



YAVAPAI COLLEGE

ENVIRONMENTAL SCAN REPORT

NOVEMBER 2023

PRESENTED BY
INSTITUTIONAL EFFECTIVENESS AND RESEARCH

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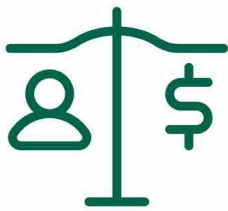
INTRODUCTION

ENVIRONMENTAL SCAN PURPOSE

The purpose of the environmental scan is to provide a wide range of information that will enable decision-makers to understand the current context in which we operate, predict future trends, and incorporate this understanding into the college's strategic direction. The report examines the following trends:



DEMOGRAPHICS



SOCIAL & POLITICAL



ECONOMY & WORKFORCE



EDUCATION



TECHNOLOGY

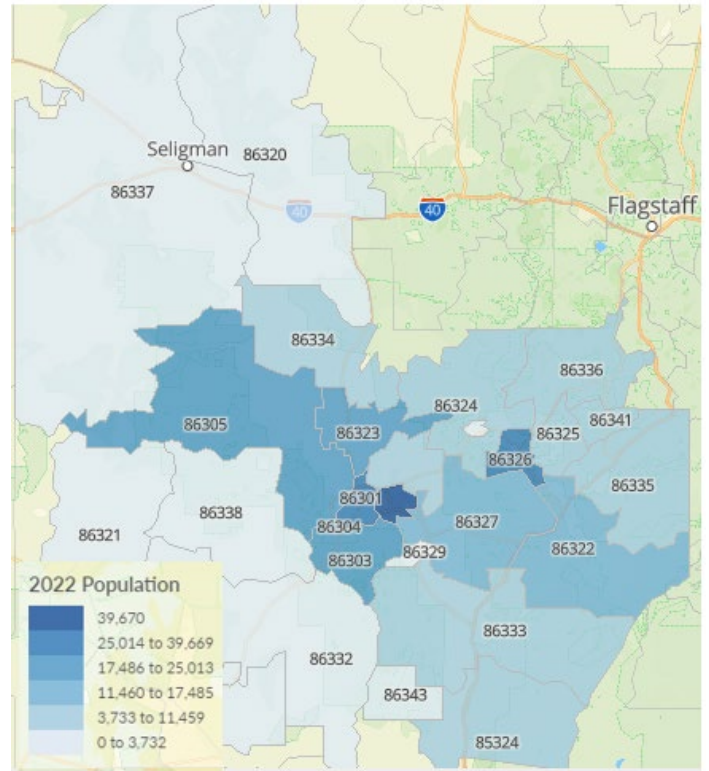
DEMOGRAPHICS

YAVAPAI POPULATION BY REGION

The population of Yavapai County, spanning over 8,000 square miles, is geographically segmented by the Mingus Mountain range, with the Quad Cities forming the central population hub in the western part of the county and Verde Valley serving as the primary population center in the east.

POPULATION

Current estimates place Yavapai County's population in 2023 at 249,058, with a projected growth of 5.4% over the next five years, a rate slightly trailing the state's overall expansion. Although the most substantial absolute growth is anticipated in the western region, the eastern area and the rest of the county are expected to experience higher relative growth rates.



Source: Lightcast

| | 2023 | 2028 | Net Growth (2023-2028) | % Growth (2023-2028) |
|-----------------------|---------|---------|---------------------------|-------------------------|
| Yavapai County | 249,058 | 262,506 | 13,448 | 5.4% |
| West | 167,789 | 173,159 | 5,370 | 3.2% |
| East | 71,434 | 75,755 | 4,321 | 6.0% |
| Balance | 12,835 | 13,592 | 757 | 5.9% |

Source: Lightcast Demographics Q3 2023 Data Set



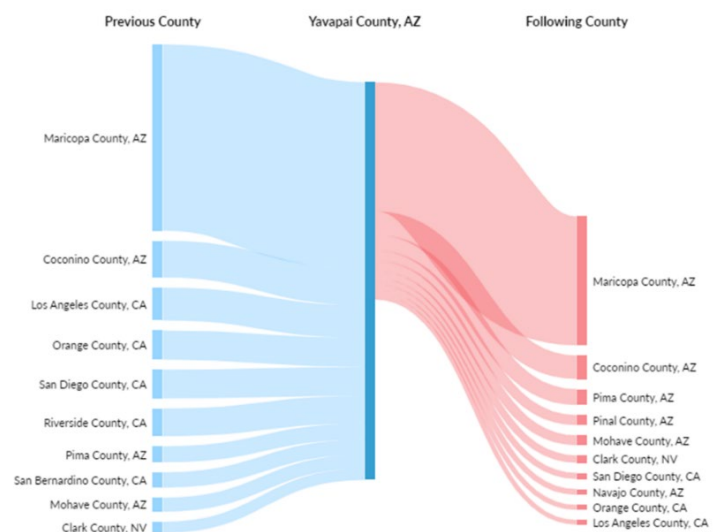
AGE GROUPS

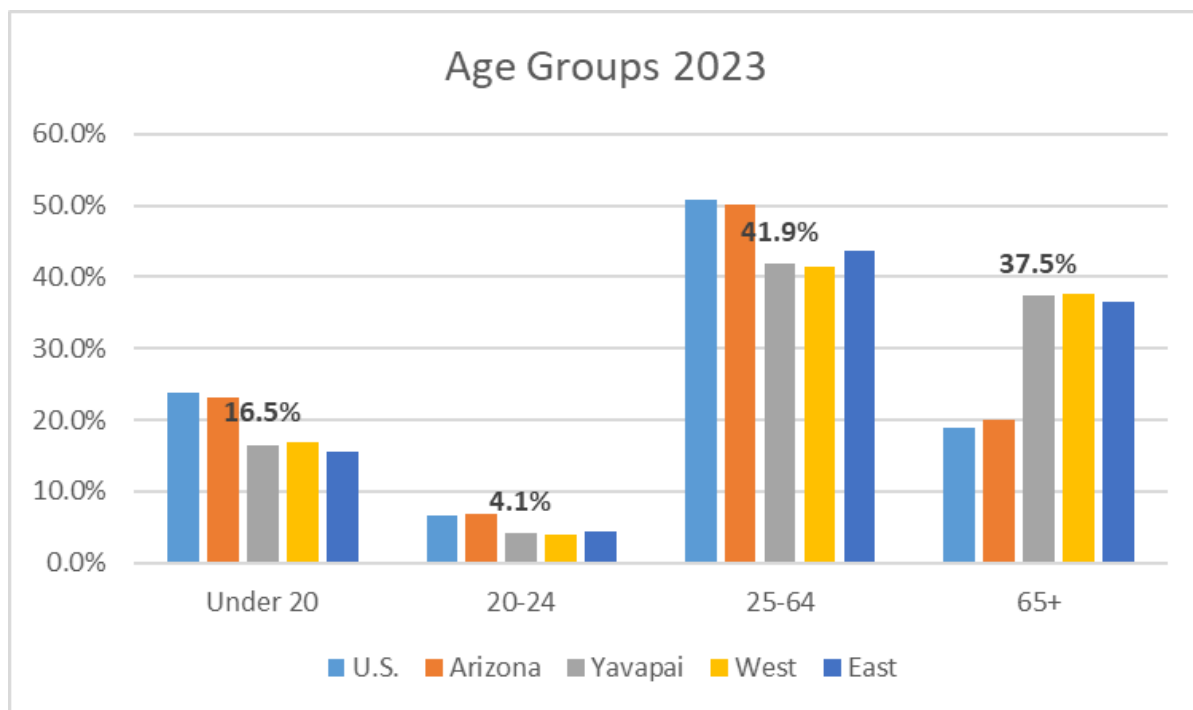
Yavapai County boasts a population of individuals aged 65 and over that is almost double the average found in Arizona and the U.S. There is uniformity in the over-65 demographic between the western and eastern regions of Yavapai County. Only 42% of the county's inhabitants are within the prime working age bracket of 25-64, falling below the national average of 51%. The county's western region has a slightly higher concentration of students within the traditional college age range. Analysis of migration patterns and demographic information reveals that the county's predominant driver of net growth is the influx of the 65 and older community.

The population of those under 18 is projected to see no substantial growth in the upcoming five years. Meanwhile, a modest 1.8% growth is anticipated for the 18-64 age bracket by 2028, a rate that can be characterized as lackluster. These demographic trends indicate a pivotal shift for Yavapai College, necessitating a thoughtful assessment and potential adaptation of its curriculum and program offerings.

NET MIGRATION TO/FROM YAVAPAI COUNTY

With a death rate that exceeds its birth rate, Yavapai County is dependent on in-migration to grow. Yavapai County experiences significant in-migration; it also has a significant out-migration. In 2020, according to IRS migration data, 16,032 people moved into Yavapai County, while 10,165 moved out of the county. Factors affecting out-migration include low wages, low housing stock, lack of affordable housing, and a shortage of medical services.





RACE AND ETHNICITY

The overwhelming majority (78%) of Yavapai County residents are White, Non-Hispanic, with a median age of 58. Hispanics make up the next largest group at 16% with a median age of 32.

Yavapai County Race and Ethnicity

| | 2023 | 2028 | Net Growth (2023-2028) | % Growth (2023-2028) |
|-------------------------------------|---------|---------|---------------------------|-------------------------|
| POPULATION BY RACE/ETHNICITY | | | | |
| White alone | 195,496 | 200,093 | 4,597 | 2.4% |
| Black alone | 2,040 | 2,389 | 349 | 17.1% |
| Asian alone | 3,121 | 3,786 | 665 | 21.3% |
| American Indian/Alaska Native alone | 3,473 | 3,767 | 294 | 8.5% |
| Two or More Races | 4,918 | 5,998 | 1,080 | 22.0% |
| Hispanic or Latino | 39,684 | 46,084 | 6,400 | 16.1% |
| Native Hawaiian or Pacific Islander | 326 | 389 | 63 | 19.3% |

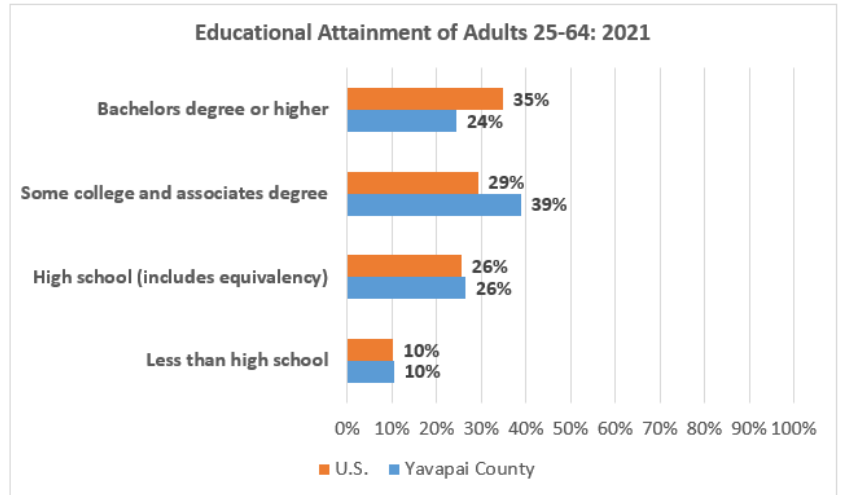
Source: Lightcast Q3 2023

EDUCATIONAL ATTAINMENT

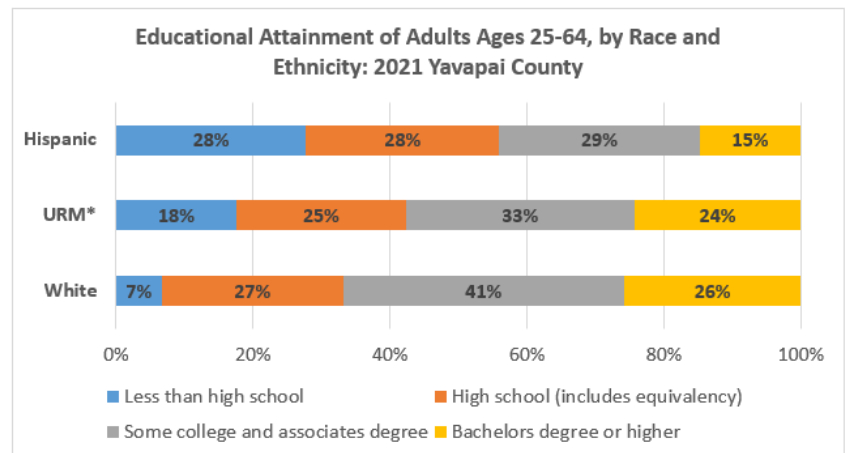
In comparing educational attainment between Yavapai County and the United States as a whole, the data indicates similarity in lower educational levels but a divergence in higher education, with fewer residents achieving bachelor's degrees or higher and more having some college education or an associate degree.

Analyzing educational achievements, it's evident that Hispanic residents are still trailing other demographics despite notable strides. Encouragingly, there's been almost a 4% rise since 2018 in the proportion of Hispanics attaining some level of college education, including certifications, as well as those securing bachelor's degrees or higher. However, a substantial disparity persists, presenting a considerable opportunity for Yavapai County's Hispanic community to enhance their economic prospects through continued educational pursuits.

For YC to become a Hispanic Serving Institution, Hispanic enrollment of fall, full-time students must reach or exceed 25 percent of the full-time student population. Through improved marketing, outreach, and data collection, Yavapai College has increased its portion of full-time Hispanic students from 19% to 24% over the past four years.



Source: IPUMS, ACS 2017-2021



*Under represented minority population includes Black, Native American, Other race
Source: IPUMS, ACS 2017-2021

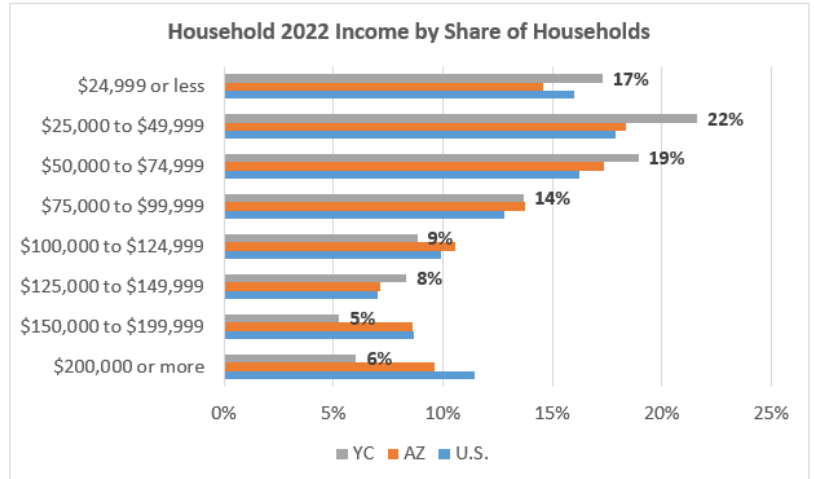
INCOME LEVEL

Households in Yavapai County consistently trail their counterparts throughout Arizona and the nation in terms of income, a discrepancy that, coupled with escalating living costs, jeopardizes the financial security of many residents and undermines the area’s economic stability. Approximately 40% of households in Yavapai County bring in under \$50k annually, a stark contrast to the mere 28% earning \$100k or more, highlighting a pronounced income inequality that demands attention.

Median Household Income

| YC | AZ | US |
|--------|--------|--------|
| \$63.9 | \$74.6 | \$74.8 |

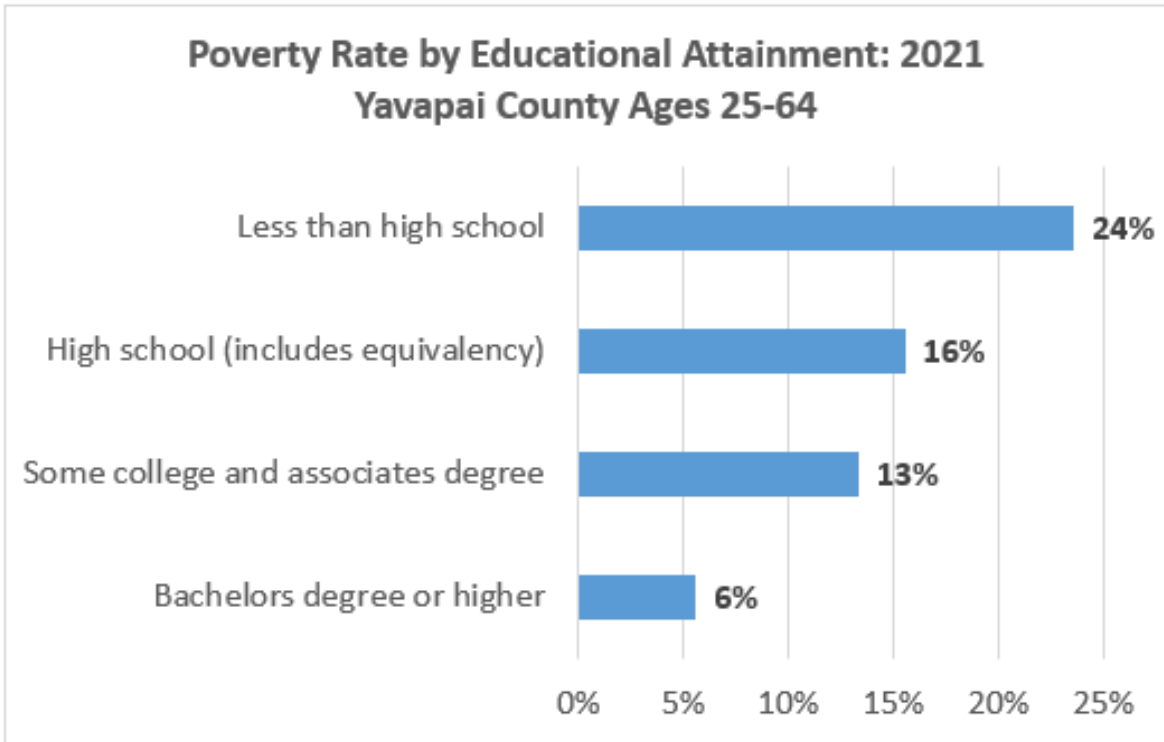
Source: Census Reporter - 2022 ACS 1-year



Source: Census Reporter - 2022 ACS 1-year

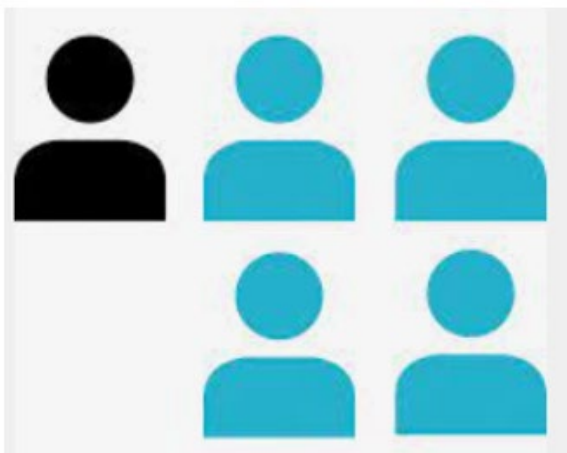
EDUCATION AND POVERTY

There is a direct association between educational attainment and a region's poverty rate. Poverty rates are significantly lower for County residents with a postsecondary credential.



Source: IPUMS, ACS 2017-2021

The poverty threshold is a low bar for measuring financial health. For example, the poverty threshold for a family of four is currently \$30,000. About 1 in 3 County residents live at the 125% near-poverty level or worse.



POVERTY THRESHOLD

Family of 4 = \$30,000

About 1 in 3 County households live in near poverty or worse

Education and poverty
There is a direct association between educational attainment and a region's poverty rate. Poverty rates are significantly lower for County residents with a postsecondary credential

High school student eligibility for Federal Aid programs are another indicator of financial challenge and health in Yavapai County.

| High School Students Eligible for Federal Funded Programs 2022-2023 | | |
|--|----------------------|----------------|
| Select County High Schools | Student Count | Percent |
| Camp Verde High School | 213 | 44% |
| Chino Valley High School | 280 | 36% |
| Bradshaw Mountain High School | 1057 | 63% |
| Mayer High School | 126 | 64% |
| Mingus Union High School | 512 | 42% |
| Prescott High School | 292 | 20% |
| Sedona Red Rock Junior/Senior High School | 284 | 59% |

Source: Arizona Department of Education 2022-2023 Enrollment Report
Income eligibility for federal aid programs funded under the Elementary and Secondary Education Act

QUESTIONS

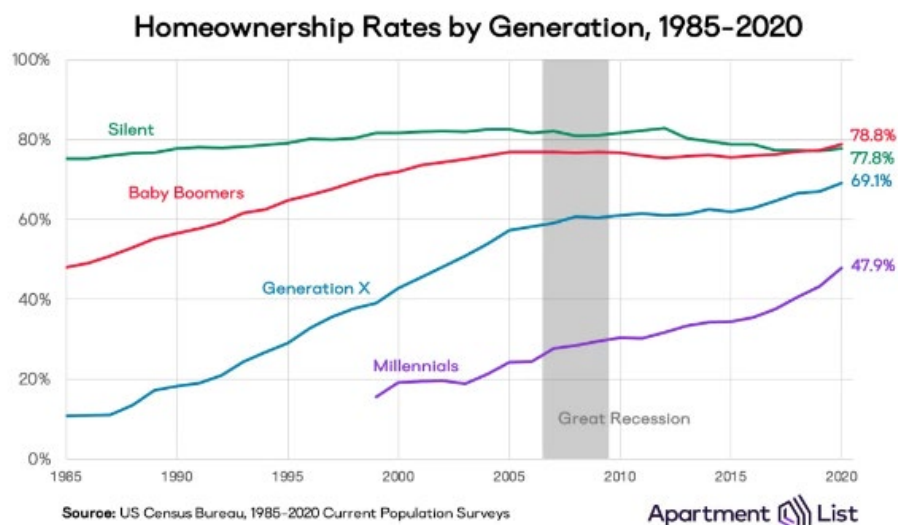
1. Given our demographics, how can YC better reach, serve, and get more retiree-age students to enroll in non-credit and credit courses?
2. How do we improve our recruitment and marketing efforts to entice the 40,000-plus workforce-aged residents with some college but no degree?
3. Hispanic residents are one of the fastest growing in the County. How do we increase the share of Hispanic students enrolling at YC?



SOCIAL AND POLITICAL HOUSING

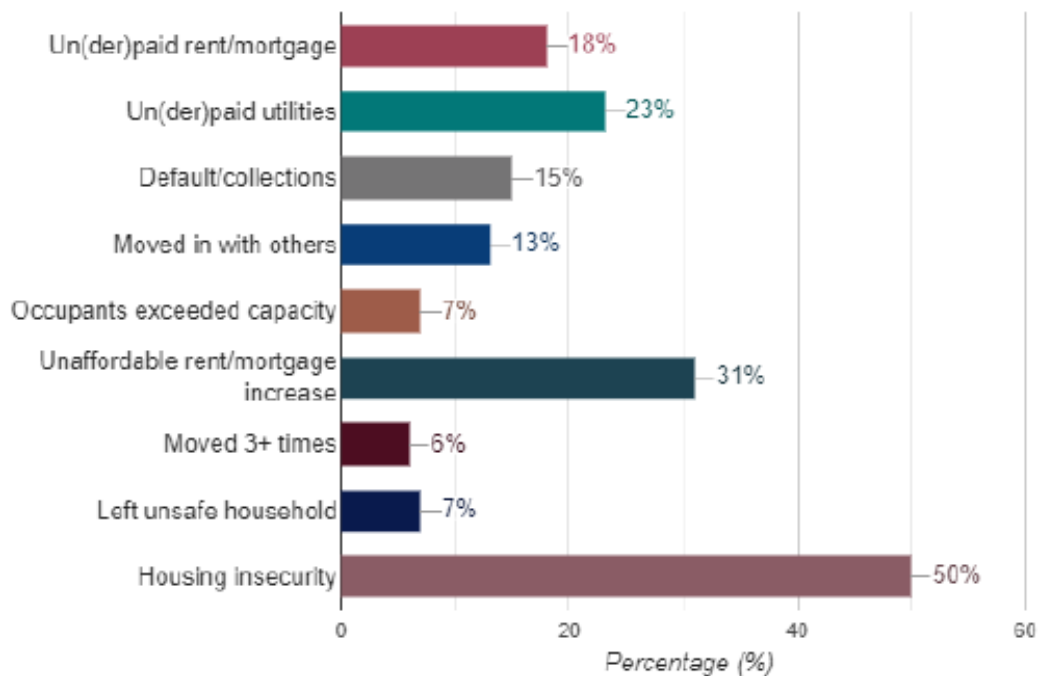
Affordable housing is a significant challenge in the United States. According to [Pew Research](#), 49% of Americans considered it a “major problem” in their community in 2021, a 10% increase from 2019. Stagnant wages compound the issue. According to a 2021 report from the [National Low Income Housing Coalition](#), no workers in any state could afford a two-bedroom rental with a standard 40-hour workweek’s wage.¹

In New York, a 1-bedroom rental required 94 hours of work at \$12.50/hour; in California, 89 hours at \$14.00/hour; and in Texas, 100 hours at \$7.25/hour. As per Apartment List, rising prices, debt, and stagnant wages are also making homeownership increasingly unattainable, especially for Millennials, with 18% of millennial renters planning to rent indefinitely.



In October 2023, Yavapai College (YC) distributed the Student Basic Need Survey via email to degree and certificate-seeking students aged 18 and older, and 900 of them actively engaged with the survey. Notably, the survey findings revealed that 50% of YC respondents experienced a need for stable, consistent, and suitable living arrangement at some point in the prior year.

FIGURE 8. EXPERIENCES WITH HOUSING INSECURITY AT YAVAPAI COLLEGE



Source: 2023 STUDENT BASIC NEEDS SURVEY

STUDENT DEBT

President Biden has announced \$9 billion in additional student debt relief for 125,000 Americans, aiming to alleviate the burden of student loans and make higher education more accessible. These relief measures include addressing issues within income-driven repayment, Public Service Loan Forgiveness programs, and forgiving debt for individuals with total and permanent disabilities. This announcement brings the complete debt cancellation by the Biden-Harris Administration to \$127 billion for almost 3.6 million Americans. The administration has also introduced various initiatives to increase affordability and accessibility to education, such as the SAVE student loan repayment plan, enhancing Pell Grants, and implementing safeguards for borrowers against unaffordable debts. Additionally, they are pursuing alternative paths for debt relief through negotiated rulemaking under the Higher Education Act. This effort builds on a broader strategy to assist borrowers, correct historical inaccuracies, and support those facing financial hardship.²



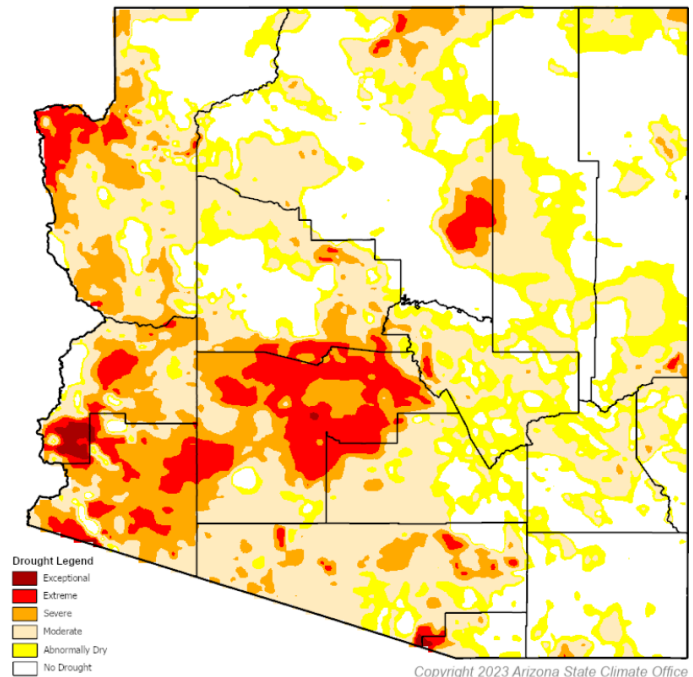
CLIMATE CHANGE

Rising global temperatures are resulting in annual losses of billions of dollars due to natural disasters. In Yavapai County, the growing threat of wildfires is a major cause for concern. Some insurance carriers are refusing to issue new homeowner policies or simply leaving the market in areas where natural disasters like wildfires are more prevalent due to climate change.³

A record-breaking July and late-starting monsoon season expanded Arizona's long-term drought. Yavapai County's drought conditions are better than the state as a whole. However, with significant variations in weather events compared to historical weather patterns, the risk of drought remains an elevated risk for the County.

Arizona Long-Term Drought
September 2023

Average SPEI



\$1.16
trillion

Over the past 15 years (2005-2019), there have been 156 separate billion-dollar weather or climate disasters in the U.S that have cost a combined \$1.16 trillion in damages.

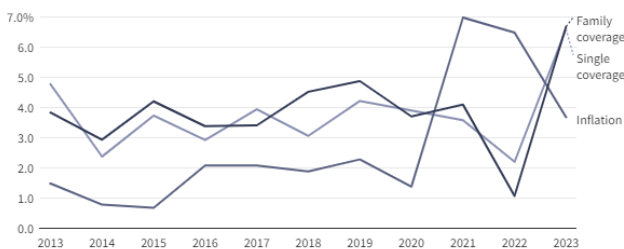
HEALTHCARE

In 2023, employer-sponsored healthcare plan costs rose significantly, with average premiums increasing nearly 7% for both individual and family coverage, according to a new [KFF study](#). Family coverage premiums averaged \$23,968, while single coverage premiums reached \$8,435.

Premiums have climbed roughly in line with inflation growth in recent years. Premium averages increased 22% compared with a 21% rise in overall [inflation](#) from 2018 to 2023, according to the report.⁴

Premiums Are on the Rise, Largely in Line with Inflation

Premiums increased 22% from 2018 to 2023, compared to a 21% rise in overall inflation, according to the KFF.



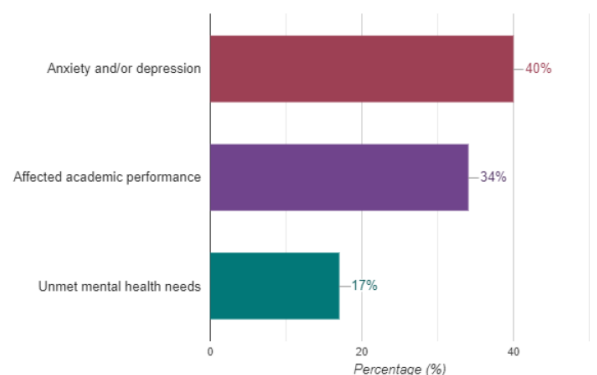
Health and well-being involve various aspects, and institutions have a vital role in supporting and safeguarding all facets of student health while facilitating access to healthcare. The Hope Center survey helped evaluate YC students' experiences, including symptoms of depression and anxiety, utilization of mental healthcare services, the academic effects of their mental health, obstacles to accessing care, and their preferences for support.

In this year's survey, the data paints a clear picture of the mental health landscape among the YC students. An impressive 40% openly shared that they have experienced feelings of anxiety and/or depression, reflecting the emotional challenges many are facing. Notably, this emotional turbulence is not confined to personal well-being, as 34% acknowledge its impact on academic performance. Equally concerning, 17% of respondents revealed unmet mental health needs, underscoring the ongoing need for support and intervention. These findings underscore the significance of addressing mental health issues and providing the necessary assistance to those in our community.

MENTAL HEALTH CRISIS

Countless Americans are faced with symptoms of mental health conditions annually, and the trend indicates a growing number of individuals seeking help. Such diagnoses can affect an individual's daily life and send ripples through families, communities, and even economies.⁵

FIGURE 1. PERSONAL EXPERIENCES WITH MENTAL HEALTH CHALLENGES AT YAVAPAI COLLEGE



GAINFUL EMPLOYMENT

A new federal rule, stronger than previous versions released during the Obama administration, has been finalized by the U.S. Education Department, requiring students enrolling in academic programs from 2026 onward to sign a disclosure notice if the program leaves graduates with unaffordable debt. This rule is part of the financial value transparency and gainful-employment rule, which sets criteria for preparing graduates for gainful employment. For-profit and nondegree programs must demonstrate that graduates can afford debt payments and earn more than non-college-educated adults in their state, or they risk losing access to federal financial aid.

The rule applies to programs across all sectors and is aimed at providing families with information about the costs and risks associated with different academic programs. While some higher education groups opposed the rule, arguing that it focuses too narrowly on economic outcomes, consumer protection advocates supported the changes. The new disclosure and reporting requirements will take effect on July 1, 2024, along with the overall gainful employment rule.

This updated gainful-employment rule, tougher than previous versions, aims to protect students and ensure taxpayers' dollars are well-spent on educational programs with limited value. The rule has faced criticism and legal challenges, but its supporters emphasize the need for more transparency and accountability in higher education.⁶

PUBLIC PERCEPTION OF HIGHER EDUCATION

Varying Degrees, an annual survey, captures the viewpoints of Americans regarding post-secondary education. In its seventh iteration, this survey persistently seeks out American opinions on pivotal topics such as the worth of educational pursuits beyond high school, the financing mechanisms of higher education, and the accountability measures for colleges and universities about their funding.⁷

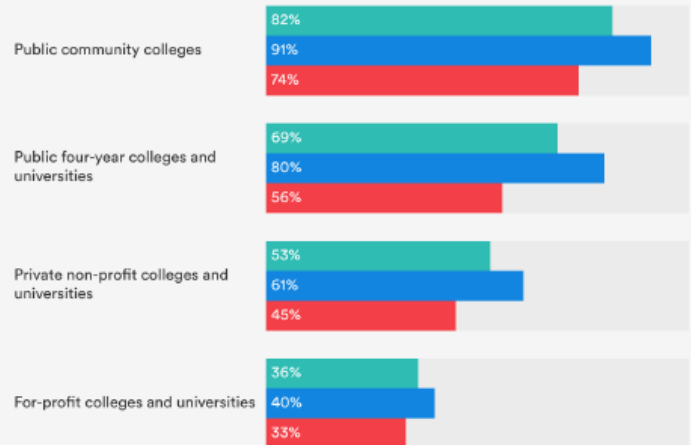
- A majority of Americans believe that individuals with undergraduate credentials (i.e., certificate, associate, or bachelor's degrees) earn more and enjoy greater financial stability. Furthermore, more than 70 percent think that individuals with undergraduate credentials contribute to greater civic engagement, lower unemployment rates, and better public health within their communities.
- Six in ten Americans believe that the government is responsible for funding education after high school because it is good for society. However, this question continues to show the rift between Democrats and Republicans: while as much as 78 percent of Democrats agree that the government should fund education after high school, only 36 percent of Republicans think so.
- Eighty-five and 66 percent of Americans, respectively, think community colleges and public four-year colleges are worth the cost. More than 80 and nearly 70 percent, respectively, would be comfortable supporting community colleges and public four-year colleges with tax dollars.

Figure 10. How much do you agree or disagree with the following statements?

(% agree)

All adults (n=1,497) Democrats (n=518) Republicans (n=400)

You are comfortable supporting the following institutions with your taxpayer dollars.



QUESTIONS

1. What can YC do to help students experiencing housing insecurity?
2. How can YC better promote its initiatives (Promise, Workforce Promise, FAFSA filing) that reduce the need for students to take on debt to fund their education?
3. In what ways can YC better partner with local organizations whose mission is to address basic needs like hunger, homelessness, transportation, childcare, and mental health?
4. What strategies should YC implement to achieve a 50% reduction in carbon emissions, aligning with national environmental objectives?



ECONOMY AND WORKFORCE

ECONOMY

According to a University of Arizona economic forecast update, the unemployment rate, which measures how many people are looking for work but can't find it, rose to 3.8%. This rate is similar to the national and state averages. On the wage front, people earned an average of \$24.93 per hour, a bit less than before. The total seasonally adjusted non-farm jobs in Yavapai County increased to 69,400 in August, a 0.6% increase over the year. Some sectors, like the Federal Government, hired more people, while others, like Professional and Business Services, had a decrease. Retail sales have experienced a boost this year. However, there was a noticeable decline in house building permits in 2023, with a significant drop in August. Overall, the economy in Yavapai County remains strong.⁸

LABOR FORCE

Yavapai County's labor force participation rate rose to 48.8% from the previous year, yet it remains below both Arizona's 60.6% and the US average of 62.8%.⁹ The primary reason for this disparity is the county's aging demographic. Notably, current labor market participation rates align with many pre-pandemic predictions.

Civilian labor force participation rate, seasonally adjusted

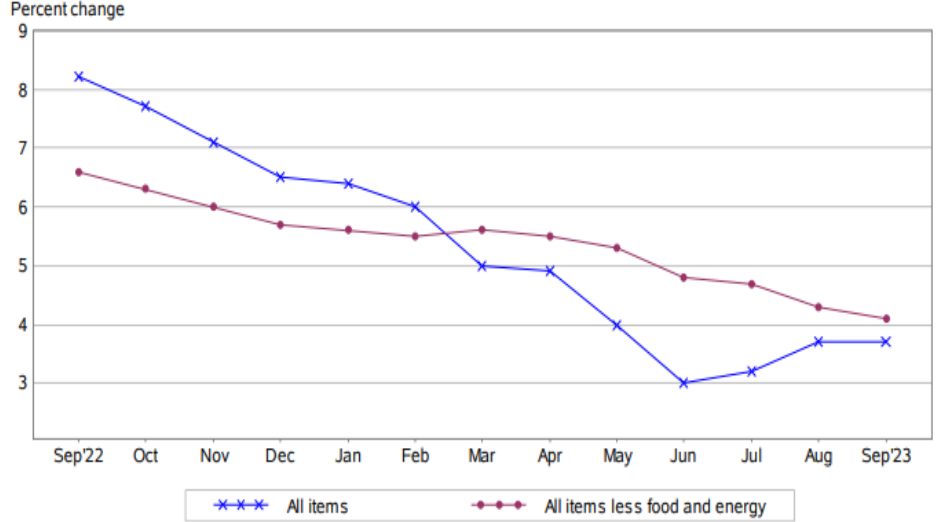
Click and drag within the chart to zoom in on time periods



INFLATION

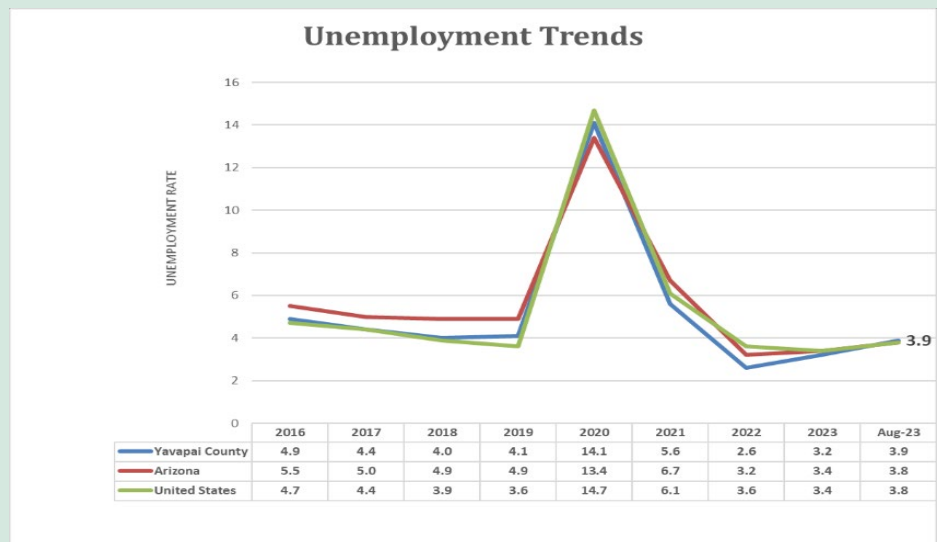
The core CPI, which doesn't consider the frequently changing food and energy prices, increased by 0.3% compared to August, which economists expected. However, the yearly core inflation rate went down to 4.1% from August's 4.3%, which was lower than the predicted 4.2%. Last year, the highest core CPI inflation rate was 6.6%. Prices for core goods dropped by 0.4% this month and haven't changed over the past year, after a slight increase in August. Meanwhile, core services prices rose by 0.6% since August, with the annual rate decreasing to 5.7% from August's 5.9%.¹⁰ Despite significant declines in inflation over the past year, the rates remain at a level that negatively impact residents' purchasing power.

Chart 2. 12-month percent change in CPI for All Urban Consumers (CPI-U), not seasonally adjusted, Sep. 2022 - Sep. 2023



UNEMPLOYMENT

The unemployment rate for Yavapai County, Arizona, and the United States rose over the past year but remains historically low.¹¹



AUTOMATION

Lightcast provides an Automation Index which captures an occupation’s risk of being affected by automation. The index is on a scale with a base of 100. An automation score greater than 100 indicates higher-than-average risk of automation. According to Lightcast data, almost 33,000 jobs in Yavapai County are at above average risk for automation in the future.

| SOC | Description | 2023 Jobs | Automation Index |
|---------|---|-----------|------------------|
| 35-0000 | Food Preparation and Serving Related Occupations | 9,013 | 125.4 |
| 37-0000 | Building and Grounds Cleaning and Maintenance Occupations | 3,914 | 122.5 |
| 45-0000 | Farming, Fishing, and Forestry Occupations | 495 | 109.9 |
| 47-0000 | Construction and Extraction Occupations | 6,278 | 123.1 |
| 49-0000 | Installation, Maintenance, and Repair Occupations | 3,831 | 108.7 |
| 51-0000 | Production Occupations | 3,444 | 113.6 |
| 53-0000 | Transportation and Material Moving Occupations | 5,775 | 111.0 |

Source: Lightcast Q3 2023

INDUSTRY ANALYSIS

Yavapai County has the greatest number of laborers in government, healthcare, retail, food and accommodation, and construction. Compared to pre-pandemic figures, only three of the top 10 industries (healthcare, other services, and educational services) have experienced job gains.

| Largest Industries | 2019 Jobs |
|--|-----------|
| Government | 11,714 |
| Retail Trade | 10,750 |
| Accommodation and Food Services | 10,269 |
| Health Care and Social Assistance | 9,572 |
| Construction | 7,845 |
| Administrative and Support and Waste Management and Remediation Services | 4,804 |
| Other Services (except Public Administration) | 4,778 |
| Manufacturing | 4,391 |
| Professional, Scientific, and Technical Services | 3,552 |
| Educational Services | 2,492 |

| Largest Industries | 2023 Jobs | |
|--|-----------|---|
| Government | 11,644 | ● |
| Health Care and Social Assistance | 11,285 | ● |
| Retail Trade | 10,240 | ● |
| Accommodation and Food Services | 9,675 | ● |
| Construction | 7,010 | ● |
| Other Services (except Public Administration) | 5,136 | ● |
| Manufacturing | 4,074 | ● |
| Administrative and Support and Waste Management and Remediation Services | 3,474 | ● |
| Professional, Scientific, and Technical Services | 2,812 | ● |
| Educational Services | 2,781 | ● |

Source: Lightcast Q3 2023

Cross-referencing industry sector growth with occupational growth verifies high demand for academic programs in healthcare, management, business, public administration, and construction technology.

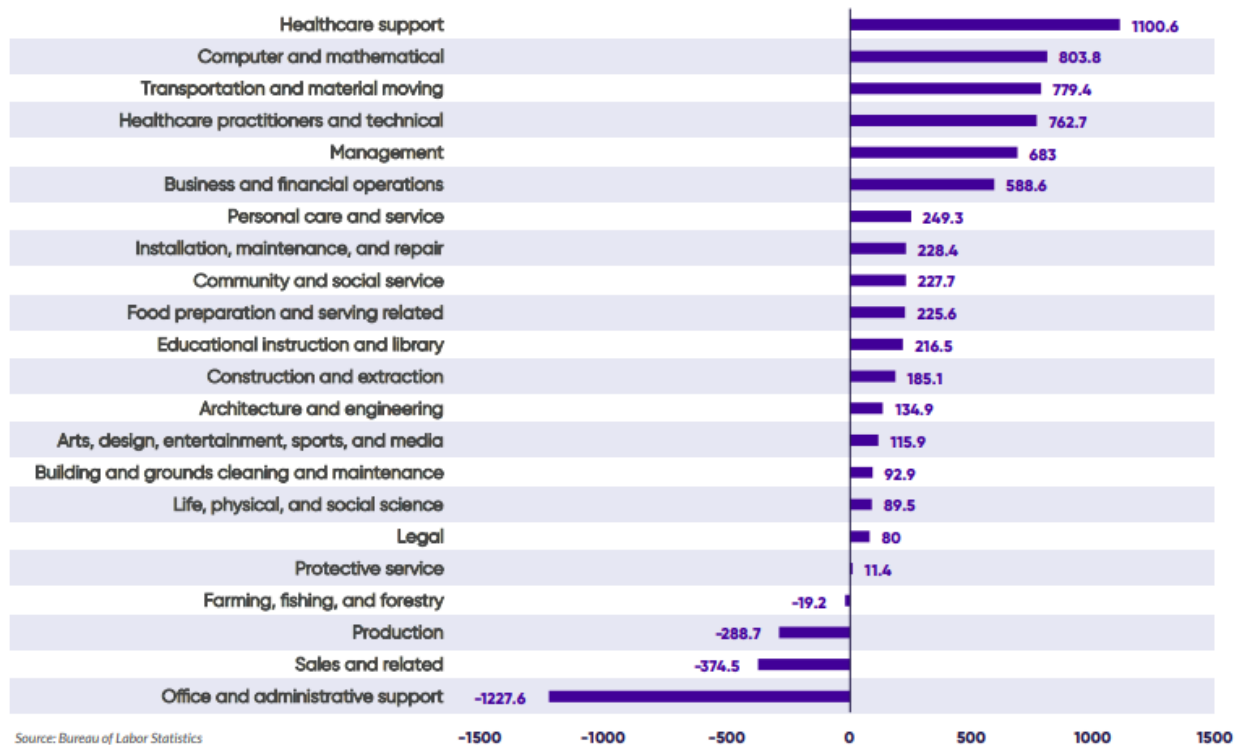
Of these top ten industry sectors, only half provide living wage earnings (\$50.5K) based on the MIT Living Wage calculator for a family of two working adults with two children in Yavapai County.



Source: Lightcast Q3 2023

Looking forward, national total employment is anticipated to expand by approximately 4.7 million jobs, representing a growth rate of 2.8%, during the period from 2022 to 2032. This growth is expected to be predominantly driven by the healthcare and social assistance sector.

Employment by Major Occupational Group Projected 2032 Employment Change (Number in Thousands)

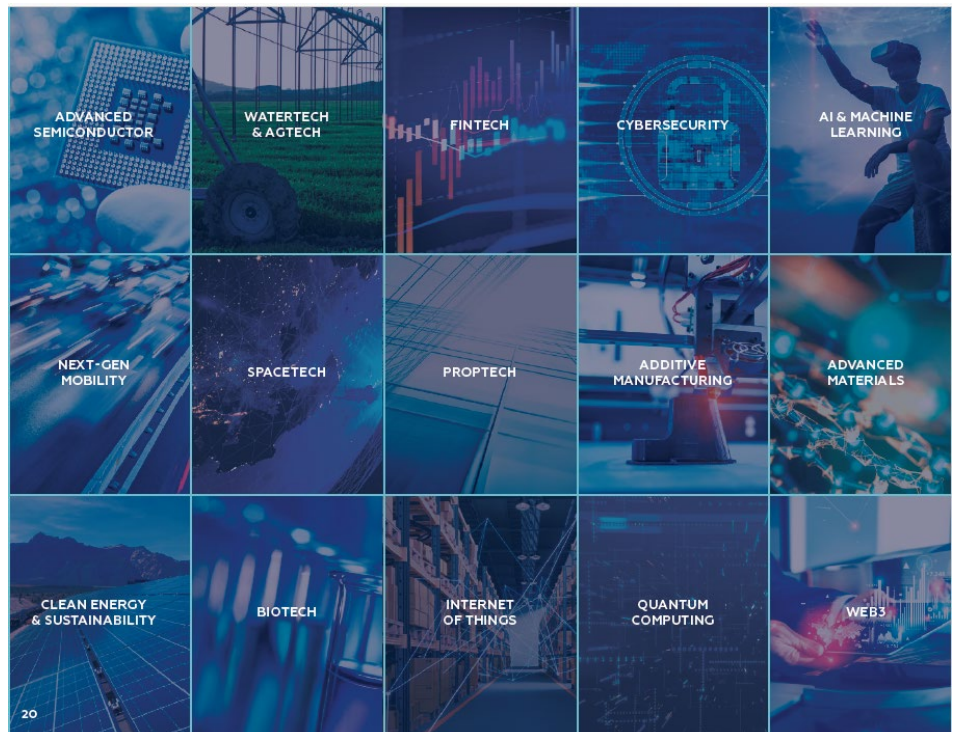
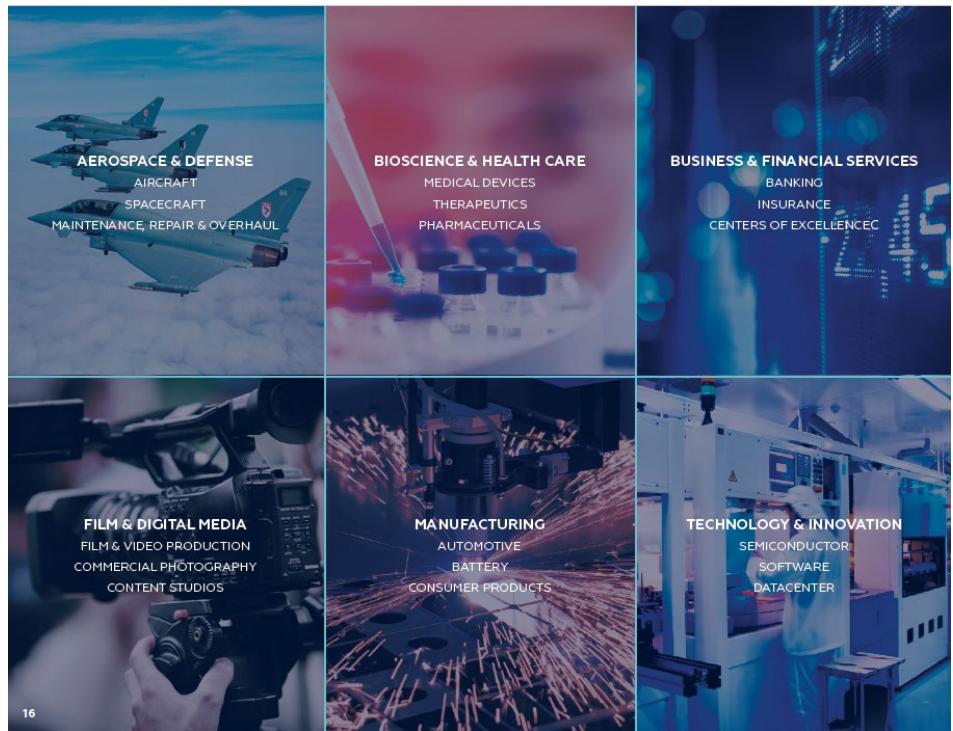


Source: Bureau of Labor Statistics

The Arizona Commerce Authority (ACA) has worked with industry, government, and academia partners to create a five-year plan to strategically increase the state's impact to attract, expand, and create business opportunities in six key sectors: Aerospace Defense, Bioscience & Health Care, Business & Financial Services, Film & Digital Media, Manufacturing, and Technology & Innovation.

Over the next five years, the ACA will target 15 specific emerging technology fields, leveraging Arizona's established capabilities and resources. This effort will prominently involve Arizona's key educational institutions, including Arizona's public universities and community colleges. This initiative is an extension of the ACA's BIG ideas strategy. It aims to enhance Arizona's global economic and social influence and solidify its standing as a premier location for business, innovation, and growth.¹²

YC currently has programs like 3D Concrete Printing, Computer Science, Cyber Security, and Business that align with ACA's strategic direction.



AFFORDABILITY

Housing affordability continues to be an issue nationwide. The monthly payment for the same house increased 44.2% for new home and 76.2% for an existing home between July 2021 and July 2023.

Mortgage Payment Change

| | July 2021 | July 2023 |
|--|----------------|----------------|
| Median Sales Price - New | \$478,200 | \$436,700 |
| Median Sales Price - Existing | \$364,600 | \$406,700 |
| Mortgage Rate Only | 2.87% | 6.84% |
| Interest & Principal - New | \$1,784 | \$2,573 |
| Interest & Principal - Existing | \$1,360 | \$2,396 |

Source: Freddie; U.S. Census; NAR 10% down payment

The National Association of Home Builders/Well Fargo Housing Opportunity Index (HOI) measures the share of homes sold in an area that would have been affordable to a family earning the local median income. [13.14](#)

In all, just 23.5% of all available homes sold in the second quarter of 2023 were affordable to families earning the County median income of \$63.9K. This represents a sharp drop from 41.6% of homes that were affordable just two years ago.

The median home price for Prescott is \$651,250, and Prescott Valley's median price is \$470,000.

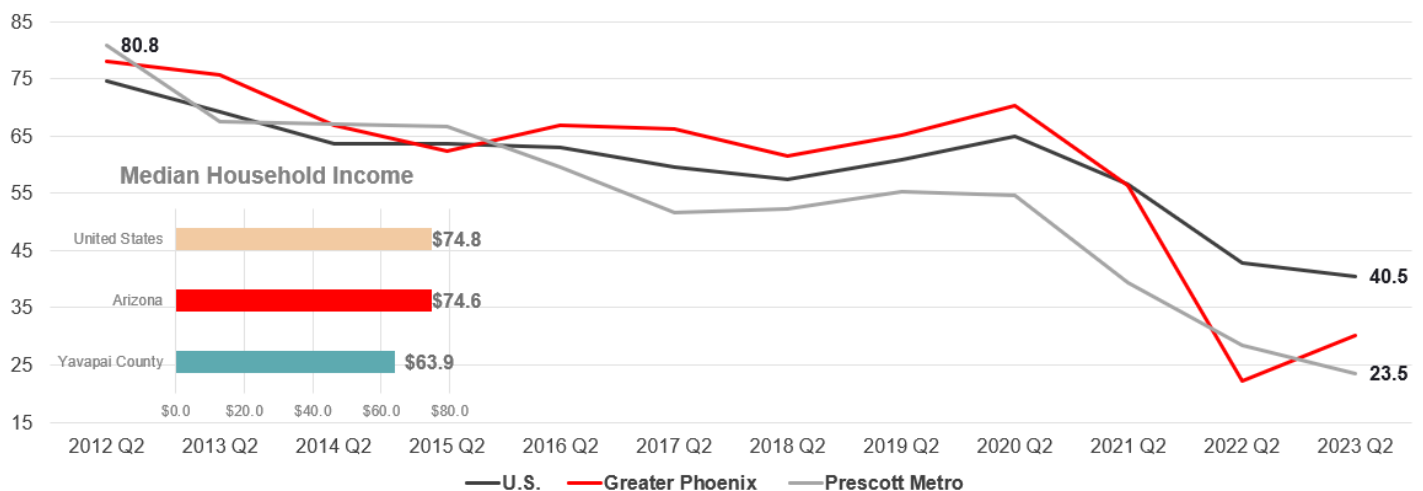
Rentals – Prescott – rented between May 18, 2023, and October 18 2023

- 1 bedroom/1bath median \$1100/month
- 2 bedroom/2bath median \$1800/month
- 3 bedroom/2Bath median \$2300/month

Rentals – Prescott Valley - rented between May 18 2023 and October 18 2023

- 1 bedroom/1bath median \$975/month
- 2 bedroom/2bath median \$1400/month
- 3 bedroom/2Bath median \$2000/month

Housing Opportunity Index



Source: NAHB/Wells Fargo, 2023 Q2

HIGH COST OF LIVING

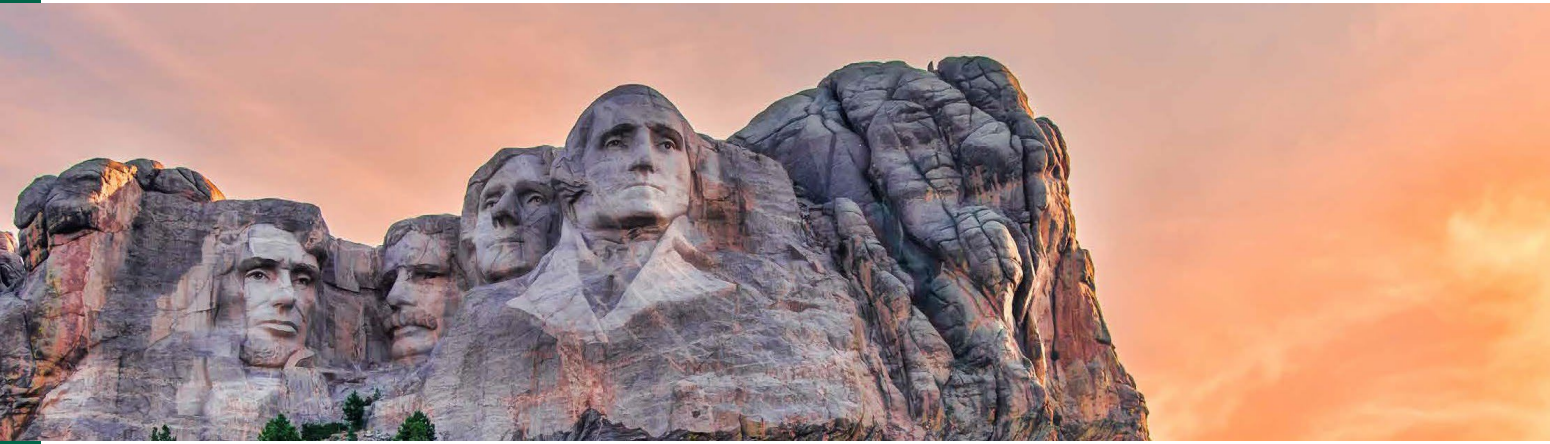
Yavapai County's higher average cost of living is driven primarily by high housing costs compared to nearby Phoenix and Tucson metro areas.

| Category | Prescott-Area | Phoenix-Area | Tucson-Area | Flagstaff-Area | National Average |
|----------------|---------------|--------------|-------------|----------------|------------------|
| Grocery | 104 | 105 | 106 | 102 | 100 |
| Housing | 139 | 114 | 95 | 131 | 100 |
| Utilities | 88 | 99 | 102 | 84 | 100 |
| Transportation | 104 | 100 | 114 | 124 | 100 |
| Health | 87 | 95 | 89 | 106 | 100 |
| Miscellaneous | 113 | 89 | 108 | 115 | 100 |
| Composite | 114 | 101 | 103 | 115 | 100 |

Source: Council for Community and Economic Research, 2023 Q2

QUESTIONS

1. Considering the Arizona Commerce Authorities industry and technology focus areas, which might be a strategic fit for Yavapai College program development? How do we address the size and cost of adding new programs?
2. What more can YC do to address the high cost of housing for its students and workforce?
3. How can YC effectively respond to job losses resulting from automation, and what strategies should we implement to provide comprehensive retraining programs for affected workers?



EDUCATION

K-12 EDUCATION TRENDS

Arizona's teacher shortage crisis persists into its eighth year, with over 6,000 classrooms either lacking a qualified instructor or having one without full credentials. An Arizona School Personnel Administrators Association survey analyzed 131 school districts and charter schools, revealing that almost 30% of teaching positions remain unfilled, with over half of these vacancies occupied by teachers not meeting standard certification. The state's challenge to retain and recruit teachers is evident; since the beginning of the school year, 583 teachers have terminated their contracts. Even with recent significant investments in K-12 education, including \$1.2 billion in the last two years, Arizona's funding lags behind by nearly \$4.5 billion annually compared to the national average. Attempts to address the issue with temporary solutions, like extending substitute teachers' roles, have yet to tackle the root problem, leading to a significant deficit in critical roles like special education paraprofessionals.¹⁵

Teacher quality impacts student preparedness, and a challenged K-12 system presents a significant barrier to recruiting top businesses and talent to the area. Recent data shows that Arizona teacher pay when adjusted for cost of living differences is ranked 50th. Arizona also ranks low (49th) on expenditures per student.

| | Arizona Ranking | Arizona Pay |
|--------------------------|-----------------|-------------|
| Teacher Pay | 50th | \$54.7K |
| Expenditures per Student | 49th | \$10,330 |

Source: Teacher Pay <https://usafacts.org/articles/which-states-pay-teachers-the-most-and-least/>

Source: Expenditures <https://www.census.gov/library/visualizations/interactive/how-did-covid-19-affect-school-finances.html>

Underprepared Students

According to ACT reports, less than a quarter of college-bound students met all four college-readiness benchmarks (English, mathematics, reading, and science).¹⁶ Underprepared students present headwinds to improving overall student success measures like retention and enrollment and can strain resources with demands for additional student support.

DIVE BRIEF

ACT scores fall for 6th straight year

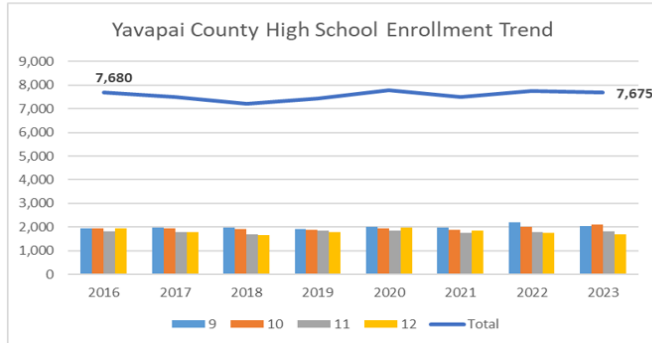
The "COVID cohort" had the highest proportion of test-takers meeting none of the ACT College Readiness Benchmarks.

Published Oct. 11, 2023

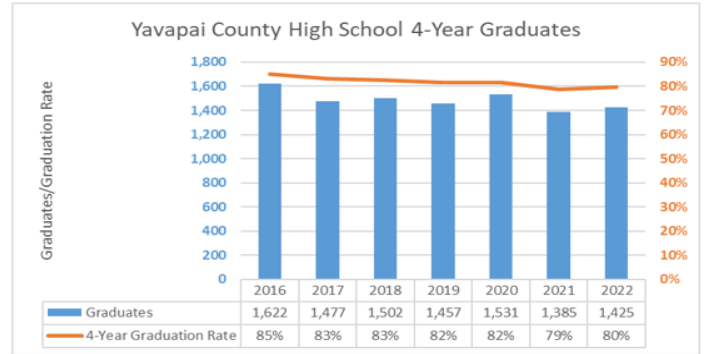
Average ACT Scores for the Graduating Class of 2022

| | English | Reading | Mathematics | Science |
|------------------------|---------|---------|-------------|---------|
| The ACT Test Benchmark | 18 | 22 | 22 | 23 |
| Arizona | 17.3 | 18.8 | 18.5 | 18.5 |

Yavapai County High School Trends



Source: Arizona Department of Education - Arizona October 1 Enrollment Figures

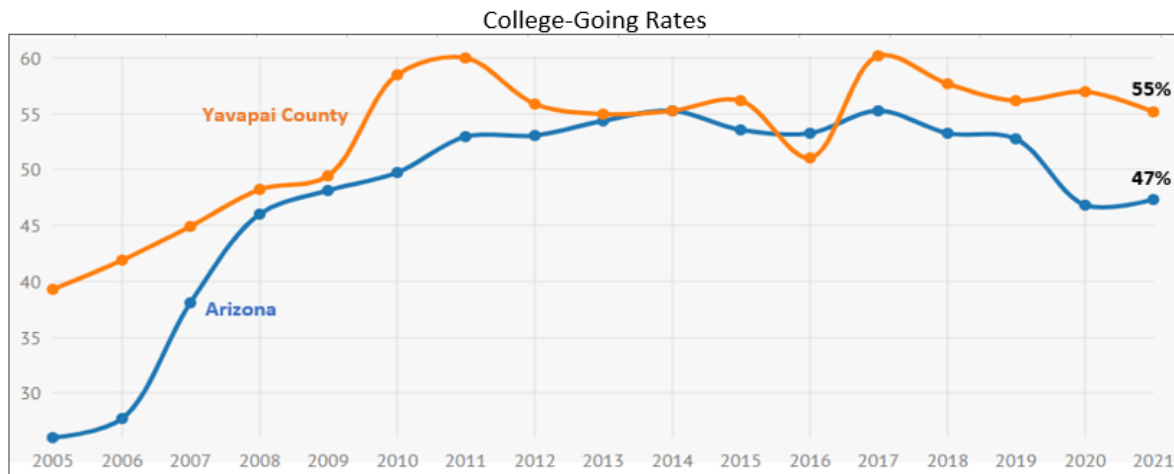


Source: Arizona Department of Education, Four-Year Graduation Rates

County high school enrollments declined slightly in 2023 compared to the prior year. This year's senior class of 1,689 students is one of the smallest over the last decade. The declining birth rates and the aging shift in net migration indicate the number of high school graduates will likely continue to decline moderately over the next five years.

The Western Interstate Commission for Higher Education projects new high school graduates to drop precipitously beginning in 2025. Declines in the Northeast and Midwest are already well underway and foreshadow graduate trends in the West.

College-going rates in Arizona have shown concerning trends. As of the data available, only 47% of Arizona high school seniors pursued post-secondary education within a year after graduating. Yavapai County continues to outperform the state college-going rate, with 55% of high school seniors pursuing higher education.¹⁷ Nonetheless, these college-going rates are alarmingly low and will negatively impact the qualified labor force needed for current and future high-wage jobs.



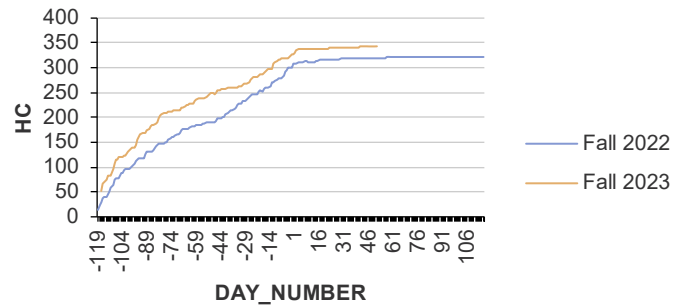
Source: Education Forward Arizona

HIGHER EDUCATION

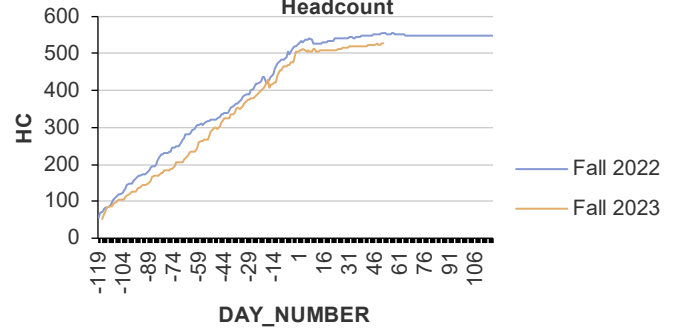
Enrollment

The fall 2023 preliminary enrollment data from the National Student Clearinghouse Research Center reveals a mixed picture for U.S. higher education, with undergraduate enrollment up by 2.1% and graduate enrollment by 0.7% across major institutional sectors. Despite these gains, there's concern due to a 3.6% drop in first-year enrollments. Short-term credentials are growing in popularity, with undergraduate and graduate certificate program enrollment increasing by 9.9% and 5.7%, respectively, while degree programs experienced more modest growth. Enrollment declines were most pronounced among White students and students aged 21-29, while all other racial groups and younger as well as older students saw increases. Geographically, most states witnessed enrollment growth, except for nine states, with Vermont experiencing the largest decrease. These insights are based on data covering about 9.6 million college students, accounting for 55% of Title IV, degree-granting colleges.¹⁸

New to Higher Education - Prior HS (YC) Headcount



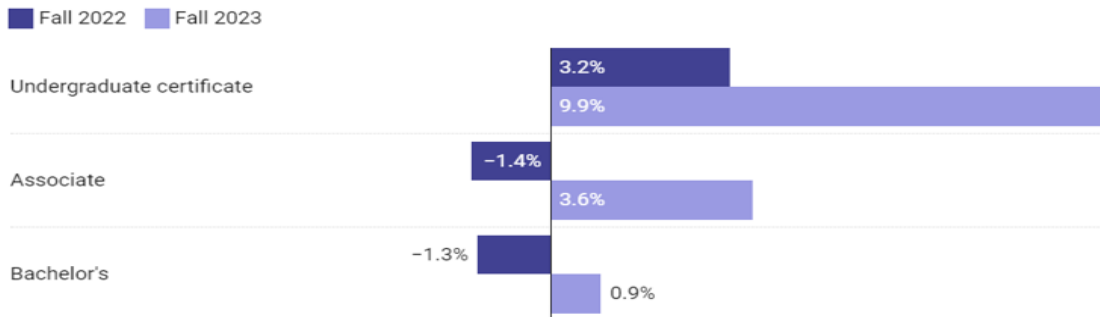
New to Higher Education - No Prior YC H.S. Headcount



Yavapai College fall 2023 enrollment is up 8.7% and 2.8% for student credit hours and students, respectively. Overall, YC's new student growth is similar to the national trend, with a minor decrease in new students. However, it is notable that recent high school graduates who participated in YC's early college programs saw an increase in year-over-year enrollment.



Year-Over-Year Percentage Change



Source: Chart Natalie Schwartz/Higher Ed Dive; Source National Student Clearinghouse Research Center

Best Practices

The American Families Plan proposed by President Biden aims to dramatically enhance retention and graduation rates in higher education, particularly targeting colleges that serve a high number of underrepresented student groups. The proposal is grounded in the context of existing effective student success practices within the U.S. higher education system, which are ripe for expansive investment. The plan highlights several proven interventions and programs, such as the Accelerated Study in Associate Programs (ASAP) at the City University of New York (CUNY), which has significantly increased associate degree completion rates through comprehensive academic, financial, and social support. Some other best practices cited include Dual Enrollment, Single Stop support service, and 13 postsecondary interventions identified by the What Works Clearinghouse.¹⁹

While Yavapai College has robust Early College programs, Promise Programs, and a Single Stop service, there are several other best practice interventions to explore that have proven to improve student outcomes. If the American Families Plan is enacted, there will also be a suggested pool of 62B dollars to help institutions fund new interventions.



Partnerships

Partnerships with the private sector, particularly in areas affecting student learning, are a growing trend in higher education. Traditionally limited to non-academic services, these collaborations are now expanding into online education and program development, driven by financial pressures and the need to adapt to workforce demands. A Chronicle of Higher Education, referencing a 2022 survey, highlights the benefits of these partnerships, such as cost reduction and meeting student needs, while cautioning against risks like loss of control over academic content. It advises institutions to assess the necessity of outsourcing carefully, involve diverse decision-makers, create detailed Requests for Proposals, negotiate protective contracts, and rigorously evaluate vendor services. The report emphasizes the controversial nature of academic outsourcing and recommends a strategic and responsible approach, ensuring that institutions maintain their core values and academic standards.



Shrinking Talent Market

Community colleges have faced a significant impact from the Great Resignation, with a 13% staff reduction from 2020 to 2022, mainly due to challenges in filling part-time positions and shortages in student services professionals. This has hindered colleges ability to maintain healthy enrollment by impacting their responsiveness to student inquiries and support for vulnerable students. The broader concern is the projected decrease of six million working-age adults by 2028, intensifying competition for talent in all sectors, including higher education. Community colleges must address key reasons for staff departures, such as inadequate wages, burnout, lack of flexible work options, and limited career advancement opportunities.²⁰



Competition

Community colleges are navigating an increasingly competitive landscape in the higher education sector. They face challenges such as lower enrollments and changing student demographics, alongside increased competition from universities that are expanding their workforce development programs. One close by example is Arizona State Universities push into workforce education with a robust menu of learner options.



Traditionally, a community college's competition might have been another nearby community college drawing from the same local population. However, with the exponential growth of distance education and changing demographics, community colleges must consider broader state, national, and even international markets. As an example of service region creep, Arizona State University, a public Arizona university, has locations in California, Hawaii, and Washington D.C.

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Long Beach City College and Arizona State University Partner to Offer Transfer Pathways with MyPath2ASU™ Collaboration

Last year, Arizona State University began piloting Associate of Arts degrees. With an aging population and shifting demographics the practice of universities offering two-year degrees is beginning to grow. Butler University, College of Mount Saint Vincent, and Loyola University are examples of institutions who have announced plans or launched associate degree programs.²¹

November 14, 2023

Universities Prepare to Launch 2-Year Colleges

The goal of the model, started at Loyola University, is to get low-income students to and through college with little to no debt.

In addition to competition from traditional higher education institutions, there is unprecedented growth of alternative content providers who offer content that is often accessible 24/7, self-paced, constantly updated, low cost, and delivered in

consumable 5 to 10-minute modules. Also, more employers recognize the value of these alternative credentials, especially for roles where practical skills are more important than academic background. Companies like Google, Apple, and IBM have been noted for hiring candidates without traditional college degrees if they possess the necessary skills and experience.²²

Another significant trend influencing competition is the shift in what is valued in education; there's a growing emphasis on skills over traditional degrees. Employers now seek graduates with immediately applicable skills for career advancement, resulting in a resurgence of career and technical education. This trend could benefit Yavapai College as career and technical programs rely more on in-person learning.



Outlier.org



QUESTIONS

1. Given our older community demographics, does YC need to consider shifting some full-time jobs into part-time to attract the wealth of skilled retirees in the area?
2. Considering costs and labor constraints, how might we partner with OLLI to create mentor roles to supplement advisors? How might we create student mentor opportunities to provide students with some service learning opportunities?
3. As capital resources dwindle throughout the education sector, how can we further enhance partnerships with CTEDs and K-12s for shared facilities?
4. Are there any academic or non-academic services we should consider finding a partner to help us?
5. How can we expedite proven best practices identified in the American Families Plan to improve student outcomes?
6. Considering the Arizona Commerce Authorities industry and technology focus areas, which might be a strategic fit for Yavapai College program development? How do we address the size and cost of adding new programs?



TECHNOLOGY

DATA ANALYTICS

Colleges and universities must embrace a comprehensive data analytics strategy that prioritizes actionable insights to enhance student services and inform strategic decisions proactively. This includes fostering a shared culture of data literacy, embracing a maturity model for data utilization, and adhering to principles that ensure data is timely, consistent, trusted, relevant, and interactive. Institutions should also build key competencies across governance, culture, analytics, literacy, and technology. Emphasizing actionable data, these trends move towards integrating and enriching institutional data with external sources to drive informed decision-making and support the overall mission of higher education institutions.²³ Key focus areas should include:

- Implement a Data and Analytics Maturity Model to move from basic operational reporting to more sophisticated strategic analytics that can inform planning, predicting, and understanding institutional dynamics.
- Adhere to guiding principles for data use, emphasizing the importance of data being timely, consistent, trusted, relevant, interactive, connected, accessible, and actionable.

- Focus on actionable data that can provide insights to inform strategy and guide institutional actions rather than just describing past events.
- Foster a culture of data literacy, ensuring data is used consistently and transparently across the institution, with a need for data governance to manage the ownership and accessibility of data.
- Establish key competencies in data governance, culture, analytics, literacy, reporting, technology, and people management to support informed decision-making.

ARTIFICIAL INTELLIGENCE

Artificial Intelligence (AI) is becoming a transformative force in higher education, offering opportunities and challenges. AI's capabilities, including machine learning, deep learning, and natural language processing, are extending human abilities to solve complex problems and are increasingly integrated into various aspects of higher education. AI tools are being used in routine activities, such as administrative tasks, teaching support through personalized tutoring and content generation, learning support with self-service chatbots and performance prediction, and research support by analyzing large data sets.

To navigate the future of AI in higher education, institutions need a strategic approach that includes campus wide discussions on AI's impact, an understanding of its promises and limitations, and transparent dialogues addressing data-related issues and ethical governance frameworks. This approach will help harness AI to advance teaching, learning, and research while mitigating risks and ethical concerns.

TOP HIGHER EDUCATION TECHNOLOGY TRENDS

The landscape of higher education is undergoing a significant transformation, shaped by the rapid evolution of technology. In 2023, institutions are grappling with the imperative of reinforcing data security, adapting to hybrid and remote work models, and enhancing data-driven decision-making. The rise of digital learning platforms is revolutionizing traditional pedagogies, while the integration of Artificial Intelligence (AI) promises a more tailored educational experience. Moreover, the sharpening focus on workforce partnerships, cybersecurity compliance, and global access to education underscores a pivotal shift toward a more interconnected, tech-savvy academic environment.²⁴ These trends indicate a future where technology not only supports but actively shapes the trajectory of higher education.

Top technology trends:

1. **Data Security and Personal Privacy**— There's an increasing need for data security and protection against threats to personal privacy in higher education institutions. Cybersecurity challenges will demand a critical culture change, with updates



to processes and compliance necessary to protect against threats and vulnerabilities.

2. **Hybrid and Remote Work Arrangements**—Continued adoption and normalization of hybrid and remote work arrangements are becoming more common.
3. **Hybrid and Online Learning**—The continuation and normalization of hybrid and online learning are trends that are expected to persist, with institutions expanding their online and hybrid offerings.
4. **Digital Transformation**—The digital transformation of higher education is expanding, leveraging technologies to improve educational delivery and institutional operations.
5. **Personalized Student Experience**— Artificial Intelligence (AI) will drive a more personalized student experience, with machine learning models identifying when students need interventions and providing personalized tools for success.

6. **AI in Teaching and Learning**—AI's role in teaching and learning is being reevaluated, with educators using instructional AI tools to coach students dynamically and enhance the learning process.

These trends reflect a higher education sector increasingly reliant on technology to enhance security, improve student experiences, and adapt to a changing world.

QUESTIONS

1. How do we foster a culture of data literacy to ensure the actionable use of data for informed decision-making?
2. How do we integrate AI into YC's business processes and the classroom? Are there resources for continuous learning and adaptation as AI technologies evolve?
3. With the advancement of large language models, how will the college ensure compliance with educational and data protection regulations?

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