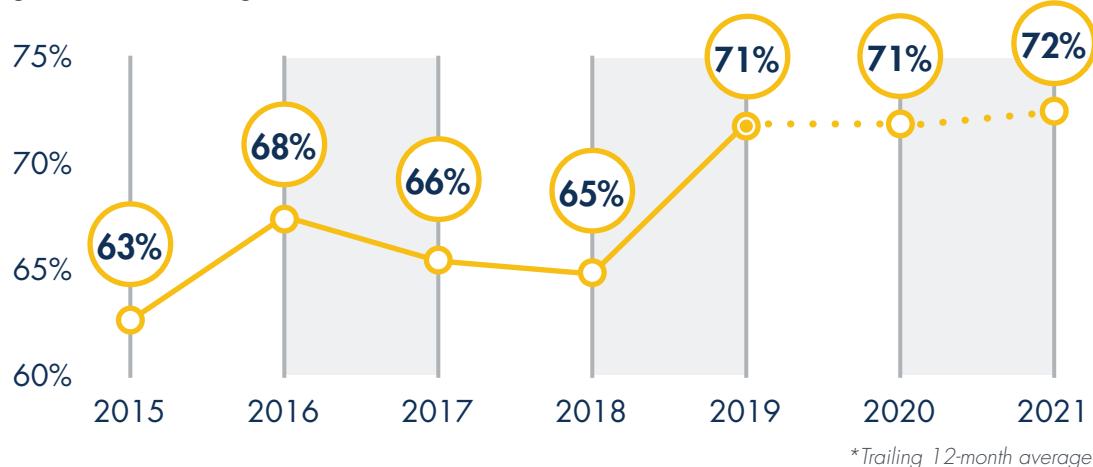
WGU's 6-year graduation rate for undergraduate students is 49%, which continues to be above the national average of 38% for comparable institutions serving adult students. WGU's 4-year graduation rate for undergraduate students is 43% in 2019.

WGU's goal is to achieve a 65% 6-year graduation rate by 2025.



Graduate Programs: 3-Year Graduation Rate

WGU's 3-year graduation rate for graduate students is 71% in 2019.



Celebrating Success: Commencements Around the Country

As the WGU alumni community continues to grow, so do our opportunities to celebrate the success of graduation. In 2019, we increased the number of commencements held around the country to six, giving nearly 7,000 graduates—and more than 50,000 of their loved ones—the once-in-a-lifetime chance to celebrate in person with their fellow alumni.

2019 Commencements

Orlando, Florida (February)

Attendance: 1,098 Graduates, 7,611 Guests

Cincinnati, Ohio (April)

Attendance: 561 Graduates, 3,684 Guests

Anaheim, California (June)

Attendance: 1,310 Graduates, 10,761 Guests

Salt Lake City, Utah (August)

Attendance: 1,148 Graduates, 9,287 Guests

Seattle, Washington (September)

Attendance: 1,258 Graduates, 9,621 Guests

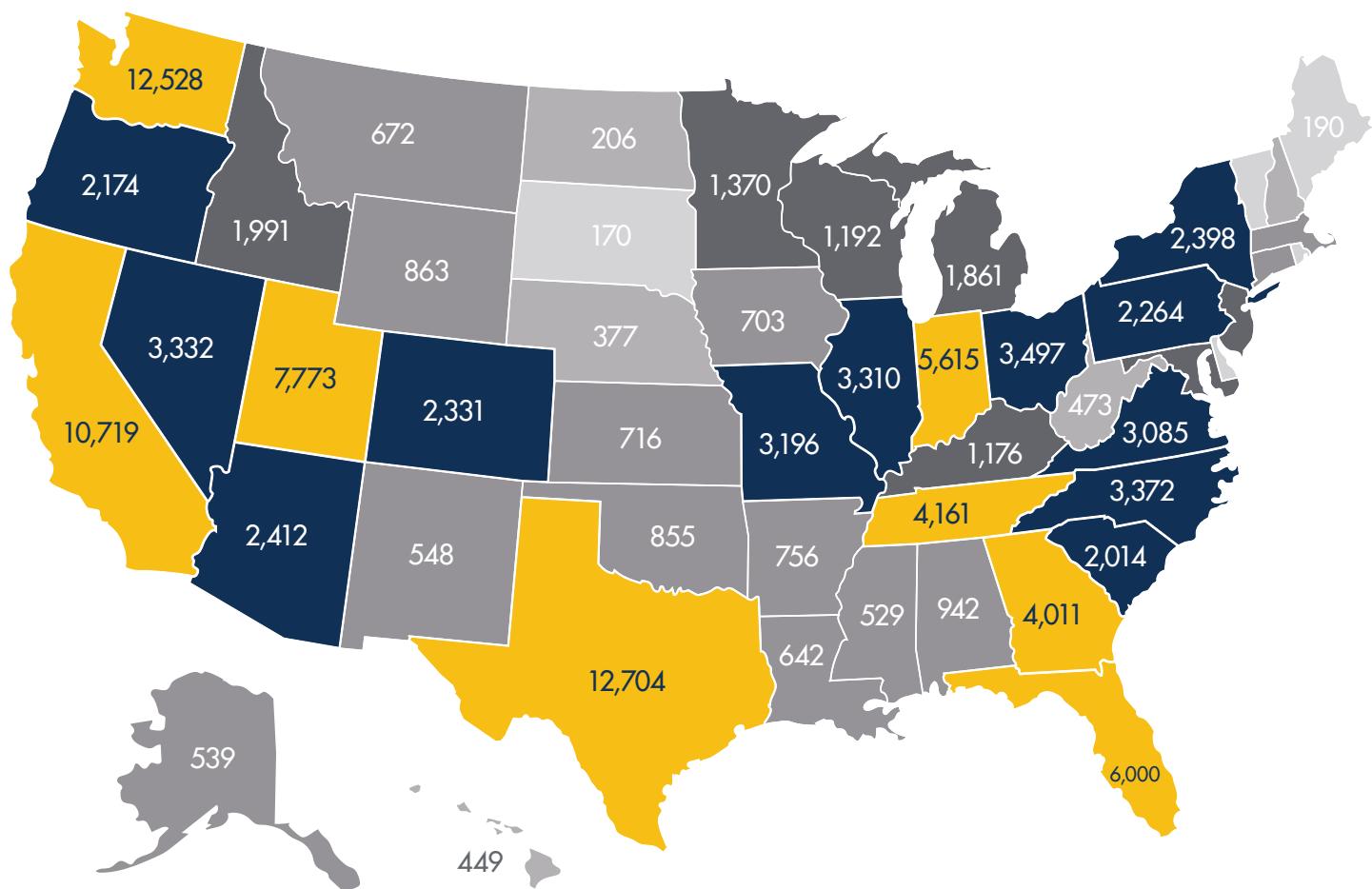
Austin, Texas (October)

Attendance: 1,289 Graduates, 9,558 Guests



ACCESS & AFFORDABILITY

A Nationwide Student Body 119,000+ Strong
Enrollment Map

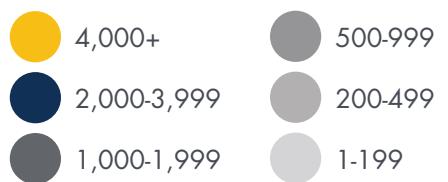
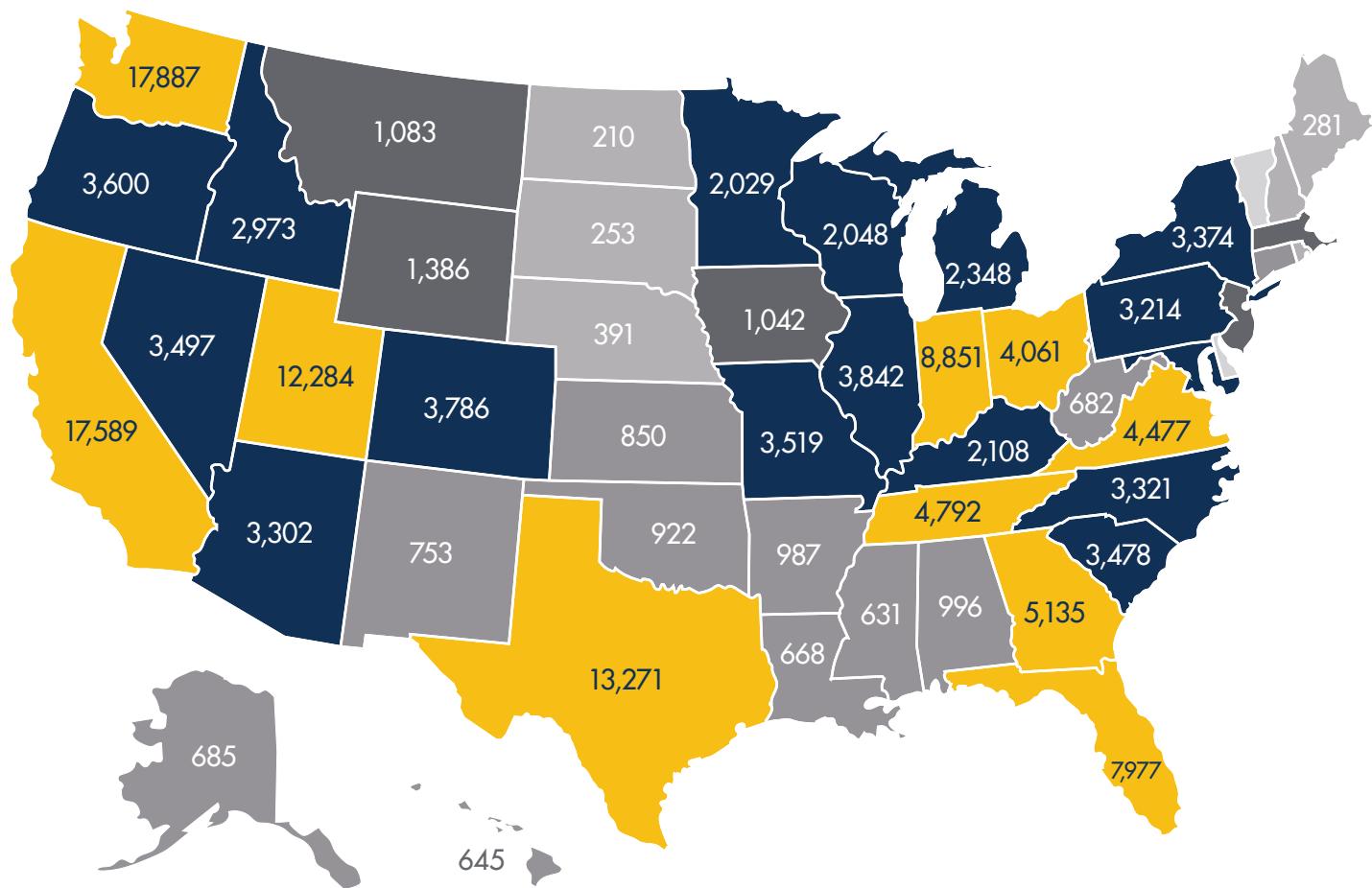


| | | | |
|-----------------|-------|----------------|-----|
| Connecticut | 644 | Armed Forces | 535 |
| Delaware | 132 | Guam | 46 |
| Maryland | 1,468 | International | 77 |
| Massachusetts | 645 | Puerto Rico | 27 |
| New Hampshire | 204 | Virgin Islands | 21 |
| New Jersey | 1,291 | | |
| Rhode Island | 174 | | |
| Vermont | 159 | | |
| Washington D.C. | 68 | | |

*as of December 31, 2019

An Alumni Network of 167,000+ Graduates

Alumni Map



| | | | |
|-----------------|-------|----------------|-----|
| Connecticut | 971 | Armed Forces | 334 |
| Delaware | 197 | Guam | 37 |
| Maryland | 2,046 | International | 469 |
| Massachusetts | 1,021 | Puerto Rico | 24 |
| New Hampshire | 373 | Virgin Islands | 21 |
| New Jersey | 1,845 | | |
| Rhode Island | 272 | | |
| Vermont | 229 | | |
| Washington D.C. | 87 | | |

*as of December 31, 2019

ACCESS & AFFORDABILITY

State-Based Affiliates

Expanding access through partnerships with states



WGU OHIO

Launched in 2018



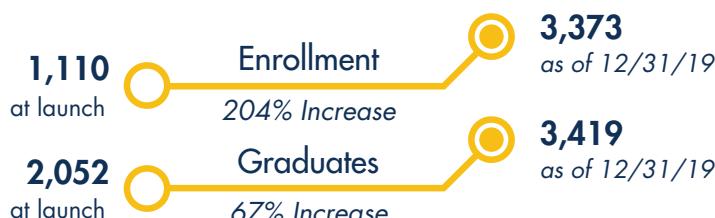
Highlights:

- Received Certificate of Authorization good through 2024.
- Awarded nearly \$700,000 in scholarships.
- Was awarded the Choose Ohio First Grant, which will provide funding for scholarships and support for students returning to complete degrees in computer science.
- Formed new partnerships with OhioHealth Corporation, Nationwide Mutual Insurance Company, Cincinnati Public Schools, Kettering Health Network, and the City of Dayton.



WGU NORTH CAROLINA

Launched in 2017



Highlights:

- Enrolled students in 98 of the state's 100 counties.
- Formed new partnerships with Caldwell UNC Health Care, Charter Communications, Mako Medical, UNC REX Healthcare, Central Carolina Community College, Davidson County Community College, Piedmont Community College, and Wake Technical Community College (the state's largest).
- Received approval from the State Board of Education for all initial teacher licensure programs, the only 100% online nonprofit university to do so.
- Offered Military Service Scholarship in partnership with the USO of North Carolina and the Veterans Appreciation Scholarship in partnership with Veterans Bridge Home. One in five WGU North Carolina students is affiliated with the military.



WGU NEVADA

Launched in 2015



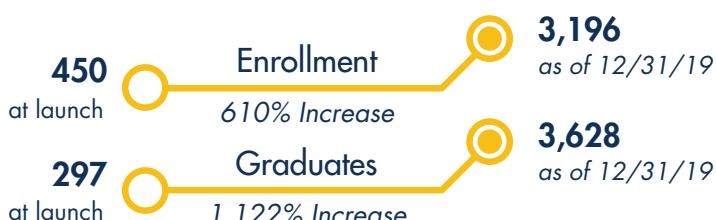
Highlights:

- Ranked as the state's largest private, nonprofit university.
- Awarded almost \$500,000 in scholarships to 238 Nevada students.
- Had students and/or alumni in all 17 Nevada counties.



WGU MISSOURI

Launched in 2013



Highlights:

- Marked more than \$2 million in scholarships awarded in six years since founding.
- Had an active student and/or a graduate in every county in the state



"WGU Missouri plays a huge part in expanding access to quality and affordable higher education in our state, giving thousands of students an opportunity to earn a college degree, level-up their skills, and advance their careers. Expanding educational opportunities is critical to developing a strong workforce and growing our economy, and WGU Missouri is critical to our efforts on this front."

MIKE PARSON

Missouri Governor

ACCESS & AFFORDABILITY

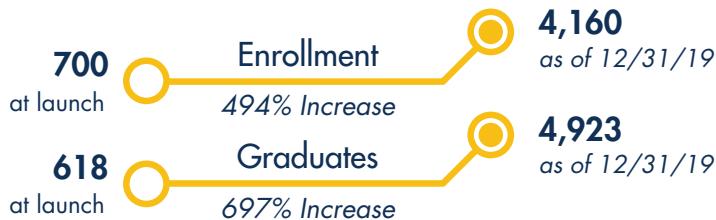
State-Based Affiliates

Expanding access through partnerships with states



WGU TENNESSEE

Launched in 2013



Highlights:

- Awarded nearly \$900,000 in scholarships.
- Marked \$3.98 million in scholarships awarded in six years since founding.
- Commissioned a statewide poll to learn about the education needs of Tennesseans.



WGU TEXAS

Launched in 2011



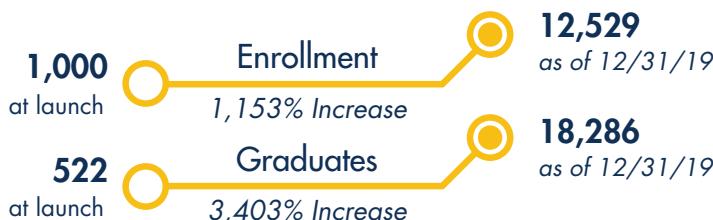
Highlights:

- Awarded more than \$1 million in scholarships.
- Formed partnerships with 13 community colleges and college districts across the state.
- Celebrated Chancellor Steven Johnson's appointment to the Texas Association of Business and Chambers of Commerce Foundation and to Governor Greg Abbott's Broadband Development Council.
- Launched first healthcare simulation center, serving nursing prelicensure students in six cities/metro areas.
- Ranked as the state's second-largest nursing school and its second-largest private nonprofit university.



WGU WASHINGTON

Launched in 2011



Highlights:

- Awarded nearly \$1.9 million in scholarships.
- Ranked as the state's largest private university, the fifth-largest university overall, the third-largest MBA program, and the second-most-popular transfer destination for community and technical college graduates.
- Honored by proclamation of November 10–16, 2019, as WGU Washington Week by Mayor Dana Ralph of Kent, Washington, herself a three-time WGU graduate.
- Participated as an active member of the College Promise Coalition.
- Launched partnership with Holland America Group.



"Students from every county in our state attend WGU Washington. Through their innovative, competency-based learning model, WGU helps students advance in their careers, earn higher wages, and help strengthen our workforce."

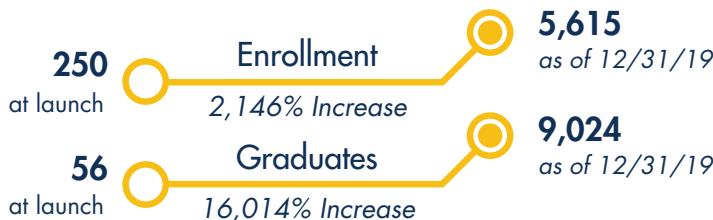
JAY INSLEE

Washington Governor



WGU INDIANA

Launched in 2010



Highlights:

- Awarded more than \$900,000 in scholarships.
- Appointed Alison Bell as new Chancellor.
- Completed statewide community engagement listening tour, bringing Chancellor Bell and her team to 17 areas across the state, where they met with mayors, community leaders, and corporate leaders.
- Was awarded phase 1 of a grant to explore ways to partner with employers and other institutions in the state to innovate and improve higher education.
- Hosted five nurse pinning ceremonies.





WORKFORCE ENABLEMENT

As of December 2019, employers are seeking 7.3 million well-qualified employees.

That's how many jobs the U.S. Labor Department says are sitting unfilled, as companies struggle to find workers with the skills they need.

Meanwhile, 36 million Americans have some college credit but no degree—and for many, the biggest barrier to educational and career success is a lack of career-relevant learning options.

Better jobs for individuals. Better lives for their families. Better outcomes for employers, and a stronger economy for us all. That's what an empowered workforce looks like—and it's what higher education, done right, can deliver.

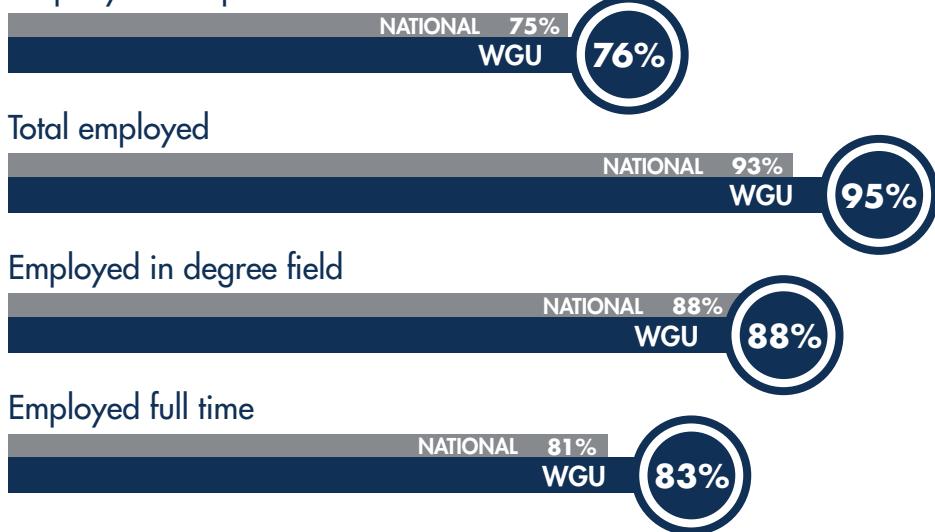
Ready to Work: Graduate Success

WGU's students enroll for their careers, and the measure of their success is how they thrive in the workplace—and in their lives. An empowered workforce is made up of individuals who have the tools to reach their full potential because they have the education and training they need to turn their innate talents into opportunity.

Harris Poll

In addition to measuring graduate satisfaction, the annual WGU-Harris Poll tracks post-graduation employment outcomes. In 2019, the survey included 1,247 WGU graduates and 1,437 national, non-WGU graduates from the four degree fields WGU offers. (Note that respondents were not asked whether they started current employment after earning their degrees or were already employed as students.)

Majority of competencies related to work



A Better Return on Student Investment

Average increase in annual salary compared with pre-enrollment salary.

Within two years of graduation:

\$11,800

WGU Total

\$4,500

National

Within four years of graduation:

\$20,300

WGU Total

\$8,200

National

\$16,675

Average total cost,
bachelor's programs
(tuition and fees)

**2 YEARS
5 MONTHS**

Average time to
bachelor's degree

**2-YEAR
PAYBACK**

on tuition investment
(undergraduate)

Source: Harris Poll

WORKFORCE ENABLEMENT

Aligning with Industries: College Highlights

WGU | COLLEGE OF BUSINESS

Enrollment as of December 31, 2019: 41,852

Graduates in 2019: 11,815

2019 Highlights:

- Increased four-year undergraduate graduation rates more than 25% from the beginning of 2019 to the end of the year, a remarkable achievement spearheaded by our innovative mentoring initiative "Four Two Finish."
- Developed the most cutting-edge, market-relevant undergraduate business core curriculum in the country using innovative skills mapping that utilized advanced labor analysis software tools and input from leading industry experts and employers.
- Joined the JetBlue Scholars program.



WGU | COLLEGE OF HEALTH PROFESSIONS

Enrollment as of December 31, 2019: 29,283

Graduates in 2019: 14,417

2019 Highlights:

- Launched B.S. Health Services Coordination.
- Launched our first microcredential, the Medical Coding Career Accelerator Program, in partnership with SEIU-UHW.
- Created the Center for Professional Learning, a new division of the College of Health Professions that will build the vision for and implement new microcredentials and continuing professional education initiatives.



WGU  | COLLEGE OF INFORMATION TECHNOLOGY

Enrollment as of December 31, 2019: 21,528

Graduates in 2019: 3,522

2019 Highlights:

- Celebrated College of IT students as they earned top honors in Cyber FastTrack competition. Of the 541 semi-finalists, 127 were WGU College of IT students. Only 24 students nationally achieved a perfect score; nine were from WGU's College of IT.
- Graduated first students from new B.S. Computer Science (81 graduates since 2018 launch).
- Developed the new IT MicroBachelors Program on edX to let students earn work-ready credentials along the path to a degree.
- Joined the JetBlue Scholars program.

**WGU**  | TEACHERS COLLEGE

Enrollment as of December 31, 2019: 26,955

Graduates in 2019: 8,502

2019 Highlights:

- Received full seven-year accreditation from the Association for Advancing Quality in Educator Preparation (AAQEP) without any concerns or conditions. Our college is the first in the country to receive full accreditation from both the Council for the Accreditation of Educator Preparation (CAEP) and AAQEP.
- Served 11.6% more students and awarded 27.3% more degrees in 2019 compared with 2018.
- Planned our first foray into opening non-degree learning pathways, working with new state and school districts to offer a series of microcredentials for paraeducators by October 2020.



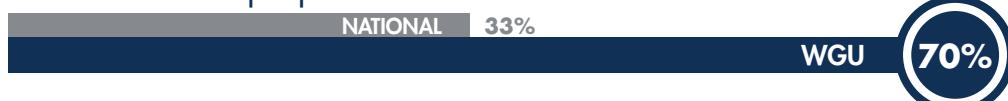
WORKFORCE ENABLEMENT

More Than a Degree: Graduate Satisfaction

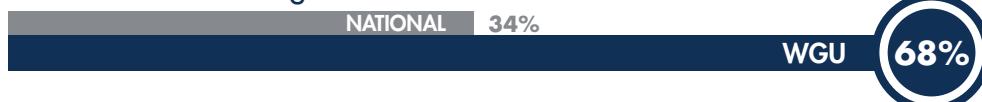
Gallup Survey

WGU participates in the Gallup Alumni Survey to gain insight into the relationship between the college experience and post-graduation outcomes—and to continuously monitor and improve on our ability to deliver the outcomes that lead to happy, successful lives for our alumni. Results show WGU graduates saying they “**strongly agree**” on several student satisfaction measures at rates double the national average—or more.

Perfect school for people like me



Mentor who encouraged me



Worth the cost



Harris Poll

The WGU-Harris Poll is conducted online annually. Among other things, it measures graduates' satisfaction with their education experience. In 2019, the survey included 1,247 WGU graduates and 1,437 national, non-WGU graduates from the four degree fields WGU offers.

Have recommended university to others



Satisfied with overall experience



Satisfied with academic help



Would choose university again



Skills for the 21st Century: Serving Employer Needs

Employer Satisfaction

Based on a 2019 survey of 300 employers of WGU graduates by Harris Poll:

96%

said they would hire another WGU graduate

95%

rated the job performance of WGU graduates as excellent or very good

97%

said WGU graduates meet or exceed expectations

97%

said WGU graduates were prepared for their jobs

88%

rate WGU grads as excellent or very good at performing technical skills related to field

95%

rate the "soft skills" of WGU grads as equal to or better than grads from other institutions

Partnering with Industry

WGU develops transformative partnerships with world-class corporate partners, community colleges, membership-based associations, and alliances to expand access to higher education for their employees while also supporting the partner's education and human resource business objectives.

Current Partners Include:



Targeting Workforce Needs

The state of California projects a shortfall of almost a half-million healthcare professionals over the next 10 years. To address the gap, Service Employees International Union-United Healthcare Workers West (SEIU-UHW) joined with WGU to offer workforce-tailored certificate programs, starting with medical coding and medical assisting.



"The tailored offerings and unified approach to continuing education WGU has had with the Capital Division's Centers For Clinical Advancement has opened possibilities for countless learners."

BRENT MARLOWE

Vice President of Clinical Education,
HCA Healthcare Capital Division

WORKFORCE ENABLEMENT

Partnering on Economic Development

Close collaboration between higher education innovators and the engines of our economy is crucial if the future of education is to match the future of work. WGU is committed to ensuring higher education serves the needs of our local, state, national, and global economies, and we partner with thought leaders and decision-makers to lend our voice to the conversation.

American Workforce Policy Advisory Board

In 2019, the White House appointed WGU President Scott Pulsipher to the American Workforce Policy Advisory Board. Pulsipher joined a group of 25 distinguished leaders from government, education, and the private sector, including senior administration officials and U.S. governors, Fortune 500 CEOs, and education and workforce association leaders. The Board was established to develop strategies that will better align education with 21st-century workforce needs. Its work includes:

- Developing a campaign to promote multiple pathways to career success.
- Improving data transparency to better match American workers with American jobs.
- Modernizing candidate recruitment and training practices.
- Encouraging and measuring employer-led training investment.

One of the critical objectives of the Advisory Board is to create the agile and resilient workforce of the future, centered around skills and competencies. The AWPAB is working on several projects that will result in this critical focus on skills and competencies and align education with workforce needs. For instance, improving and connecting already-existing data repositories is the first step to leveraging machine-readable data for use by all workforce stakeholders (federal and state government, professional associations, private technology platforms, employers, and educators) to create data-driven, skills-based resources and toolsets. This work will result in many new tools, including an interoperable learning record, owned by learners, that includes a verified record of their education, training, and work experience as viewed through a skills and competency framework. This tool will empower learners and create additional pathways to opportunity.

Presidents Forum

WGU President Scott Pulsipher is also actively involved in the Presidents Forum, a nonprofit membership organization made up of higher education presidents and sector leaders dedicated to the continuous reinvention of higher education. The Presidents Forum was formed in 2002, and in 2019—driven largely by the leadership of WGU—it ramped up its work to strengthen higher education through innovation that benefits students.

Through project-driven innovation, the Forum works to facilitate the adoption of innovative practices and policies in higher education and disseminate thought leadership. For example, the forum is currently engaged in a project with the U.S. Department of Education, the American Council on Education, and technology stakeholders to advance blockchain-secured and enabled information transfer to power interoperable learning records.



Committee for Economic Development

President Pulsipher serves as Co-Chair of CED's Education Subcommittee, which is focused on advancing innovation and practice in pre-K to higher education in order to improve access and efficacy in developing the workforce of the future. Student-centered innovation was the primary topic as President Pulsipher moderated a discussion with U.S. Secretary of Education Betsy DeVos at CED's Fall Policy Conference in November 2019. President Pulsipher also serves on CED's Workforce Development and Fiscal Health Subcommittees.

Partnering with Community Colleges

Community colleges play a crucial role in the postsecondary education of millions of American students. WGU recognizes the benefits of a community college education and the access it provides at the local level to provide excellent education. Our purpose in partnering with community colleges is to provide a streamlined, affordable, flexible transfer option to their students for continuing their education with a baccalaureate degree, helping local communities build a workforce ready for work.

Community colleges that partner with WGU help their students prepare for diverse post-graduation needs. Our partnerships include individual community colleges as well as statewide college systems nationwide, and they focus on strong transfer articulation agreements.

\$700,000

in scholarships awarded to
347 transfer students from
partner institutions

436

active partnerships with
postsecondary institutions

11

statewide articulation
agreements

8

new community college
partnerships in 4 states

Increasing Access for the Underserved

Our transfer students from our community college partners come from historically underserved populations at rates higher than WGU's student population as a whole—helping us advance our goal of expanding access to a life-changing education for everyone.

Our newly enrolling students from partner colleges in 2019 included:

- 14,337 total new students
- 10,507 students from at least one underserved population (73%)
 - 6,064 first-generation college students (42%)
 - 3,990 students of color (28%)
 - 3,478 low-income students (24%)
 - 2,567 rural students (18%)



"The WGU–Lake Area Tech partnership is one more way Lake Area Tech graduates can continue an affordable and attainable future of lifelong learning. WGU has given Lake Area Tech students a valuable opportunity to work, raise a family, and advance their education in a format and at a cost that works for them. We are grateful for the forward thinking and vision that the governors had in developing WGU."

MICHAEL CARTNEY

President, Lake Area Technical Institute, Watertown, South Dakota

WORKFORCE ENABLEMENT

Where Grads Work

Major Companies That Have Employed WGU Grads

Aetna • **Amazon** • American Express • American Honda Motor Co., Inc. • American Red Cross • Anthem • Apex Systems, Inc. • **Apple** • Aramark • AT&T • Bank of America • Banner Health • Blue Cross Blue Shield • **Boeing** • Booz Allen Hamilton • **Cedars-Sinai** • Cigna • Cisco Systems • Coca-Cola • Community Health Network • **Dell** • Delta Air Lines • Dominion Energy • Dropbox • eBay • Embry-Riddle Aeronautical University • Ericsson • Eskenazi Health • Expedia Group • **Facebook** • FedEx • **General Dynamics Information Technology** • Georgia Pacific • **Google** • Head Start • HealthPartners • Hewlett Packard • **Hospital Corporation of America** • HealthEquity • Humana • **IBM** • IM Flash • **Intermountain Healthcare** • Internal Revenue Service • **Johns Hopkins** • JPMorgan Chase • **Kaiser Permanente** • Legacy Health • Liberty Mutual Insurance • Lincoln Financial Group • Lockheed Martin • **Mayo Clinic** • Memorial Hermann • **Microsoft** • MultiCare Health System • **NASA** • Northrop Grumman • O.C. Tanner • Oracle • PAREXEL • Parkview Health • PeaceHealth • PepsiCo • PricewaterhouseCoopers • Progressive Insurance • **Providence Health & Services** • Sprint • Starbucks • State Farm Insurance • SunTrust Bank • Sylvan Learning Center • The Hartford • The Paragon Research Corporation • **The Walt Disney Company** • Toyota • United Airlines • **United Health Group** • United States Air Force • United States Army • United States Department of Agriculture • United States Navy • **University of Notre Dame/Kellogg Institute for International Studies** • US Bank • USAA • Valley Health System • Verizon Wireless • Veterans Health Administration • Virginia Mason Medical Center • Vivint • **Wells Fargo** • Whole Foods Market • Wilson Electronics • Zions Bank

WGU Alumni Are Succeeding as:

| DIRECTORS | MANAGERS | TEACHERS | REGISTERED NURSES |
|--------------------|------------------------------|-----------------|--------------------------|
| 2,400+ | 5,400+ | 10,000+ | 7,000+ |
| C-SUITE EXECUTIVES | CHIEF NURSING OFFICERS | VICE PRESIDENTS | CHIEF EXECUTIVE OFFICERS |
| 300+ | 100+ | 100+ | 20+ |
| BUSINESS OWNERS | PRINCIPALS & SUPERINTENDENTS | | |
| 500+ | 100+ | | |

"[I am very interested in the fact that 77%] of WGU graduates strongly agree that their education was worth the cost. What we hear a lot from our members—all 310,000 of them—is that, ultimately, they were not convinced that [their college experience] was worth the cost. So I'm shocked to see three in four graduates of any institution who say it was worth it."

JOHNNY TAYLOR

President and CEO, Society for Human Resource Management



Outcomes That Outpace Expectations



"Early last year I interviewed for a position with the National Security Agency. Here I was, a graduate of WGU, sitting in a waiting area with other graduates from Ivy League colleges from across the country. I was eventually offered two different jobs that I declined because, when I told my current employer I was planning on leaving due to an offer from the NSA, they doubled my salary."

RASHAAN GREEN

Master of Science, Cybersecurity and Information Assurance



"WGU paved the way for me to live a life I never thought possible. WGU paved the way for my children to live a life far different from the life I experienced growing up. WGU paved the way and prepared me for a career that I love."

ERIN BISHOP

Bachelor of Arts, Special Education (K-12) and Master of Education, Instructional Design



"WGU has offered me the opportunity to take advantage of my years of experience and earn an advanced degree that is so desired in today's marketplace. I'm glad to have achieved this milestone."

WILLIAM PORRO

Master of Business Administration



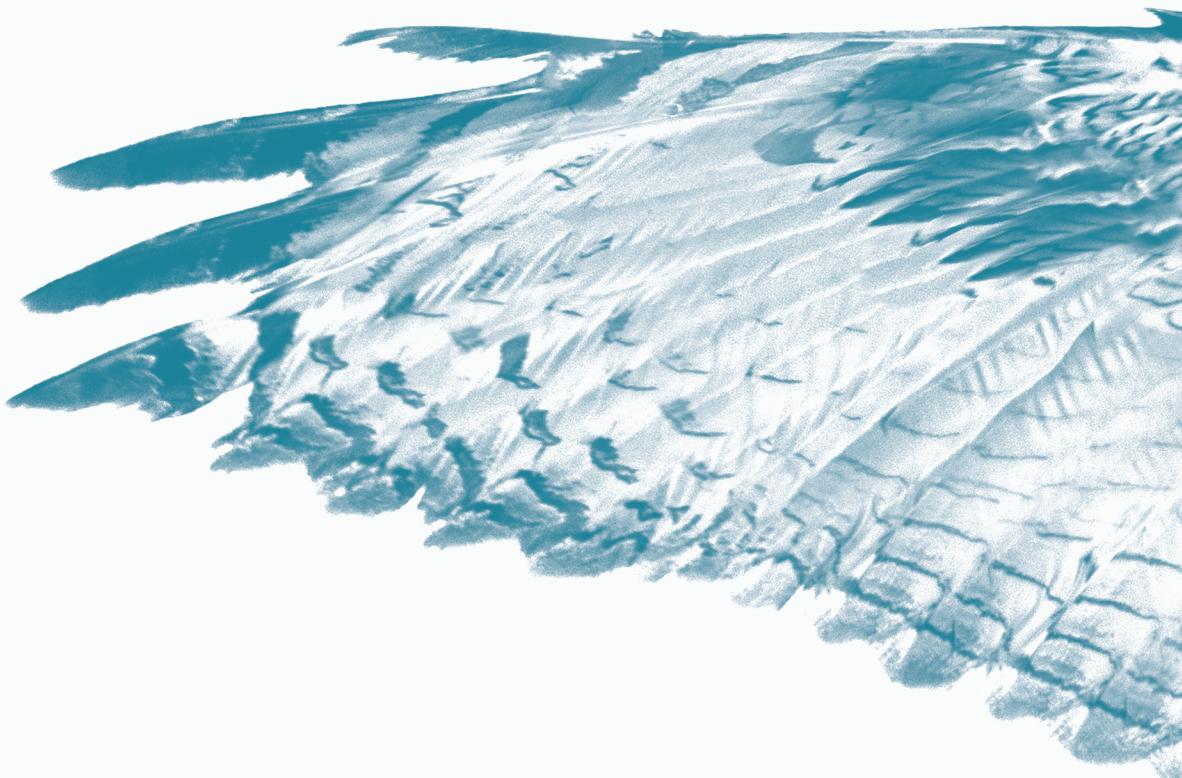
"I began learning and thinking about things in a new and different way. As I journeyed through the courses, I learned so much that I was able to apply directly to my role within my organization. It was as though pieces of a puzzle started coming together and I was finally able to see the full picture of nursing."

LEIGHANN BROOKS

Master of Science, Nursing – Leadership and Management (BSN to MSN)







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