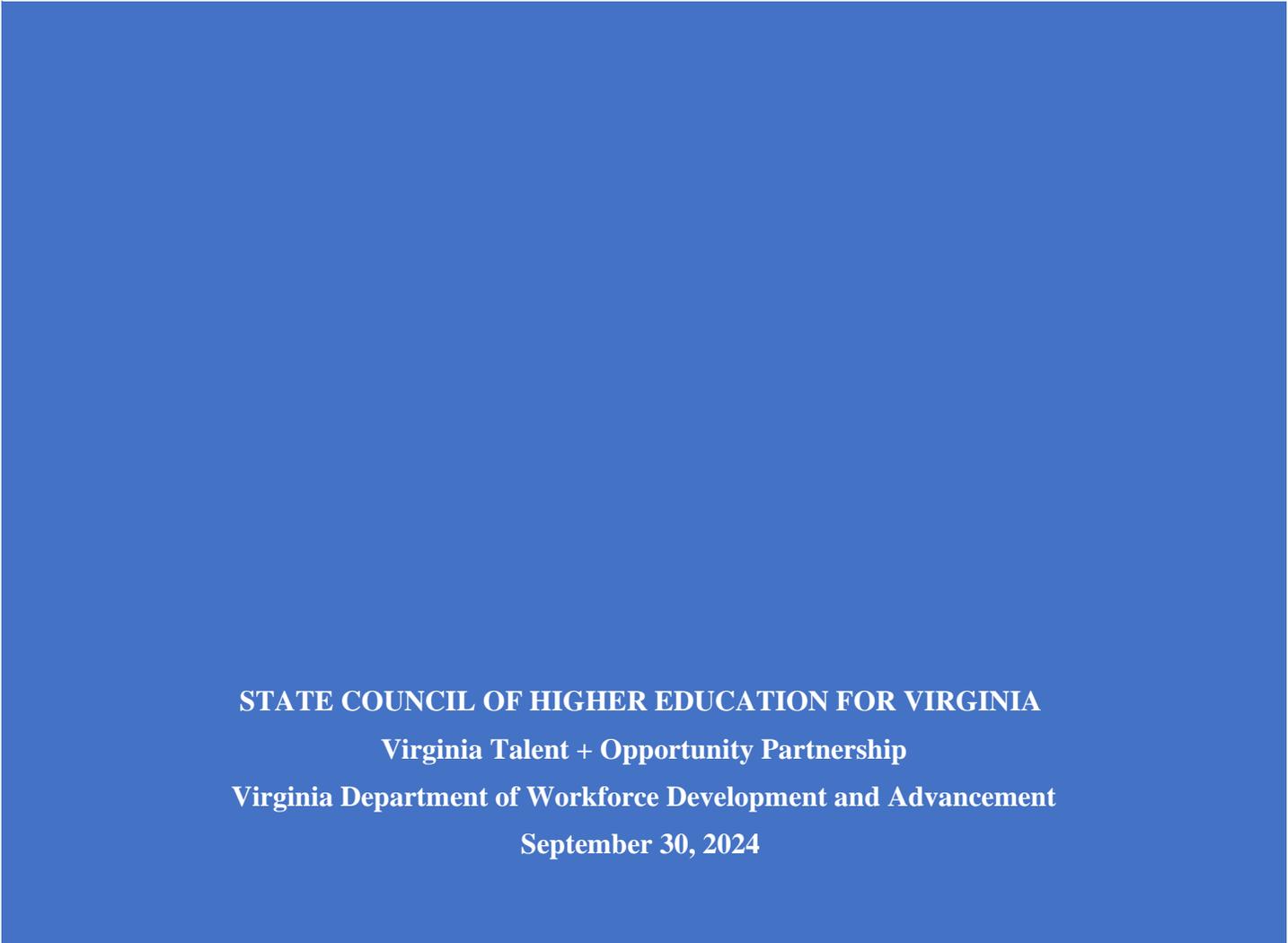




2024 ANNUAL PROGRESS REPORT



STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA
Virginia Talent + Opportunity Partnership
Virginia Department of Workforce Development and Advancement
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Executive Summary

This annual report from the Innovative Internship Program and Fund, aka the Virginia Talent + Opportunity Partnership (V-TOP) provides a comprehensive overview of the program's progress in FY 2024 on internships and work-based learning outcomes. It includes the types and totals of students and employers, and it provides a detailed account of the program's progress, current activities, and next steps.

As enacted during the 2023 legislative session, [§ 2.2-2037](#) stipulates and requires:

The Virginia Department of Workforce Development and Advancement and the State Council of Higher Education for Virginia shall jointly develop and implement strategies and collaborate with employers and higher education institutions to grow and expand the Innovative Internship Program established pursuant to [§ 23.1-903.4](#). The strategy shall include key measures of success, and they shall jointly develop an annual progress report that shall include information on the number of students placed in internship programs, the type of internship programs, and the number and type of participating employers. The report shall be delivered to the General Assembly, the Secretary of Education, and the Secretary of Labor annually by September 30.

The partnership between the State Council of Higher Education for Virginia (SCHEV), the Virginia Chamber Foundation, and the Virginia Business Higher Education Council (VBHEC) continues to focus on expanding paid and credit-bearing internship opportunities. V-TOP's mission aligns with Virginia's broader goals of increasing postsecondary credential attainment and fostering economic growth by preparing a skilled workforce.

Key highlights of the report include the continued increase in student participation in credit-bearing internships, with 23,103 students completing these internships during the 2022-2023 academic year—a notable increase from previous years. Additionally, the report underscores the importance of addressing disparities in internship access.

Through grassroots outreach, V-TOP successfully engaged 149 employers, resulting in 83 students placed in internships across 20 Virginia institutions. Implementing a statewide staffing agency and matching grants to support small to midsize businesses has also been a pivotal strategy in expanding internship opportunities.

In the future, V-TOP is set to continue growing with new state funding to further expand paid internships. The program will prioritize scaling efforts across Virginia to ensure that every graduate from a four-year institution has access to at least one paid or credit-bearing internship. These initiatives will support the state's commitment to talent retention and economic prosperity for students.

Program Overview

In 2018, the Virginia General Assembly appropriated funding to the State Council of Higher Education for Virginia (SCHEV) to stimulate public colleges and universities to develop partnerships to provide innovative paid internship opportunities for their students. In 2019, the effort was expanded and enacted into law as the Innovative Internship Fund and Program. In 2020, through a partnership with the Virginia Chamber Foundation, the program was rebranded as the Virginia Talent + Opportunity Partnership (V-TOP).

The [Virginia Talent + Opportunity Partnership](#) (V-TOP) is an established partnership between SCHEV, the Virginia Chamber Foundation, and the Virginia Business Higher Education Council (VBHEC). As specified in statute, the two-fold **purpose** of the V-TOP program is: (i) to **expand paid and credit-bearing** student internships and other work-based learning opportunities in collaboration with Virginia employers; and (ii) to **facilitate the readiness** of students, employers, and institutions of higher education to participate in internship and work-based learning. This report describes V-TOP's emphasis on the three stakeholders and the impact of these opportunities and resources.

V-TOP is making significant strides in contributing to talent retention in the Commonwealth. Implementing resources to expand internships and work-based learning opportunities for postsecondary graduates aligns with the state's goal of equipping 70% of the adult population with a postsecondary credential by 2030. This effort ensures the availability of a strong talent pool for employers in the Commonwealth.

Credit-Bearing Internships

One method to track internships and work-based learning activities is through course-level student participation. Course-level or credit-bearing internships allow students to obtain course credit to participate in an internship. Guidelines for course-level internships vary by institution, degree program, and major. Faculty or staff members of record lead these courses in collaboration with employers. Two-year and four-year public and nonprofit private institutions in Virginia submit course-level and student-level data to SCHEV annually. V-TOP works with the SCHEV Policy Analytics team to identify internship courses using a course-type tag or title that includes "internship" or a similar variation.

SCHEV and V-TOP recently issued a report, [Credit-Bearing Internships: Fast Facts from Academic Year 2022-2023](#), which focuses on work-based, experiential, course-related learning at 57 institutions in Virginia. During academic year 2022-2023, a total of 23,103 students completed a credit-bearing internship. This number represents an increase from the pandemic-affected years, which experienced 19,455 completions in AY 2020-2021 and a modest recovery to 21,228 in the 2021-2022 academic year [See Figure 1]. This information is reported annually to the Virginia Works Workforce Metrics, a tool for collecting metrics across programs involved in workforce development at the state level.

Academic Year	Credit-Bearing Internship Outcomes
2020-2021	19,455
2021-2022	21,228
2022-2023	23,103

Figure 1. Results from credit-bearing internship

The report on credit-bearing internships provides a baseline for understanding this type of internship activity. However, the current design and reporting structure do not include information about participating employers, industry types, geographic locations of an internship, or wage information. These omissions limit the overall comprehensiveness of this type of internship activity.

Nonetheless, the report on the outcomes of credit-bearing internships provides valuable insights into work-based, experiential learning in Virginia.

- Of the 23,103 students who completed a course-level internship in academic year 2022-2023, 54% were undergraduates, and 46% were graduate students. Roughly 39% of for-credit internship completers did so in the spring semester, with 35% in the fall and 20% in the summer. Other research indicates that internships completed during the spring and fall academic terms – i.e., most internships – are likely to be unpaid experiences. Paid internships, whether for credit or not, provide access and opportunities for students to engage in these practical experiences without obstacles.
- 71% of students in an undergraduate classification completed a course-level internship during their senior year; 14%, in their junior year; 12%, during their second year; and 3%, in their first-year experience.
- The number of students completing an internship increased by 8% from academic year 2021-2022 to 2022-2023. This increase shows a steady uptick of student engagement in course-level internships.
- 70% of students who identified as females and 30% who identified as males completed a credit-bearing internship, raising concerns about gender disparities. Further, stakeholders and institutions across the state indicate that many underrepresented students cannot afford to participate in an internship. Taking on a temporary paid or unpaid internship can significantly strain students' ability to cover daily living expenses, especially for those already balancing full-time work and school. This added financial burden makes it challenging for them to meet basic needs such as rent, food, and transportation. The National Association of Colleges and Employers (NACE) reports inequalities in student participation in an internship. Women, Black, Hispanic, and first-generation students lead in limited access to paid internships. SCHEV/V-TOP aims to address these disparities in Virginia by expanding the types of internships and work-based learning activities available to meet the needs of all students.

Redesigning the data-reporting structure to capture additional information about wages, employers, etc, would be a major undertaking for SCHEV, requiring two to three years of development, testing, and implementation. In the meantime, SCHEV/V-TOP has implemented other strategies to capture internship information, such as a statewide staffing agency and grants to institutions for student support and data collection.

Additionally, the results of the credit-bearing report point to the need for variety and flexibility in internship options, such as for-credit, non-credit, zero-credit, and micro-internships. SCHEV and V-TOP acknowledge the complexities of tracking and implementing universal practices in internship programs. Moreover, V-TOP is committed to supporting institutions and employers in their efforts to expand opportunities for students in both traditional and innovative ways.

Statewide Staffing Agency + Matching Grants

V-TOP is committed to expanding internship and work-based learning opportunities for students. One way to facilitate this growth is through the support of a statewide staffing agency service. V-TOP has contracted with iQuasar, a Northern Virginia company with 18+ years of experience providing recruitment, IT solutions, and digital marketing for public and private small- and medium-sized businesses and government contractors. The staffing agency's support provides:

- A centralized system for tracking internship placement activities.
- Small businesses with hiring and recruitment assistance.
- A consistent cadence for processing student payroll.

The [statewide staffing agency](#) assists small to midsize employers with their recruitment and hiring needs. Small businesses in Virginia that employ 250 or fewer personnel and that have limited-to-no internal human-resource functions can receive assistance from the staffing agency in recruiting and onboarding students for internship opportunities. In addition, Virginia-based small businesses with 150 or fewer employees may be eligible for a matching grant of 50% of a student's wage plus FICA and any subsidies, such as housing, transportation, clothing, or meal allowances. To qualify, a business must: (i) be registered with the Virginia State Corporation Commission; (ii) be a non-profit or for-profit organization; and (iii) complete a training session on [Developing an Internship Program](#).

Statewide staffing agency internship outcomes

The statewide staffing agency services and matching grants started in August 2023. V-TOP engaged with employers by facilitating statewide presentations, bi-weekly virtual information sessions, and outreach through our partners and regional collaborative grantees. These regional grantees, primarily led by public institutions and following the GO Virginia model, are at the helm of deploying V-TOP's resources. Regional grantees collaborate with stakeholders such as PK-12, public and private colleges and universities, regional chambers of commerce and economic development partnerships, industry groups, employers, higher education centers, and other relevant organizations. In addition, they aim to support regional markets by connecting employers with students for internship and work-based learning opportunities at their organization.

As a result of these grassroots outreach efforts, V-TOP engaged 149 employers in the statewide staffing agency between August 2023 and September 2024. These 149 employers placed 83 students (representing 20 Virginia institutions) in internships. Of the 20 institutions of higher education, 13 were public, and seven were private. The initial success of the matching grants emphasizes the opportunity for further collaboration with employers to scale up efforts. Still, the participation and placement of 83 students from 20 Virginia institutions reflects a positive response from students across institutions of higher education.

Internship Types

Small businesses offered non-credit internship opportunities to students through the statewide staffing agency and matching grants. Unlike credit-bearing internships, non-credit internships do not require students to pay tuition or fees to participate. Although students did not earn academic credit for these experiences, students were afforded practical work experience in the field. Most students located/secured these non-credit internship experiences through their institution's career platforms, such as Handshake or Symplicity, or mainstream career search engines like Indeed or LinkedIn. The statewide staffing agency provides a method to track student outcomes and serves as a resource to institutions that are typically unaware of students' participation in these non-credit internships.

Participating Employers

Employers that used the staffing agency for back-office human-resources support to streamline the hiring process and for marketing and advertising support for talent acquisition represented numerous industries, including Business Administration, Engineering, Healthcare, Hospitality, Information Technology, Marketing, and Skilled Trades. They paid their interns an average wage of \$16 per hour, which exceeds the state's minimum wage standard. Participating small-to-midsize employers received over \$50,000 in match payments in FY2024 to help cover student wages.

Grants to Support Institutions with Internship Outcomes

V-TOP received feedback from many institutions about students' challenges when participating in internships and work-based learning activities. Funding sources may vary among institutions; some may be more heavily resourced than others. However, similar challenges persist, such as insufficient access to paid internships and work-based learning activities, particularly for underrepresented students. In addition, many institutions lack the resources to eliminate barriers to student participation or to acquire and maintain systems for tracking internship participation. In response to these challenges, SCHEV/V-TOP administered two grant solicitations for public four-year institutions of higher education: (i) Institutional Student Support Grants to help remove barriers that students face in participating in internship and work-based learning activities; and (ii) Institutional Data Collection Grants to assist institutions in tracking the outcomes of these experiences.

Data Collection Grants

In fiscal year 2024, SCHEV/V-TOP awarded 12 data collection grants to public four-year institutions, totaling \$1.15 million. These awards align with V-TOP's statutory purpose of providing grants to institutions to expand paid and credit-bearing internships and work-based

learning experiences. The primary focus of this grant program is to assist institutions in collecting, compiling, and reporting data on students' internship experiences. These experiences involve for-credit, non-credit, zero-credit, and transcriptable activities. Additionally, these grants provide an opportunity to capture other aspects of internship experiences at the institutional level across the state.

SCHEV/V-TOP looks forward to receiving the annual progress reports from these 12 institutions in fiscal year 2025. The findings from these grants can provide valuable insights for further analysis and decision-making about tracking internship and work-based learning. Furthermore, institutions can leverage these outcomes to implement data collection and reporting practices across their institutions.

Institutional Internship Data Collection grants (up to \$100,000 each) were awarded in FY 2024 to 12 public four-year institutions to assist in collecting, compiling, and reporting data on students' internship experiences. The recipients were: JMU, LU, NSU, ODU, RU, UMW, UVA, UVA-W, VCU, VMI (\$55,000), VT, and W&M.

Student Internship Support Grants

During fiscal year 2024, SCHEV/V-TOP also successfully awarded 12 student-support grants to public four-year institutions, totaling \$1.2 million. These awards align with V-TOP's statutory purpose of providing grants to institutions, which were used to help remove barriers to students participating in internship and work-based learning opportunities. Many of the institutions proposed to offer stipends to fund unpaid internships, transportation assistance, professional clothing attire or uniforms, and housing assistance.

Institutions must provide an annual progress report of the outcomes of this grant award within 30 days after the performance period. SCHEV/V-TOP anticipates hearing more about the outcomes and barrier remediation provided to support students in internships in fiscal year 2025. Understanding the outcomes of these grants can help key stakeholders and institutions recognize the value of implementing resources and infrastructure to help students overcome barriers to employment and insecurities that may occur during internships and work-based learning activities.

Institutional Award for Student Internship Support grants (\$100,000 each) were awarded in FY 2024 to 12 public four-year institutions to assist students in removing barriers to participation in internship programs. The awardees were: CNU, JMU, LU, NSU, ODU, RU, UMW, UVA, UVA-W, VCU, VMI and VT.

Future Strategies

Virginia's 2024-2026 biennial budget appropriates [additional funds](#) to the Innovative Internship Fund and Program (i.e., the Virginia Talent + Opportunity Partnership). The budget language reads:

*As a condition of this appropriation, \$12,000,000 from the first year and \$14,500,000 from the second year from the general fund is designated for the Innovative Internship Fund and Program, § 23.1-903.4, Code of Virginia. The funding is designed to **expand paid or credit-bearing student internships** and other work-based learning opportunities in collaboration with Virginia employers.*

The new appropriation emphasizes three essential areas:

1. **Institutional grants** are to be awarded to support initiatives expected to demonstrate increased student participation in paid internship programs and work-based learning opportunities.
2. **Matching grants** may be provided to small and midsize Virginia-based employers that agree to provide paid internships according to criteria established by SCHEV in consultation with the Virginia Department of Workforce Development and Advancement [VDWDA or Virginia Works] and V-TOP.
3. **A promotional and marketing plan** is to be developed and executed by SCHEV, through V-TOP, and in consultation with the VDWDA and other stakeholders, to raise awareness and foster expanded internship programs and participation by business and nonprofit organizations.

The scaling-up of internship efforts across the state is highly important. The recent budget language supports the "big goal" of every graduate of a four-year institution having participated in at least one paid or credit-bearing internship or work-based learning (WBL) opportunity. The VBHEC convened three workstream meetings with SCHEV, V-TOP, VCF, institutional leaders, and other stakeholders from state agencies, the business community, and educational policy organizations to recommend how efforts could be scaled.

The Virginia Talent + Opportunity Partnership is working with the V-TOP regional grantees, partners, and stakeholders across the state to update them on the changes to the matching grant criteria. Preparation is underway to procure a marketing firm to increase marketing and awareness about matching grants and resources through the initiative. In late September 2024, V-TOP hosted an informational webinar about the grants to institutions. With the many changes and rollout of efforts, much anticipation exists around future outcomes, which will contribute to the commitment to a skilled workforce and talent retention.

V-TOP is developing and refining metrics for the data described in statute. Although current data collection and reporting methods may not align perfectly with the legislation's directive, staff are enthusiastic about the progress made. SCHEV and V-TOP are committed to collaborating with Virginia Works to enhance collaborations with employers. The aim is to provide a more comprehensive and accurate view of the outcomes related to internships and work-based learning and to implement updates to data collection and reporting processes that will conform to the legislation's expectations. The outcomes from this approach are anticipated to provide a more precise and insightful picture of the impact of all internships and work-based learning opportunities in the Commonwealth.